

Notice: This Document Contains 2 Proposals



Honeycomb Programs Inc.  
141 W Jackson Blvd Suite 1510A  
Chicago, IL 60604

## Your Non-Admitted Honeycomb Specialty Quote

Dear 1294 PIEDMONT APARTMENTS OWNER, LLC,

Below is your customized insurance quote and coverage overview.

If you have any questions please contact your broker, John Streer at (877) 415-8901.

### Quote Details

**Policy Type:** Commercial Property Package  
**Insurance Company:** Specialty Builders Insurance Company  
**Business Type:** Apartment Building  
**Annual Cost:** \$ 7,902.87  
**Quote Valid Until:** 07/01/2026 or effective date whichever comes sooner  
**Proposal Number:** BQ517090-20210203

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**Named Insured:** 1294 PIEDMONT APARTMENTS OWNER, LLC  
**Agency Name:** John Snellings Insurance Agency, Inc.  
**Producer Name:** John Streer  
**Policy Effective Date:** 04/30/2026 \*Standard time zone at property location  
**Policy Expiration Date:** 04/30/2027 \*Standard time zone at property location

### Property Information

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**Address:** 1294 Piedmont Ave NE, Atlanta, GA 30309, USA



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## COVERAGE & LIMITS

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### POLICY COVERAGE

#### (Section I - Commercial Property)

### LIMIT OF INSURANCE

#### Building 1: (Blanket)

Limit	\$ 2,100,000
Valuation	Replacement Cost
Coinsurance	Waived
Roof Valuation	Replacement Cost

#### Building 2: Detached Garage(s) Blanket

Limit	\$ 0
Valuation	Replacement Cost
Coinsurance	Waived
Roof Valuation	Replacement Cost

#### Business Personal Property Blanket

Valuation	\$ 0
Coinsurance	Replacement Cost
	90%

#### Business Income And Extra Expense Blanket:

Rental Value	\$ 230,000
Coinsurance	100%
Dependent Properties	See In Hexagon Sch.
Increased Period Of Restoration	Not Covered
Post Loss Ordinance Or Law	Not Covered
Extended Period of Indemnity	60 Days

#### Covered Causes of Loss

Inflation Guard	Special Form
Certified Terrorism Coverage	See In Hexagon Sch.
Ordinance or Law A	Covered
Ordinance or Law B	See In Hexagon Sch.
Ordinance or Law C	See In Hexagon Sch.
Hexagon Coverage	Covered

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Property Premium: **\$ 5,241.96**



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**(Section II - Commercial General Liability)**

General Aggregate Limit	\$ 2,000,000
Products Completed Options Aggregate Limit	\$ 2,000,000
Each Occurrence Limit	\$ 1,000,000
Damage to Premises Rented to You	\$ 100,000 Any one premise
Medical Expense Limit	\$ 5,000 Any one person
Personal and advertising injury limit	\$ 1,000,000 Any one person or organization

General Liability Premium: \$ 995.23

**NOTEWORTHY ATTACHED FORM(S)**

Forms shown do not reflect all forms that will be attached. Refer to Forms List included in the Submission Proposal.

Form Name	Form Number
Windstorm Or Hail Percentage Deductible	CP0321OV

## GENERAL LIABILITY SUB-LIMIT(S)\*

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### LIMIT OF INSURANCE

\*The total Limit of Insurance as shown in the Declarations is subject to the following sub-limit(s). The sub-limit(s) shown is a limit or amount per occurrence and in aggregate for all occurrences. The sub-limit(s) shown are included in and do not increase the Limit of Insurance shown in the Declarations.

## PROPERTY SUB-LIMIT(S)\*\*

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### LIMIT OF INSURANCE

\*\*The total Limit of Insurance as shown in the Declarations is subject to the following sub-limit(s). The sub-limit(s) shown is a limit or amount per occurrence. The sub-limit(s) shown are included in and do not increase the Limit of Insurance shown in the Declarations. We will not, in any case, exceed this sub-limit(s) in one disaster, casualty or event, no matter how many locations are involved.



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## DEDUCTIBLES\*

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All Other Perils	\$ 5,000
Windstorm or Hail	2%
Water Damage	\$ 5,000
Business Income	72hrs
Equipment Breakdown Direct/Indirect	\$ 5,000 / 72hrs

\*The following per occurrence deductibles apply unless a different or more specific deductible is indicated within this Declarations or by an endorsement.



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## OPTIONAL COVERAGES & LIMITS

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<u>POLICY COVERAGE</u>	<u>LIMIT OF INSURANCE</u>
Water Back-Up/Sump Overflow	\$ 50,000
Equipment Breakdown	\$ 2,100,000
Employee Benefits Liability	Not Covered
Hired and Non-Owned Auto	\$ 1,000,000
Directors & Officers	Not Covered

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Optional Coverages Premium: \$ 670.91



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## PREMIUM BREAKDOWN

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Commercial Property Coverage Part	\$ 5,128.71
General Liability Coverage Part	\$ 992.86
Optional Coverage Premium	\$ 670.91
Water Back Up/Sump Overflow	\$ 175.00
Equipment Breakdown	\$ 135.91
Hired Non-Owned Auto	\$ 360.00
Certified Terrorism Coverage Premium	\$ 115.62
Program Fee**	\$ 690.81
Surplus Lines Tax (4.00%)	\$ 303.96
<b>TOTAL:</b>	<b>\$ 7,902.87</b>

Certified Terrorism Coverage Premium \$ 115.62 (Included in Total Premium)

\*\* Program fees are non-refundable at any time including but not limited to if policy is cancelled at a later date. Where applicable, installment fees, convenience fees and other fees may not be eligible for a refund if policy is cancelled at a later date.

\*\*\* If the named insured elects to cancel the policy after the first 3 months it has been in effect but before the expiration date, a Short-Rate Cancellation Fee of 20% of the remaining unearned premium will apply.

For Example: If the policy's annual premium is \$12,000 and the named insured cancels with 8 months remaining, the unearned premium would be \$8,000, resulting in a Short-Rate Cancellation Fee of \$1,600.

Exception: The Short-Rate Cancellation Fee will not apply if the named insured provides documented proof of selling the insured location.

In avoidance of doubt, if insured elects to cancel the policy in the first 3 months since the policy has been in effect, a Minimum Earned Premium of 25% would be applicable.

**Policy is subject to a 25% minimum earned premium.**



## Payment Installment Options

Total Policy Premium: \$ 7,212.06

Program Fee: \$ 690.81

Surplus Lines Taxes and Fees: \$ 994.77

Payment Plan	Payment Due Date	Payment Amount	Total Amount Due
Full Payment	21 days from binding	\$ 6,908.10 \$ 690.81 (Program Fee) \$ 994.77 (Surplus Lines Taxes and Fees)	\$ 7,902.87
	<b>Total</b>	<b>\$ 7,902.87</b>	<b>\$ 7,902.87</b>
Semi Annual (2 Payments)	21 days from binding	\$ 3,454.05 \$ 690.81 (Program Fee) \$ 994.77 (Surplus Lines Taxes and Fees)	\$ 4,463.82
	180 days from binding	\$ 3,454.05	\$ 3,469.05
	<b>Total</b>	<b>\$ 7,902.87</b>	<b>\$ 7,932.87</b>
Quarterly (4 Payments)	21 days from binding	\$ 2,072.43 \$ 690.81 (Program Fee) \$ 994.77 (Surplus Lines Taxes and Fees)	\$ 3,082.20
	90 days from binding	\$ 1,611.89	\$ 1,626.89
	165 days from binding	\$ 1,611.89	\$ 1,626.89
	240 days from binding	\$ 1,611.89	\$ 1,626.89
	<b>Total</b>	<b>\$ 7,902.87</b>	<b>\$ 7,962.87</b>
9 Payments	21 days from binding	\$ 2,072.43 \$ 690.81 (Program Fee) \$ 994.77 (Surplus Lines Taxes and Fees)	\$ 3,082.20
	50 days from binding	\$ 604.45	\$ 619.45
	80 days from binding	\$ 604.46	\$ 619.46
	110 days from binding	\$ 604.46	\$ 619.46
	140 days from binding	\$ 604.46	\$ 619.46
	170 days from binding	\$ 604.46	\$ 619.46
	200 days from binding	\$ 604.46	\$ 619.46
	230 days from binding	\$ 604.46	\$ 619.46
	260 days from binding	\$ 604.46	\$ 619.46
<b>Total</b>	<b>\$ 7,902.87</b>	<b>\$ 8,037.87</b>	

Installment and Program Fees are non-refundable at any time including if the policy is cancelled.

\* Mortgagee/Escrow Bill must be selected and Mortgageholder must be scheduled.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE**

This endorsement modifies insurance provided under the following:

- BUILDERS RISK COVERAGE FORM
- BUILDING AND PERSONAL PROPERTY COVERAGE FORM
- CONDOMINIUM ASSOCIATION COVERAGE FORM
- CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
- STANDARD PROPERTY POLICY
- TOBACCO SALES WAREHOUSES COVERAGE FORM

**SCHEDULE**

<b>Premises Number</b>	<b>Building Number</b>	<b>Windstorm Or Hail Deductible Percentage – Enter 1%, 2% Or 5%</b>
1294 Piedmont Ave NE, Atlanta, GA 30309, USA	1	2%

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The Windstorm or Hail Deductible, as shown in the Schedule and set forth in this endorsement, applies to covered loss or damage caused directly or indirectly by Windstorm or Hail. This Deductible applies to each occurrence of Windstorm or Hail.

Nothing in this endorsement implies or affords coverage for any loss or damage that is excluded under the terms of the Water Exclusion or any other exclusion in this policy. If this policy is endorsed to cover Flood under the Flood Coverage Endorsement (or if you have a flood insurance policy), a separate Flood Deductible applies to loss or damage attributable to Flood, in accordance with the terms of that endorsement or policy.

As used in this endorsement, the terms "specific insurance" and "blanket insurance" have the following meanings: Specific insurance covers each item of insurance (for example, each building or personal property in a building) under a separate Limit of Insurance. Blanket insurance covers two or more items of insurance (for example, a building and personal property in that building, or two buildings) under a single Limit of Insurance. Items of insurance and corresponding Limit(s) Of Insurance are shown in the Declarations.

**WINDSTORM OR HAIL DEDUCTIBLE CALCULATIONS**

**A. Calculation Of The Deductible – All Policies**

1. A Deductible is calculated separately for, and applies separately to:
  - a. Each building that sustains loss or damage;
  - b. The personal property at each building at which there is loss or damage to personal property; and
  - c. Personal property in the open.

If there is damage to both a building and personal property in that building, separate deductibles apply to the building and to the personal property.

2. We will not pay for loss or damage until the amount of loss or damage exceeds the applicable Deductible. We will then pay the amount of loss or damage in excess of that Deductible, up to the applicable Limit of Insurance, after any reduction required by any of the following: Coinsurance Condition; Agreed Value Optional Coverage; or any provision in a Value Reporting Form relating to full reporting or failure to submit reports.

3. When property is covered under the Coverage Extension for Newly Acquired Or Constructed Property: In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to a percentage of the value(s) of the property at time of loss. The applicable percentage for Newly Acquired Or Constructed Property is the highest percentage shown in the Schedule for any described premises.

**B. Calculation Of The Deductible – Specific Insurance Other than Builders' Risk**

**1. Property Not Subject To Value Reporting Forms**

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Schedule) of the Limit(s) of Insurance applicable to the property that has sustained loss or damage.

**2. Property Subject To Value Reporting Forms**

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the latest value(s) shown in the most recent Report of Values on file with us.

However:

- a. If the most recent Report of Values shows less than the full value(s) of the property on the report dates, we will determine the deductible amount as a percentage of the full value(s) as of the report dates.
- b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the applicable Limit(s) of Insurance.

**C. Calculation Of The Deductible – Blanket Insurance Other Than Builders' Risk**

**1. Property Not Subject To Value Reporting Forms**

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is that shown in the most recent Statement of Values on file with us.

**2. Property Subject To Value Reporting Forms**

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Schedule) of the value(s) of that property as of the time of loss or damage.

**D. Calculation Of The Deductible – Builders' Risk Insurance**

**1. Builders' Risk Other Than Reporting Form**

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Schedule) of the actual cash value(s) of that property as of the time of loss or damage.

**2. Builders' Risk Reporting Form**

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the actual cash value(s) shown in the most recent Report of Values on file with us.

However:

- a. If the most recent Report of Values shows less than the actual cash value(s) of the property on the report date, we will determine the deductible amount as a percentage of the actual cash value(s) as of the report date.
- b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the actual cash value(s) of the property as of the time of loss or damage.

**Examples – Application Of Deductible**

**Example 1 – Specific Insurance (B.1.)**

The amount of loss to the damaged building is \$60,000.

The value of the damaged building at time of loss is \$100,000. The Coinsurance percentage shown in the Declarations is 80%; the minimum Limit of Insurance needed to meet the Coinsurance requirement is \$80,000 (80% of \$100,000).

The actual Limit of Insurance on the damaged building is \$70,000.

The Deductible is 1%.

Step (1):  $\$70,000 \div \$80,000 = .875$

Step (2):  $\$60,000 \times .875 = \$52,500$

Step (3):  $\$70,000 \times 1\% = \$700$

Step (4):  $\$52,500 - \$700 = \$51,800$

The most we will pay is \$51,800. The remainder of the loss, \$8,200, is not covered due to the Coinsurance penalty for inadequate insurance (Steps (1) and (2)) and the application of the Deductible (Steps (3) and (4)).

#### **Example 2 – Specific Insurance (B.1.)**

The amounts of loss to the damaged property are \$60,000 (Building) and \$40,000 (Personal Property in building).

The value of the damaged building at time of loss is \$100,000. The value of the personal property in that building is \$80,000. The Coinsurance percentage shown in the Declarations is 80%; the minimum Limits of Insurance needed to meet the Coinsurance requirement are \$80,000 (80% of \$100,000) for the building and \$64,000 (80% of \$80,000) for the personal property.

The actual Limits of Insurance on the damaged property are \$80,000 on the building and \$64,000 on the personal property (therefore, no Coinsurance penalty).

The Deductible is 2%.

#### **Building**

Step (1):  $\$80,000 \times 2\% = \$1,600$

Step (2):  $\$60,000 - \$1,600 = \$58,400$

#### **Personal Property**

Step (1):  $\$64,000 \times 2\% = \$1,280$

Step (2):  $\$40,000 - \$1,280 = \$38,720$

The most we will pay is \$97,120. The portion of the total loss not covered due to application of the Deductible is \$2,880.

#### **Example 3 – Blanket Insurance (C.1.)**

The sum of the values of Building 1 (\$500,000), Building 2 (\$500,000) and Building 3 (\$1,000,000), as shown in the most recent Statement of Values on file with us, is \$2,000,000.

The Coinsurance percentage shown in the Declarations is 90%; the minimum Blanket Limit of Insurance needed to meet the Coinsurance requirement is \$1,800,000 (90% of \$2,000,000).

The actual Blanket Limit Of Insurance covering Buildings 1, 2, and 3, shown in the Declarations, is \$1,800,000 (therefore, no Coinsurance penalty).

Buildings 1 and 2 have sustained damage; the amounts of loss to these buildings are \$40,000 (Building 1) and \$20,000 (Building 2).

The Deductible is 2%.

#### **Building 1**

Step (1):  $\$500,000 \times 2\% = \$10,000$

Step (2):  $\$40,000 - \$10,000 = \$30,000$

#### **Building 2**

Step (1):  $\$500,000 \times 2\% = \$10,000$

Step (2):  $\$20,000 - \$10,000 = \$10,000$

The most we will pay is \$40,000. The portion of the total loss not covered due to application of the Deductible is \$20,000.

#### **Example 4 – Blanket Insurance (C.1.)**

The sum of the values of Building 1 (\$500,000), Building 2 (\$500,000), Personal Property at Building 1 (\$250,000) and Personal Property at Building 2 (\$250,000), as shown in the most recent Statement of Values on file with us, is \$1,500,000.

The Coinsurance percentage shown in the Declarations is 90%; the minimum Blanket Limit of Insurance needed to meet the Coinsurance requirement is \$1,350,000 (90% of \$1,500,000).

The actual Blanket Limit Of Insurance covering Buildings 1 and 2 and Personal Property at Buildings 1 and 2, shown in the Declarations, is \$1,350,000. Therefore, there is no Coinsurance penalty.

Building 1 and Personal Property at Building 1 have sustained damage; the amounts of loss are \$95,000 (Building) and \$5,000 (Personal Property).

The Deductible is 5%.

#### **Building**

Step (1):  $\$500,000 \times 5\% = \$25,000$

Step (2):  $\$95,000 - \$25,000 = \$70,000$

#### **Personal Property**

Step (1):  $\$250,000 \times 5\% = \$12,500$

The loss, \$5,000, does not exceed the Deductible.

The most we will pay is \$70,000. The remainder of the building loss, \$25,000, is not covered due to application of the Deductible. There is no loss payment for the personal property.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## DISCHARGE FROM SEWER, DRAIN OR SUMP (NOT FLOOD-RELATED)

This endorsement modifies insurance provided under the following:

- BUILDING AND PERSONAL PROPERTY COVERAGE FORM
- BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
- BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
- CONDOMINIUM ASSOCIATION COVERAGE FORM
- CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
- EXTRA EXPENSE COVERAGE FORM
- TOBACCO SALES WAREHOUSES COVERAGE FORM

### SCHEDULE

Premises Number	Building Number	Discharge Limit (Property Damage)	Discharge Limit (Business Interruption)	Annual Aggregate Limitation Applies
		\$	\$	<input type="checkbox"/>
		\$	\$	<input type="checkbox"/>
		\$	\$	<input type="checkbox"/>

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A.** If a Discharge Limit for Property Damage is entered in the Schedule, the following applies:

With respect to the premises identified in the Schedule, we will pay for direct physical loss or damage to Covered Property, caused by or resulting from discharge of water or waterborne material from a sewer, drain or sump located on the described premises, provided such discharge is not induced by flood or flood-related conditions.

The aforementioned references to flood include surface water, waves (including tidal wave and tsunami), tides, tidal water, and overflow of any body of water, including storm surge.

For the purpose of this endorsement, the term drain includes a roof drain and related fixtures.

**B.** If a Discharge Limit for Business Interruption is entered in the Schedule, the following applies:

With respect to the premises identified in the Schedule, we will pay for business income loss and/or extra expense in accordance with the terms of the Coverage Form applicable to such premises under your policy, when such loss or expense arises out of the direct physical loss or damage described in Paragraph **A**.

- C.** There is no coverage under this endorsement if:
- 1.** The discharge results from an insured's failure to perform routine maintenance or repair necessary to keep a sewer or drain or a sump, sump pump or related equipment free from obstruction and in proper working condition. This limitation does not apply to sudden mechanical breakdown of a sump pump or its related equipment, provided the breakdown is not the result of an insured's negligence; or
  - 2.** Sump pump failure is caused by or results from failure of power, unless this policy is endorsed to cover power failure affecting the described premises.
- D.** To the extent that the Water Exclusion might conflict with the coverage provided under this endorsement, the Water Exclusion does not apply to such coverage.
- E.** We will not pay the cost of repairing or replacing a sewer, drain, sump, sump pump or any related parts or equipment.
- F.** The most we will pay under this endorsement, for the total of all covered loss and expense, is the applicable Discharge Limit shown in the Schedule. Such Limit is part of, not in addition to, the Limit of Insurance applicable to the Covered Property, business income or extra expense.
- G.** If the Annual Aggregate Limitation is shown as applicable in the Schedule, then the following applies:
- The applicable Discharge Limit is an annual aggregate limit and as such is the most we will pay for the total of all covered loss and expense caused by all occurrences in a 12-month period (starting with the beginning of the present annual policy period), regardless of the number of occurrences during that period of time. Thus, if the first occurrence does not exhaust the applicable Discharge Limit, then the balance of that Limit is available for a subsequent occurrence. If an occurrence begins during one annual policy period and ends during the following annual policy period, any Discharge Limit applicable to the following annual policy period will not apply to that occurrence.
- H.** All policy provisions apply to the coverage provided under this endorsement unless otherwise indicated, including the Deductible for direct physical loss or damage and the "period of restoration" for business income and extra expense. If an occurrence results in loss payable only under this endorsement, the Deductible applicable to Fire will apply to this endorsement. But if an occurrence also causes other loss or damage that is paid under this policy, a separate Deductible will not apply to the loss or damage covered under this endorsement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## MINIMUM EARNED PREMIUM ENDORSEMENT

All cancellation provisions of this policy are amended by the following:

1. If this policy is cancelled, we will send the (first) Named Insured any premium refund due.
  - a. **If we cancel**, the refund will be generated on a pro-rata of gross annual premium basis (including any premium changes by endorsement).
  - b. If the policy is **cancelled at the request of the (first) Named Insured**, the premium charged shall be subject to a **Minimum Earned Premium of 25%** of the gross annual premium (including any premium changes by endorsement). This Minimum Earned Premium is the least amount of premium we shall retain as earned premium regardless of term.
    - i Program, Policy and Broker Fees, Installment Fees (accrued), Credit Card Convenience Fees, Reinstatement Fees and/or Late Fees are fully earned, regardless of the term.
    - ii Cancellation for non-payment of premium will be considered cancellation at the request of the (first) Named Insured.
  - c. All refunds If the policy is **cancelled at the request of the (first) Named Insured** will be determined as follows:
    - i. If at the time of cancellation, the earned premium is GREATER than the Minimum Earned Premium, the refund will be pro-rata return of the gross annual premium (including any premium changes by endorsement).
    - ii. If at the time of cancellation, the earned premium is EQUAL TO or LESS than the Minimum Earned Premium, the refund will be determined by subtracting the Minimum Earned Premium from the gross annual premium (including any premium changes by endorsement)

**All other terms and conditions of this policy remain unchanged**



## Hexagon Property Coverage Enhancement

We have collected the most important insurance enhancements into this one package which we call the Hexagon Property Coverage Enhancement Endorsement. We believe it provides great “value for money” and we recommend it to any HOA board or building owner who seek coverage that is beyond the bare minimum. The full list of coverage enhancements can be found here. This enhancement package provides multiple additional layers of protection including but not limited to:

- Underground Water And Backup Of Sewer And Drain (\$25,000)
- Ordinance Or Law Coverage – this important coverage enhancement covers the cost to rebuild a property that has been destroyed, as well as the cost to upgrade the property so that it meets the most up-to-date building codes after a covered loss.

Coverage A, Coverage B and Coverage C - Combined Limit of Insurance: \$100,000

- Coverage A - Loss to the Undamaged Portion of the Building
- Coverage B - Demolition Cost
- Coverage C - Increased Cost Of Construction
- Automatic Increase in Insurance (2% for the building, 4% for business personal property)
- Employee Dishonesty (\$25K)
- Forgery or Alterations (\$25K)
- Computer Fraud (\$10K)
- Foundations and Underground Pipes (\$25K)
- Newly Acquired Or Constructed Property (\$500,000 for buildings, \$250,000 for business personal property)
- Accounts Receivable on Described Premises (\$25K)
- Electronic Data (\$25K)

Included below is the full supplement schedule.



## Hexagon Property Coverage Enhancement Supplemental Schedule

Additional Coverages and Coverage Extensions	Limits of Insurance	
Accounts Receivable:		
On Described Premises	\$25,000	Each Described Premises, Per Occurrence
Off Described Premises	\$5,000	Not At Described Premises, Per Occurrence
Automatic Increase in Insurance:		
Building	2%	
Business Personal Property	4%	
Brands And Labels	\$25,000	Per Occurrence
Business Income From Dependent Properties	\$25,000	Per Occurrence
Computer Fraud	\$10,000	Per Occurrence
Contractual Penalties	\$5,000	Annual Aggregate
Damage To Building From Theft	\$5,000	Per Occurrence
Debris Removal:		
Covered Property	\$25,000	Each Described Premises, Per Occurrence
Other Than Covered Property	\$25,000	Per Occurrence
Electronic Data	\$25,000	Annual Aggregate
Employee Dishonesty	\$25,000	Per Occurrence
False Pretense	\$1,500	Per Occurrence
Fine Arts	\$10,000	Each Described Premises
Fire Department Service Charge	\$5,000	Per Occurrence
Fire Extinguisher Systems Expense	\$5,000	Per Occurrence
Forgery Or Alteration	\$25,000	Per Occurrence
Foundations And Underground Pipes	\$25,000	Per Occurrence
Interruption Of Computer Operations	\$10,000	Annual Aggregate
Inventory And Appraisal Expense	\$10,000	Per Occurrence
Leasehold Interest - Undamaged Improvements And Betterments	\$25,000	Per Occurrence
Mobile Equipment	\$5,000	Per Occurrence
Money And Securities:		
On Described Premises	\$10,000	Per Occurrence
Off Described Premises	\$5,000	Per Occurrence
Money Orders And Counterfeit Paper Currency	\$1,500	Per Occurrence
Newly Acquired Or Constructed Property:		
Buildings	\$500,000	Each building
Business Personal Property	\$250,000	Each building
Fine Arts	\$10,000	Per Occurrence



Additional Coverages and Coverage Extensions	Limits of Insurance	
Ordinance Or Law:		
<u>Coverage A</u> - Loss to the Undamaged Portion of the Building	Coverage A, Coverage B and Coverage C - Combined Limit of Insurance: \$100,000 Annual Aggregate	
<u>Coverage B</u> - Demolition Cost		
<u>Coverage C</u> - Increased Cost Of Construction		
Machinery and Equipment	\$25,000	
Outdoor Property:		
Fences/Retaining Walls	\$10,000	Per Occurrence
Antennas	\$10,000	Per Occurrence
Outdoor Signs	\$5,000	Per Occurrence
Personal Effects	\$10,000	Each Described Premises
Pollutant Clean Up And Removal	\$10,000	Annual Aggregate at Each Described Premises
Property In Transit	\$10,000	Per Occurrence
Property Off-Premises	\$5,000	Per Occurrence
Reward Payment:		
Information	\$5,000	Per Person, Per Occurrence
Stolen Covered Property	\$5,000	Per Person, Per Occurrence
Transit Business Income	Included in Business Income Limit	
Trees, Shrubs And Plants:	\$2,500	Any One Tree, Shrub or Plant
	\$10,000	Per Occurrence
Underground Water And Backup Of Sewer And Drain	\$25,000	
Utility Services- Direct Damage	\$10,000	Per Occurrence
Utility Services- Time Element	\$10,000	Per Occurrence
Valuable Papers And Records (Other Than Electronic Data)	\$10,000	Each Described Premises
Valuable Papers And Records ( Other Than Electronic Data )- Off Premises	\$5,000	Per Occurrence

# Hexagon Property Coverage Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End	Producer	Additional Premium	Return Premium
	04/30/2026	04/30/2027			\$	\$

Named Insured / Mailing Address: 1294 PIEDMONT APARTMENTS OWNER, LLC Producer: John Streer

## THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

### **BUILDING AND PERSONAL PROPERTY COVERAGE FORM BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM CAUSES OF LOSS – SPECIAL FORM**

The provisions of the Building and Personal Property Coverage Form, Business Income (And Extra Expense) Coverage Form and the Causes of Loss – Special Form apply except as otherwise provided in this endorsement. This endorsement applies only to the extent the forms named above are included in this policy.

I. Any reference in any of the Coverage Forms to 100 feet is amended to read 1,000 feet.

#### **II. Changes To The Building And Personal Property Coverage Form**

**A. 1.** The following is added to **a. Building** of Paragraph 1. **Covered Property** of section **A. Coverage**:

Building glass (other than art glass windows or stained glass).

**2.** The following subparagraph is added to Paragraph 1. **Covered Property** of section **A. Coverage**:

Fine Arts, whether owned by:

**(1)** You; or

**(2)** Others, and in your care, custody or control.

Fine arts includes paintings, etchings, drawings, pictures, tapestries, sculptures, art glass windows and other bona fide works of art and property of rarity, historical value or artistic merit.

We will cover objects of fine art at locations you acquire during the policy period, for up to 30 days, but not beyond the end of the policy period.

You will report such property within 30 days from the date acquired and pay additional premium that is due.

The value of fine arts will be their "market value".

The most we will pay for loss of or damage to fine arts under this coverage at each described premises is the amount shown in the Supplemental Schedule.

The most we will pay for loss or damage in any one occurrence for fine arts at newly acquired locations is the amount shown in the Supplemental Schedule.

Our payment for loss of or damage to fine arts of others will only be for the account of the owner of the fine arts.

As a condition of coverage, you agree that if fine arts are to be moved, whether on or off described premises, and such move requires packing and/or unpacking, the packing and/or unpacking will be done by competent persons trained in packing and unpacking fine arts.

**B. The following subparagraph is added to b. Your Business Personal Property of paragraph 1. Covered Property of section A. Coverage:**

Personal property of others in your care, custody and control. However, our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

**C. Subparagraph c. Personal Property Of Others of paragraph 1. Covered Property of section A. Coverage is deleted.**

**D. Subparagraphs 2.a., 2.g., 2.m. and 2.q. of section A. Coverage are replaced by the following:**

**2. Property Not Covered**

Covered Property does not include:

- a.** Accounts, bills, currency, food stamps or other evidences of debt, "money", notes or "securities", except as provided in the Additional Coverages.
- g.** Foundations of buildings, supports, structures, machinery or boilers if their foundations are below:
  - (1)** The lowest basement floor; or
  - (2)** The surface of the ground, if there is no basement,except as provided in the Additional Coverages for **Foundations And Underground Pipes and Ordinance Or Law**.
- m.** Underground pipes, flues or drains except as provided in the Additional Coverages for Foundations And Underground Pipes and Ordinance Or Law.
- q.** The following property while outside of buildings:
  - (1)** Grain, hay, straw or other crops;
  - (2)** Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants other than "stock" of trees, shrubs or plants, all except as provided in the Additional Coverages or Coverage Extensions.

**E. Paragraph 4. Additional Coverages is amended by adding the following introductory paragraph:**

The most we will pay for loss or damage under any of the following Additional Coverages is the Limit(s) of Insurance shown in each, unless a different limit(s) for that Additional Coverage is shown in the Supplemental Schedule.

**F. The Debris Removal Additional Coverage is deleted and replaced by the following:**

**a. Debris Removal**

**(1) Covered Property**

- (a)** Subject to paragraphs **(1)(b)** and **(1)(c)**, we will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period.
- (b)** Subject to the exceptions in paragraph **(1)(c)**, the following provisions apply:

- (i) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
  - (ii) Subject to (i) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the covered Property that has sustained loss or damage.
- (c) We will pay up to the additional amount shown in the Supplemental Schedule for debris removal expense, for each described premises, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:
- (i) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
  - (ii) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if (c)(i) and/or (c)(ii) apply, our total payment for direct physical loss or damage and debris removal expense may reach, but will never exceed, the Limit of Insurance on the Covered Property that has sustained loss or damage, plus the amount shown in the Supplemental Schedule for **Debris Removal – Covered Property**.

**(2) Other Than Covered Property**

We will pay your expense, up to the amount shown in the Supplemental Schedule, for any one occurrence, to remove debris of other than Covered Property from described premises caused by a Covered Cause of Loss that occurs during the policy period.

**(3) Debris Removal does not apply to costs to:**

- (a) Extract "pollutants" from land or water; or
- (b) Remove, restore or replace polluted land or water.

**(4) Debris removal expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage. However, the failure to timely report the expenses will not invalidate a claim under this Additional Coverage unless we are prejudiced by the delay.**

**(5) Examples:**

The following examples assume that there is no Coinsurance penalty, and the amount shown in the Supplemental Schedule for **Debris Removal – Covered Property** is \$25,000.

**EXAMPLE #1**

Limit of Insurance	\$90,000
Amount of Deductible	\$ 500
Amount of Loss	\$50,000
Amount of Loss Payable	\$49,500
	(\$50,000 - \$500)
Debris Removal Expense	\$10,000
Debris Removal Expense Payable	\$10,000
	(\$10,000 is 20% of \$50,000)

The debris removal expense is less than 25% of the sum of the loss payable plus the deductible. The sum of the loss payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore, the full amount of debris removal expense is payable in accordance with the terms of paragraph **(1)(b)**.

**EXAMPLE #2**

Limit of Insurance	\$90,000
Amount of Deductible	\$ 500
Amount of Loss	\$80,000
Amount of Loss Payable	\$79,500
	(\$80,000 - \$500)
Debris Removal Expense	\$45,000
Debris Removal Expense Payable	
Basic Amount	\$10,500
Additional Amount per Supplemental Schedule	\$25,000

The basic amount payable for debris removal expense under the terms of paragraph **(1)(b)** is calculated as follows: \$80,000 (\$79,500 + \$500) x .25 = \$20,000 capped at \$10,500. The cap applies because the sum of the loss payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of paragraph **(1)(c)**, because the debris removal expense (\$45,000) exceeds 25% of the loss payable plus the deductible (\$45,000 is 56.25% of \$80,000), and because the sum of the loss payable and debris removal expense (\$79,500 + \$45,000 = \$124,500) would exceed the Limit of Insurance (\$90,000).

The additional amount of covered debris removal expense is \$25,000, the amount shown in the Supplemental Schedule. Thus, the total payable for debris removal expense in this example is \$35,500; \$9,500 of the debris removal expense is not covered.

- G.** The **Fire Department Service Charge** Additional Coverage is amended to provide a limit of up to the amount shown in the Supplemental Schedule.
- H.** The **Pollutant Clean-up and Removal** Additional Coverage is amended to provide a limit of up to the amount shown in the Supplemental Schedule.
- I.** The **Increased Cost of Construction** Additional Coverage is deleted.
- J.** The **Electronic Data** Additional Coverage is amended by replacing subparagraph **4.f.(4)** as follows:

**f. Electronic Data**

**(4)** The most we will pay under this Additional Coverage – Electronic Data is the amount shown in the Supplemental Schedule for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in, but not after, that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

K. The following are added to paragraph 4. **Additional Coverages** of section A. **Coverage**:

**Brands And Labels**

- (1) If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of the property at an agreed or appraised value. If so, we will pay for the reasonable expenses you incur to:
  - (a) Stamp the word salvage on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
  - (b) Remove the brands or labels, if doing so will not physically damage the merchandise or its containers to comply with the law
- (2) We will pay for the loss in value of the salvage merchandise that results from stamping it or removing the brands and labels.
- (3) The most we will pay under this Additional Coverage for loss or damage in any one occurrence is the amount shown in the Supplemental Schedule.

**Computer Fraud**

- (1) We will pay for loss of or damage to "money", "securities" and other Covered Property resulting directly from the use of any "computer" to fraudulently cause a transfer of that property from inside a building at the described premises or from any bank or similar safe depository:
  - (a) To a person outside those premises; or
  - (b) To a place outside those premises.
- (2) The most we will pay under this Additional Coverage for loss or damage in any one occurrence is the amount shown in the Supplemental Schedule.
- (3) We cover loss or damage commencing during the policy period shown in the Declarations and anywhere in the world. The **False Pretense** Coverage Extension does not apply.

**Damage To Building From Theft**

- (1) If loss or damage caused by "theft" or attempted "theft" occurs to buildings you occupy, but do not own, at a described premises, we will also pay the amount you are legally liable to pay for such loss or damage.
- (2) The most we will pay under this Additional Coverage in any one occurrence is the amount shown in the Supplemental Schedule.

**Employee Dishonesty**

- (1) We will pay for direct loss or damage to Your Business Personal Property and your "money" and "securities" resulting from dishonest acts committed by any of your "employees" acting alone or in collusion with other persons (except you or your partners, "members" or "managers") with the manifest intent to:
  - (a) Cause you to sustain loss or damage; and
  - (b) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
    - (i) Any "employee"; or
    - (ii) Any other person or organization.
- (2) We will not pay for loss or damage:

- (a) Resulting from any dishonest or criminal act that you or any of your partners, "members", officers, "managers", directors, trustees, authorized representatives or anyone to whom you entrust Your Business Personal Property, "money" and "securities", for any purpose, commit, whether acting alone or in collusion with other persons;
  - (b) If the only proof as to its existence or amount is one or both of the following:
    - (i) An inventory computation; and/or
    - (ii) A profit and loss computation;or
  - (c) Caused by any "employee" of yours, or predecessor in interest of yours, for whom similar prior insurance has been cancelled and not reinstated.
- (3) Exclusion 2.h. of section **B. Exclusions** in the **Causes Of Loss – Special Form** does not apply to this Additional Coverage.
- (4) The most we will pay under this Additional Coverage for loss or damage in any one occurrence is the amount shown in the Supplemental Schedule.
- (5) All loss or damage:
- (a) Caused by one or more "employees"; and
  - (b) Involving a single act or series of related acts
- is considered one occurrence.
- (6) We will pay only for loss or damage you sustain through acts committed or events occurring during the policy period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.
- (7) This Additional Coverage does not apply to loss caused by any "employee" after discovery by:
- (a) You; or
  - (b) Any of your partners, officers, directors, "members" or "managers" not in collusion with the "employee" of any dishonest act committed by that "employee" before or after being hired by you.
- (8) We will pay only for loss or damage discovered no later than one year from the end of the policy period.
- (9) If you discover a loss or damage during the policy period that you (or any predecessor in interest) sustained during the period of any prior insurance that you could have recovered under that insurance, except that the time within which to discover loss or damage had expired, we will pay for it under this Additional Coverage, provided:
- (a) This Additional Coverage became effective at the time of cancellation or termination of the prior insurance; and
  - (b) The loss or damage would have been covered by this Additional Coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.
- (10) The insurance under paragraph (9) above is provided within, and not in addition to, the Limit of Insurance applying to this Additional Coverage shown in the Supplemental Schedule and is limited to the lesser of the amount recoverable under:
- (a) This Additional Coverage as of its effective date; or
  - (b) The prior insurance, had it remained in effect.

### **Fire Extinguisher Systems Expense**

- (1) We will pay the cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems (including hydrostatic testing if needed) if they are discharged on or within 1,000 feet of the described premises.
- (2) This Additional Coverage does not apply if:
  - (a) The fire extinguishing system is discharged during installation or testing; or
  - (b) The described premises is or has a restaurant or open cooking and/or deep fat frying exposures, and the fire extinguishing system is not in compliance with NFPA standard #96 and/or UL 300.
- (3) The most we will pay under this Additional Coverage in any one occurrence is the amount shown in the Supplemental Schedule.
- (4) No deductible applies to this Additional Coverage.

### **Forgery Or Alteration**

- (1) We will pay for loss resulting directly from "forgery" or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:
  - (a) Made or drawn by or drawn upon you;
  - (b) Made or drawn by one acting as your agent; or
  - (c) That are purported to have been so made or drawn.
- (2) For the purposes of this Additional Coverage, we will treat mechanically reproduced facsimile signatures the same as handwritten signatures.
- (3) If you are sued for refusing to pay any instrument covered in paragraph (1) above on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will reimburse you for any reasonable legal expenses that you incur and pay in that defense.
- (4) The most we will pay under this Additional Coverage for loss in any one occurrence, including legal expenses, is the amount shown in the Supplemental Schedule.

### **Foundations And Underground Pipes**

- (1) We will pay for direct physical loss or damage by a Covered Cause of Loss to covered Building property as follows:
  - (a) Foundations of buildings, structures, machinery or boilers if their foundations are below:
    - (i) The lowest basement floor; or
    - (ii) The surface of the ground, if there is no basement;
  - (b) Underground pipes, flues and drains; and
  - (c) The cost of excavation, grading, backfilling or filling.
- (2) The most we will pay under this Additional Coverage for loss or damage in any one occurrence is the amount shown in the Supplemental Schedule.

### **Leasehold Interest – Undamaged Improvements And Betterments**

- (1) We will pay your interest in the value of undamaged improvements and betterments at a described premises as a result of direct physical loss or damage by a Covered Cause of Loss when:
  - (a) The lease is cancelled by the lessor;
  - (b) The lease cancellation is supported by a valid condition of your lease;

(c) You have at least six months remaining in your lease; and  
(d) At least 25% of the building is damaged or at least six months is required to repair the building for your occupancy.

- (2) We will not pay under this Additional Coverage if the premises, where the lease is cancelled, has been vacant for more than 60 consecutive days prior to the loss or damage.
- (3) The most we will pay under this Additional Coverage in any one occurrence is the amount shown in the Supplemental Schedule.

### **Mobile Equipment**

- (1) We will pay for direct physical loss or damage to owned and rented mobile equipment, such as forklifts, lawn mowers, electric carts, tractors and similar vehicles.
- (2) This Additional Coverage does not apply to mobile equipment licensed for use on public roads or insured elsewhere.
- (3) The most we will pay under this Additional Coverage for loss or damage in any one occurrence is the amount shown in the Supplemental Schedule.

### **Money And Securities**

- (1) We will pay for loss or damage to your "money" and "securities" which results directly from "theft", disappearance or destruction while:
- (a) Inside covered Buildings or a banking or safe depository institution; or
- (b) Outside covered Buildings while in the custody of:
- (i) A messenger; or
- (ii) An armored motor vehicle company.

For the purposes of this Additional Coverage, messenger means you, or a relative of yours, or any of your partners, officers, "managers", "employees" or hired messengers.

- (2) We will not pay for loss:
- (a) Resulting from accounting or arithmetical errors or omissions;
- (b) Due to the giving or surrendering of property in any exchange or purchase;
- (c) Of "money" contained in any money-operated device unless the amount of "money" deposited in it is recorded by a continuous reading instrument in the device; or
- (d) Covered under the **Computer Fraud** Additional Coverage.
- (3) The most we will pay under this Additional Coverage for loss of or damage to your "money" and "securities" in any one occurrence is the amount shown in the Supplemental Schedule.
- (4) All loss:
- (a) Caused by one or more persons; and
- (b) Involving a single act or series of related acts is considered one occurrence.
- (5) Loss due to acts of your "employees" is not covered under this Additional Coverage.
- (6) You must keep records of all "money" and "securities" so we can verify the amount of any loss.

### **Money Orders And Counterfeit Paper Currency**

- (1) We will pay for loss resulting directly from your having accepted the following, in good faith, in exchange for merchandise, "money" or services:

- (a) Money orders issued by any post office, express company or bank that are not paid upon presentation;  
or
  - (b) "Counterfeit" paper currency that is acquired during the regular course of business.
- (2) This Additional Coverage does not apply to any loss covered under the **Computer Fraud** Additional Coverage or **False Pretense** Coverage Extension.
- (3) The most we will pay under this Additional Coverage for loss in any one occurrence is the amount shown in the Supplemental Schedule.

#### **Ordinance Or Law**

- (1) The most we will pay under this Additional Coverage for loss or damage in any one occurrence are the amounts shown in the Supplemental Schedule. The terms of this Additional Coverage apply separately to each building that is Covered Property.

#### **(2) Loss To The Undamaged Portion Of The Building**

- (a) In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay for the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that require the demolition of the undamaged portion of the same building.
- (b) The Limit of Insurance for **Loss To The Undamaged Portion Of The Building** shown in the Supplemental Schedule is included within the Limit of Insurance shown in the Declarations as applicable to the covered Building. It does not increase the Limit of Insurance.

#### **(3) Demolition Cost**

- (a) In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay the cost to demolish the building and clear the site of undamaged parts of the same building, as a consequence of enforcement of an ordinance or law that requires demolition of such undamaged property.
- (b) Coinsurance does not apply to this Additional Coverage.

#### **(4) Increased Cost Of Construction**

- (a) In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay the increased cost to:
  - (i) Repair or reconstruct damaged portions of that building; and/or
  - (ii) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required, when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

However,

- (i) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
  - (ii) We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.
- (b) Coinsurance does not apply to this Additional Coverage.

**(5)** Under this Additional Coverage, we will not pay for:

- (a)** The enforcement of any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet rot, dry rot or bacteria.
- (b)** Any costs associated with the enforcement of an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet rot, dry rot or bacteria.
- (c)** Any costs due to an ordinance or law that:
  - (i)** You are required to comply with before the loss, even when the building was undamaged; and
  - (ii)** You failed to comply with.

**(6) Additional Loss Provisions**

The following additional loss payment provisions apply to this Additional Coverage.

**(a)** For loss in value to the undamaged portion of a building to which this Additional Coverage applies, loss payment, including damaged and undamaged portions, will be determined as follows:

If Replacement Cost applies and the property is being repaired or replaced, on the same or another location, we will pay the lesser of:

- (i)** The cost to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same location and to the same height, floor area, style and comparable quality of the original property insured; or
- (ii)** The Limit of Insurance shown in the Declarations as applicable to the covered Building that is damaged.

If Replacement Cost applies and the property is not repaired or replaced, or if Replacement Cost does not apply, we will pay the lesser of:

- (i)** The actual cash value of the building at the time of loss; or
- (ii)** The Limit of Insurance shown in the Declarations as applicable to the covered Building.

**(b)** Loss payment for Demolition Cost will be determined as follows:

We will pay the lesser of the following:

- (i)** The amount you actually spend to demolish and clear the site of the described premises; or
- (ii)** The applicable Limit of Insurance for Demolition Cost shown in the Supplemental Schedule.

**(c)** Loss payment for Increased Cost Of Construction will be determined as follows:

We will not pay for Increased Cost Of Construction:

- (i)** Until the property is actually repaired, reconstructed, remodeled or replaced at the same or another location; and
- (ii)** Unless the repairs, reconstruction, remodeling or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

If the building is repaired, reconstructed, remodeled or replaced at the same location, or if you elect to rebuild at another premises, we will pay the lesser of:

- (i) The Increased Cost Of Construction at the same location; or
- (ii) The applicable Limit of Insurance for Increased Cost Of Construction shown in the Supplemental Schedule.

If the ordinance or law requires relocation to another location, we will pay the lesser of:

- (i) The Increased Cost Of Construction at the new location; or
- (ii) The applicable Limit of Insurance for Increased Cost Of Construction shown in the Supplemental Schedule.

### **Outdoor Signs**

- (1) We will pay for direct physical loss or damage to outdoor signs whether or not the signs are attached to a building at the described premises:
  - (a) Owned by you; or
  - (b) In your care, custody or control.
- (2) Section **B. Exclusions** in the **Causes Of Loss – Special Form** does not apply to this Additional Coverage, except for the following:
  - (a) Earth Movement;
  - (b) Governmental Action;
  - (c) Nuclear Hazard;
  - (d) War And Military Action;
  - (e) Water; and
  - (f) Paragraphs **2.d.(1)**, **(2)** and **(6)**.
- (3) The most we will pay under this Additional Coverage for loss or damage in any one occurrence is the amount shown in the Supplemental Schedule.

### **Property In Transit**

- (1) We will pay for loss or damage to Your Business Personal Property that is away from described premises in the course of transit between points in the coverage territory. We cover property shipped by any type of carrier or vehicle.

The most we will pay under this Additional Coverage for loss or damage in any one occurrence is the amount shown in the Supplemental Schedule.
- (2) The following property, in addition to that defined under paragraph **A.2. Property Not Covered** of section **A. Coverage**, are not covered:
  - (a) Property in the custody of a government postal service;
  - (b) Property you accept while acting as a common or contract carrier;
  - (c) Import shipments until:
    - (i) Discharged from the import conveyance; or
    - (ii) Ocean Marine insurance ceases, whichever occurs last.
  - (d) Export shipments: (i) after placed on the outbound conveyance; or

(ii) When Ocean Marine insurance applies to the shipment, whichever occurs first.

(e) Fine arts.

**(3) We cover Your Business Personal Property:**

(a) While in the custody of a carrier or messenger for hire, but not the governmental postal service, until the property:

(i) Is delivered at its destination; or

(ii) Is returned to you, if the property is not delivered.

We also cover the property held temporarily in storage prior to delivery to its destination or its return to you.

(b) In or on any land vehicle you own or operate while in transit, from the time the vehicle leaves the premises where the shipment begins until the vehicle arrives at its destination, but not if you are acting as a common carrier.

(c) While in the custody of a packing or consolidating company employed by you or your consignee, but not when the packing or consolidating company is the agent or representative of you or the consignee.

(d) For your interest in Covered Property you sold F.O.B. Point Of Origin.

**(4) Additional Exclusions**

We will not pay for loss or damage caused by or resulting from any of the following:

(a) Improper packing or stowage, or rough handling.

(b) Breakdown of refrigeration equipment. But, this exclusion does not apply to equipment of others who are carriers for hire.

**(5) Paragraph 7. Valuation in section E. Loss Conditions does not apply to this Additional Coverage and the value of Covered Property in transit will be determined as follows:**

(a) The value agreed on between the shipper and the consignee in writing prior to loss or damage.

(b) If paragraph (a) does not apply, the value will be:

(i) The actual net invoice price of Covered Property shipped to your customers; or

(ii) The actual net invoice cost of Covered Property you bought from others.

(c) If paragraphs (a) and (b) do not apply, the value will be the least of the following:

(i) The actual net cost;

(ii) The cost of restoring that property to its condition immediately before loss; or

(iii) The replacement cost.

The value will include your prepaid freight charges and any other shipping charges that are due since the start of transit.

**(6) Additional Conditions**

The following additional conditions apply:

**(a) Coverage Territory**

We cover Your Business Personal Property located within the United States of America, its territories and possessions, Puerto Rico and Canada.

**(b) Released Bills Of Lading**

You may accept receipts and/or bills of lading issued by carriers limiting the amount of their liability.

**Reward Payment**

**(1)** We will reimburse you for rewards paid as follows:

**(a)** Up to the amount shown in the Supplemental Schedule to an eligible person for information leading to the arrest and conviction of any person or persons committing a crime resulting in loss or damage to Covered Property from a Covered Cause of Loss. However, we will pay no more than the lesser of the following amounts:

**(i)** Actual cash value of the Covered Property at the time of loss or damage, but not more than the amount required to repair or replace it; or

**(ii)** The amount determined by the loss settlement procedure applicable to the Covered Property under the **Loss Payment** Condition.

**(b)** Up to the amount shown in the Supplemental Schedule to an eligible person for the return of stolen Covered property, when the loss or damage is caused by "theft". However, we will pay no more than the lesser of the following amounts:

**(i)** Actual cash value based on the condition of the Covered Property at the time it is returned, but not more than the amount required to repair or replace it; or

**(ii)** The amount determined by the loss settlement procedure applicable to the returned Covered Property under the **Loss Payment** Condition.

**(2)** The following additional conditions apply:

**(a)** An eligible person means that person designated by a law enforcement agency as being the first to voluntarily provide the information leading to the arrest and conviction or return of the stolen Covered Property, and who is not:

**(i)** You;

**(ii)** Your "employee";

**(iii)** Any person employed by a law enforcement agency or a business engaged in property protection;

**(iv)** Any person who had custody of the Covered Property at the time the "theft" was committed; or

**(v)** Any person involved in the crime.

**(b)** No reward will be reimbursed unless and until the person(s) committing the crime is (are) convicted or the Covered Property is returned to you.

**(c)** You must have issued public notice of reward prior to the first person volunteering the information or returning the stolen Covered Property.

**(3)** The most we will reimburse you under this Additional Coverage in any one occurrence is the lesser of the amount of the reward paid or the amount shown in the Supplemental Schedule.

**Underground Water And Backup Of Sewer And Drain**

**(1)** We will pay for direct physical loss or damage to Covered Property caused by or resulting from water or waterborne material:

- (a) That backs up or overflows from a sewer or drain located on a described premises;
- (b) That overflows from a sump located on a described premises, even if the overflow results from mechanical breakdown of a sump pump or its appurtenant equipment. However, we will not pay the cost of repairing or replacing a sump pump or its appurtenant equipment in the event of mechanical breakdown;
- (c) Under the ground water pressing on, flowing or seeping through:
  - (i) Foundations, walls, floors or paved surfaces; or
  - (ii) Basements.
- (2) This Additional Coverage does not apply to loss or damage resulting from the routine maintenance or repair:
  - (a) Of sump pumps and their appurtenant equipment; or
  - (b) To keep sewers and drains free from obstructions.
- (3) The most we will pay under this Additional Coverage for loss or damage in any one occurrence is the amount shown in the Supplemental Schedule.
- (4) With respect to this Additional Coverage, the **Water** exclusion in paragraph 1.g. in **B. Exclusions** in the **Causes Of Loss – Special Form** is replaced by the following:

**g. Water**

- (1) Flood, surface water, waves, tides, tidal waves, overflow from any body of water or their spray, all whether driven by wind or not; or
- (2) Mudslide or mudflow.

But, if Water, as described above, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

This exclusion does not apply to accounts receivable, "computers", property on exhibition, fine arts, property in transit, salespersons' samples or "valuable papers and records."

**Utility Services – Direct Damage**

- (1) We will pay for loss of or damage to Covered Property caused by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to property located off the described premises.
- (2) This Additional Coverage does not apply to loss or damage to electronic data, including destruction or corruption of electronic data. Electronic data has the meaning described under **Property Not Covered**.
- (3) Utility Services means:
  - (a) Water Supply Services, meaning property supplying water to the described premises.
  - (b) Communication Supply Services, meaning property supplying communication services to the described premises.
  - (c) Power Supply Services, meaning property supplying electricity, steam or gas to the described premises.
- (4) The most we will pay under this Additional Coverage for loss or damage in any one occurrence is the amount shown in the Supplemental Schedule.

## **Valuable Papers And Records (Other Than Electronic Data)**

- (1) We will cover the cost to replace or restore the lost information on "valuable papers and records" for which duplicates do not exist when the lost information is a result of a Covered Cause of Loss. But, this Additional Coverage does not apply to "valuable papers and records" that exist as electronic data. Electronic data has the meaning described under **Property Not Covered**.
- (2) The most we will pay under this Additional Coverage at each described premises to replace or restore the lost information is the amount shown in the Supplemental Schedule. Such amount includes the cost of blank material for reproducing the records whether or not duplicates exist, and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

For loss or damage to "valuable papers and records" off premises, the most we will pay in any one occurrence is the amount shown in the Supplemental Schedule.

- L. Paragraph **5.c. Valuable Papers and Records (Other Than Electronic Data)** of section **A. Coverage** is deleted.
- M. Paragraphs **5.a.(1), (2)(a)** and **(3)** of section **A. Coverage** are amended as follows:

### **5. Coverage Extensions**

- a. **Newly Acquired Or Constructed Property** is amended as follows:

#### **(1) Buildings**

The last paragraph is replaced by the following:

The most we will pay under this Extension for loss or damage at each building is the amount shown in the Supplemental Schedule.

#### **(2) Your Business Personal Property**

The last paragraph of subparagraph **(a)** is replaced by the following:

The most we will pay under this Extension for loss or damage at each building is the amount shown in the Supplemental Schedule.

#### **(3) Period Of Coverage**

This Extension is replaced by the following:

##### **Period of Coverage**

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

- (a) This policy expires;
- (b) 90 days after you acquire the property or begin construction of that part of the building that would qualify as Covered Property;
- (c) With respect to "computers", when specific insurance at the newly acquired premises is obtained; or
- (d) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property begin construction of that part of the building that would qualify as Covered Property.

- N. Paragraphs **5. b., d.** and **e.** of section **A. Coverage** are replaced as follows:

### **5. Coverage Extensions**

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**b. Personal Effects**

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to personal effects owned by you, your officers, your partners or "members", your "managers" or your "employees". This Extension does not apply to loss or damage by "theft".
- (2) The most we will pay for loss or damage under this extension at each described premises is the amount shown in the Supplemental Schedule.

**d. Property Off-premises**

- (1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:
  - (a) Temporarily at a premises you do not own, lease or operate;
  - (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
  - (c) At any fair, trade show or exhibition.
- (2) This Extension does not apply to property:
  - (a) In or on a vehicle, except "computers" and duplicate or backup records;
  - (b) In the care, custody or control of your salespersons, unless such property is in such care, custody or control at a fair, trade show or exhibition; or
  - (c) That is "computers" located at a premises you do not own, lease or operate for more than 90 days. This includes duplicate or backup records stored at a separate premises that is at least 1,000 feet from a described premises.
- (3) The most we will pay under this Extension for loss or damage in any one occurrence is the amount shown in the Supplemental Schedule.

**e. Outdoor Property**

- (1) You may extend the insurance that applies to covered Buildings or Your Business Personal Property to apply to the following outdoor property located at the described premises:
  - (a) Fences and/or retaining walls that are not a part of a building.
  - (b) Outdoor radio, television, satellite dishes or other antennas, including their masts, towers and lead-in and support wiring.
- (2) This Extension only applies to loss or damage caused by or resulting from the following causes of loss if they are Covered Causes of Loss:
  - (a) Fire;
  - (b) Lightning;
  - (c) Explosion;
  - (d) Riot or civil commotion; or
  - (e) Aircraft.
- (3) The most we will pay under this Extension for loss or damage in any one occurrence are the amounts shown in the Supplemental Schedule.

O. The following Coverage Extensions are added to paragraph 5. **Coverage Extensions** of section A. **Coverage**:

**Accounts Receivable**

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to covered losses and expenses that you incur as a result of loss or damage to your records of accounts receivable. But, this Extension does not apply to records that exist as electronic data. Electronic data has the meaning described under **Property Not Covered**.

We will pay:

- (a) All amounts due from your customers that you are unable to collect;
- (b) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- (c) Collection expenses in excess of your normal collection expenses that are made necessary by loss or damage; and
- (d) Other reasonable expenses that you incur to reestablish your records of accounts receivable, that result from direct physical loss or damage by any Covered Cause of Loss to your records of accounts receivable.

- (2) The most we will pay under this Extension for loss or damage in any one occurrence at each described premises is the amount shown in the Supplemental Schedule.

For accounts receivable not at described premises, the most we will pay in any one occurrence is the amount shown in the Supplemental Schedule.

- (3) We will not pay for loss or damage:

- (a) Caused by or resulting from alteration, falsification, concealment or destruction of records of accounts receivable done to conceal the wrongful giving, taking or withholding of "money", "securities" or other property.

This exclusion applies only to the extent of the wrongful giving, taking or withholding.

- (b) Caused by or resulting from bookkeeping, accounting or billing errors or omissions; and
- (c) That requires any audit of records or any inventory computation to prove its factual existence.

**False Pretense**

- (1) You may extend the insurance that applies to Your Business Personal Property to cover loss or damage to Covered Property when you or your agents, consignees or customers voluntarily part with the Covered Property due to:

- (a) Having accepted false bills of lading or shipping receipts; or
- (b) Someone causing you to voluntarily part with the Covered Property by trick, scheme, device or false pretense.

- (2) We will not pay for:

- (a) Loss or damage to Covered Property when the person committing the wrongful act is an "employee"; and
- (b) Any loss covered under the Money Orders And Counterfeit Paper Currency or Computer Fraud Additional Coverages.

- (3) The most we will pay under this Extension for loss or damage in any one occurrence is the amount shown in the Supplemental Schedule.

### **Inventory And Appraisal Expense**

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to reasonable expenses incurred for inventories and appraisals made at our request to determine the extent of loss or damage to any of your Covered Property and not due to a disagreement.
- (2) We will not pay for any expenses incurred, directed or billed by or payable to any public adjuster or public accountant or their associates or subordinates or any costs as provided in paragraph **2. Appraisal** of section **E. Loss Conditions**.
- (3) The most we will pay under this Extension in any one occurrence is the amount shown in the Supplemental Schedule.

### **Ordinance Or Law – Machinery and Equipment**

- (1) Subject to paragraph (2) below, if a Covered Cause of Loss damages machinery or equipment that is Covered Property, we will pay the additional costs to repair or replace the machinery or equipment as required by law.
- (2) If a Covered Cause of Loss damages refrigeration machinery or equipment that is Covered Property, we will pay:
  - (a) The cost to reclaim the refrigerant as required by law;
  - (b) The cost to retrofit the machinery or equipment to use a non-CFC refrigerant as required by the Clean Air Act of 1990 and any amendments thereto or any other similar laws; and
  - (c) The increased cost to recharge the system with a non-CFC refrigerant.
- (3) We will not pay for the costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", except as provided in **(2)(a)** above.
- (4) Loss to the machinery or equipment will be determined as follows:
  - (a) If replacement cost applies and the machinery or equipment is repaired or replaced, on the same or another premises, we will not pay more than the lesser of:
    - (i) The amount you actually spend to repair the machinery or equipment, but not for more than the amount it would cost to replace the machinery or equipment with machinery or equipment of the same kind and quality; or
    - (ii) The Limit of Insurance shown in the Declarations as applicable to the covered Building or Your Business Personal Property.
  - (b) If replacement cost applies and the machinery or equipment is not repaired or replaced, or if replacement cost does not apply, we will not pay more than the lesser of:
    - (i) The actual cash value of the machinery or equipment at the time of loss; or
    - (ii) The Limit of Insurance shown in the Declarations as applicable to the covered Building or Your Business Personal Property.
  - (c) We will not pay for loss due to any ordinance or law that:
    - (i) You were required to comply with before the loss, even if the machinery or equipment was undamaged; and
    - (ii) You failed to comply with.
- (5) Paragraph **1.a.** of section **B. Exclusions** does not apply to this Extension.
- (6) The Coinsurance Additional Condition does not apply to this Extension.

## **Trees, Shrubs And Plants**

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to your trees, shrubs and plants, other than "stock", at described premises.
- (2) The most we will pay for loss or damage to covered trees, shrubs and plants, including debris removal expense, in any one occurrence, is the amount shown in the Supplemental Schedule, but no more than the amount shown in the Supplemental Schedule for any one tree, shrub or plant.
- (3) In addition to all applicable provisions of the **Causes Of Loss – Special Form**, the following exclusions apply to this Extension:

We will not pay for loss or damage to trees, shrubs or plants caused by or resulting from any of the following:

- (a) Dampness or dryness of atmosphere;
- (b) Changes in or extremes of temperature; or
- (c) Rain, snow, ice or sleet.

P. Section **C. Limits Of Insurance** is replaced by the following:

### **C. Limits Of Insurance**

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations, except as provided below:

#### **1. Automatic Building Increase**

- a. The Limit of Insurance for Buildings will automatically increase by the Automatic Building Increase percentage shown in the Supplemental Schedule.
- b. The Automatic Building Increase percentage applies proportionally throughout the year. The actual amount of increase available on the day of loss or damage will be the last limit fixed for the property in the policy at inception, at anniversary or as subsequently endorsed:
  - (1) Times the Automatic Building Increase from the Supplemental Schedule;
  - (2) Times the number of days since the limit was last fixed;
  - (3) Divided by 365.

#### **2. Automatic Your Business Personal Property Increase**

- a. The Limit of Insurance for Your Business Personal Property will automatically increase by the Automatic Your Business Personal Property Increase percentage shown in the Supplemental Schedule.
- b. The Automatic Your Business Personal Property Increase percentage applies proportionally throughout the year. The actual amount of increase available on the day of loss or damage will be the last limit fixed for the personal property at inception, at anniversary or as subsequently endorsed:
  - (1) Times the Automatic Personal Property Increase from the Supplemental Schedule;
  - (2) Times the number of days since the limit was last fixed;
  - (3) Divided by 365.

3. Payments under the **Preservation Of Property** Additional Coverage will not increase the applicable Limits of Insurance.

Q. Section **E. Loss Conditions** is amended as follows:

1. The following is added to paragraph **3. Duties In The Event Of Loss Or Damage**:
2. Notice Of A Loss Occurrence

Notice of a loss occurrence by an agent, servant or "employee" of yours shall not constitute notice to you unless the agent, servant or "employee" is an officer, partner, "manager" of yours or any risk management personnel and/or any "employee(s)" responsible for accepting notice or handling claims.

3. The following are added to paragraph 4. **Loss Payment:**

**Partial Payment Of Loss**

We may, at our discretion, issue a partial payment of loss, subject to the policy provisions and the normal loss adjustment process. To qualify for a partial payment of loss:

- (1) You must submit a sworn, partial proof of loss with supporting documentation. We will supply the necessary forms; and
- (2) You must satisfy any applicable deductible.

However, we, in whole or in part, reserve our right to deny your claim. If we ultimately deny your claim, you must reimburse us for any partial payment we have made.

4. The following is added to paragraph 7. **Valuation:**

**Pairs Or Sets**

- (1) In case of a total loss of any items that are part of a pair or set that is individually listed and described in the Declarations, we will pay the full Limit of Insurance shown in the Declarations for that pair or set;
- (2) In case of loss to any part of a pair or set that is not individually listed and described in the Declarations, we may:
  - (a) Repair or replace any part to restore the pair or set to its value before the loss; or
  - (b) Pay the difference between the value of the pair or set before and after the loss.

5. The following is added to section F. **Additional Conditions:**

**Unintentional Errors And Omissions**

This insurance shall not be prejudiced by any unintentional act or inadvertent error or omission, incorrect valuation or incorrect description of your insurable interest, risk or property, provided notice is given to us as soon as practicable upon your discovery of such error, omission, incorrect valuation or incorrect description. However, we will only cover the loss or damage to the extent we would have provided coverage had such unintentional act or inadvertent error or omission, incorrect valuation or incorrect description not been made.

You are to report any error or omission as soon as discovered. We will correct the policy and/or our records and charge you any additional premium due.

**III. Changes To The Business Income (And Extra Expense) Coverage Form**

A. The following are added to paragraph 5. **Additional Coverages** of section A.

**Coverage: Business Income From Dependent Properties**

We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to "dependent property" caused by or resulting from a Covered Cause of Loss. However, this Additional Coverage does not apply when the only loss to "dependent property" is loss or damage to electronic data, including destruction or corruption of electronic data. If the "dependent property" sustains loss or damage to electronic data and other property, coverage under this Additional Coverage will not continue once the other property is repaired, rebuilt or replaced. Under this Additional Coverage, electronic data has the meaning described under 4. **Additional Limitation – Interruption of Computer Operations.**

We will pay for the actual loss of Business Income you sustain due to direct physical loss or damage at the premises of a "dependent property" caused by or resulting from any Covered Cause of Loss.

The most we will pay under this Additional Coverage for the actual loss of Business Income in any one occurrence is the amount shown in the Supplemental Schedule.

### **Contractual Penalties**

We will pay for contractual penalties imposed by written contract between you and your customers. These penalties must:

- a. Result from your failure to deliver your product or service on time according to contract terms;
- b. Result from direct physical loss or damage to Covered Property by a Covered Cause of Loss; and
- c. Have been paid by you to your customer.

The most we will pay under this Additional Coverage in any one policy year is the amount shown in the Supplemental Schedule.

### **Utility Services – Time Element**

(1) We will pay for the actual loss of Business Income you sustain and necessary Extra Expense, as provided and limited in the applicable Coverage Form, for a "suspension" of "operations" at the described premises caused by an interruption in utility service to that premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the property away from the described premises.

(2) Coverage under this Additional Coverage does not apply to Business Income loss or Extra Expense related to interruption in utility service which causes loss or damage to electronic data, including destruction or corruption of electronic data. Under this Additional Coverage, electronic data has the meaning described under **4. Additional Limitation – Interruption of Computer Operations**.

(3) Utility Services means:

- (a) Water Supply Services, meaning property supplying water to the described premises.
- (b) Communication Supply Services, meaning property supplying communication services to the described premises.
- (c) Power Supply Services, meaning property supplying electricity, steam or gas to the described premises.

(4) The Coinsurance Additional Condition does not apply to this Additional Coverage.

(5) The most we will pay for the actual loss of Business Income and necessary Extra Expense in any one occurrence is the amount shown in the Supplemental Schedule.

**B. Subparagraph (4) of d. Interruption Of Computer Operations of 5. Additional Coverages** in section **A. Coverage** is replaced by the following:

(4) The most we will pay under this Additional Coverage is the amount shown in the Supplemental Schedule for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.

C. The following is added to paragraph **6. Coverage Extensions** of section **A. Coverage**:

**Transit Business Income**

We will pay for the actual loss of Business Income or Extra Expense you sustain due to direct physical loss of or damage to Covered Property in transit caused by or resulting from any Covered Cause of Loss.

Payment under this Additional Coverage is part of, not in addition to, the Business Income (And Extra Expense) Coverage Limit of Insurance stated in the Declarations as applicable to the described premises.

D. The **Loss Determination** Loss Condition is amended by adding the following to **c. Resumption Of Operations**:

We will reduce the amount of your Business Income loss, other than Extra Expense, to the extent you can resume "operations", in whole or in part, by using any other available:

1. Source of materials; or
2. Outlet for your products.

**IV. Changes To The Causes Of Loss – Special Form**

A. Paragraph **2.d.** of section **B. Exclusions** is replaced by the following:

2. We will not pay for loss or damage caused by or resulting from any of the following:

d. (1) Wear and tear;

(2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;

(3) Smog;

(4) Settling, cracking, shrinking or expansion;

(5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals.

(6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision. This exclusion does not apply to "computers"

(7) The following causes of loss to personal property:

(a) Dampness or dryness of atmosphere or changes in or extremes of temperature, unless such conditions result from physical damage caused by a Covered Cause of Loss to an air conditioning unit or system, including equipment and parts that are part of or used with "computers"; or

(b) Marring or scratching.

B. The following exclusions are added to paragraph **B.1.**, and apply only to coverage for "computers":

**Errors Or Omissions**

Errors or omissions in processing, recording or storing information on media or "computers".

However, we will pay for direct loss or damage caused by fire or explosion if these are covered causes of loss.

**Electrical Disturbance**

Electrical or magnetic injury, disturbance or erasure of electronic recordings.

However, we will pay for direct loss or damage caused by lightning.

## Computer-Related Losses

The failure, malfunction or inadequacy of:

- (1) Any of the following:
  - (a) "Computer" hardware;
  - (b) "Computer" application software;
  - (c) "Computer" operating systems and related software;
  - (d) "Computer" networks;
  - (e) Microprocessors;
  - (f) Any other computerized or electronic equipment or components; or
- (2) Any products, services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in subparagraph (1) above,

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times.

## Computer Advice Or Consultation

Any advice, consultation, design, evaluation, inspection, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in the **Computer-Related Losses** exclusion.

- C. If an excluded Cause of Loss as described in the Electrical Disturbance, Computer-Related Losses or Computer Advice Or Consultation exclusions above results in a "specified cause of loss", or in elevator collision resulting from mechanical breakdown, we will pay only for the loss or damage caused by such "specified cause of loss" or elevator collision. We will not pay for repair, replacement or modification of any items in the Computer-Related Losses exclusion to correct any deficiencies or change any features.
- D. Section **B. Exclusions** does not apply to the Valuable Papers And Records (Other Than Electronic Data) Additional Coverage and the Accounts Receivable Coverage Extension of section **II.** of this endorsement, except for:
  1. Paragraphs **2.f.**, **2.g.** and **3.**, and
  2. The **Governmental Action, Nuclear Hazard, War And Military Action, Computer-Related Losses,** and **Computer Advice Or Consultation** exclusions.

## V. Definitions

The following additional definitions apply to this endorsement:

- A. "Computer" means:
  1. Programmable electronic equipment that is used to store, retrieve and process electronic data. It includes their component parts and dedicated air conditioning, fire suppression equipment and electrical equipment used exclusively in "computer" operations; and
  2. Associated peripheral equipment that provides communication, including input and output functions such as printing or auxiliary functions such as electronic data transmission,but does not include electronic data and media.
- B. "Counterfeit" means an imitation of an actual valid original, which is intended to deceive and to be taken as the original.
- C. "Dependent property" means property operated by others whom you depend on to:

1. Deliver materials or services to you, or to others for your account (Contributing Locations). But, any property, which delivers Utility Services is not a Contributing Location with respect to such services:
    - a. Water Supply Services;
    - b. Power Supply Services; or
    - c. Communication Supply Services, including services relating to internet access or access to any electronic network;
  2. Accept your products or services (Recipient Locations);
  3. Manufacture products for delivery to your customers under contract of sale (Manufacturing Locations); or
  4. Attract customers to your business (Leader Locations).
- D. "Employee" means:**
1. Any natural person:
    - a. While in your service or for 30 days after termination of service;
    - b. Who you compensate directly by salary, wages or commissions; and
    - c. Who you have the right to direct and control while performing services for you; or
  2. Any natural person who is furnished temporarily to you:
    - a. To substitute for a permanent "employee" as defined in paragraph 1. above, who is on leave; or
    - b. To meet seasonal or short-term work- load conditions,
 while that person is subject to your direction and control and performing services for you.
- "Employee" does not mean:
1. Any agent, broker, person leased to you by a labor leasing firm, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
  2. Any "manager", director or trustee except while performing acts coming within the scope of the usual duties of an "employee".
- E. "Forgery" means the signing of the name of another person or organization with intent to deceive. It does not mean a signature which consists, in whole or in part, of one's own name signed with or without authority, in any capacity, for any purpose.**
- F. "Manager" means a person serving in a directorial capacity for a limited liability company.**
- G. "Market value" means the price which the property might be expected to realize, prior to a loss or damage, if offered for sale in a fair market on the date the loss or damage occurred, the cost of reasonable restoration of the property or the replacement of the property with substantially the same property, whichever is less.**
- H. "Members" means an owner of a limited liability company represented by its membership interest who also may serve as a "manager".**
- I. "Money" means:**
1. Currency, coins and bank notes in current use and having a face value; and
  2. Travelers checks, register checks and money orders held for sale to the public.
- J. "Period of restoration", with respect to "dependent property" only, means the period of time that:**
1. Begins 72 hours after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the "dependent property", and

2. Ends on the date when the property at the premises of the "dependent property" should be repaired, rebuilt or replaced with reasonable speed and similar quality.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:

1. Regulates the construction, use or repair, or requires the tearing down of any property; or
2. Requires anyone to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

**K.** "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:

1. Redeemed coupons, tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
2. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you, but does not include "money" or lottery tickets held for sale.

**L.** "Theft" means the unlawful taking of "money", "securities" or other property to the deprivation of the insured.

**M.** "Valuable papers and records" means inscribed, printed or written:

1. Documents;
2. Manuscripts;
3. Records,

including abstracts, books, card index systems, deeds, drawings, films, maps, mortgages and proprietary information.

But, "valuable papers and records" does not mean "money" or "securities", converted data, programs or instructions used in your data processing operations, including the materials on which data is recorded.

All other terms, conditions, provisions and exclusions of this policy remain the same.

# CERTAIN WATER DEDUCTIBLE

This endorsement modifies insurance provided under the:

**Building And Personal Property Coverage Form**

**Condominium Association Coverage Form**

SCHEDULE		
Location Number	Building Number	Water Damage Deductible
1294 Piedmont Ave NE, Atlanta, GA 30309, USA	1	\$ 5,000

**A.** The following is added to the **Deductible** Section:

1. The Water Damage Deductible(s), as shown in the above Schedule, applies to covered loss or damage to Covered Property at each building described in the Schedule caused directly or indirectly by the following, regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage:
  - a. Leakage or discharge of any substance from an "automatic sprinkler system", including collapse of a tank that is part of the system. This paragraph a. does not apply if the Sprinkler Leakage Exclusion endorsement is endorsed to the policy.
  - b. Accidental back-up, overflow, discharge or leakage of water or steam from a plumbing, heating, air conditioning or other system or appliance, that is located in or on the building described in the Schedule and contains water or steam.
  - c. Accidental discharge or leakage from roof drains, gutters, downspouts or similar fixtures or equipment, unless excluded elsewhere in the policy.
  - d. Loss or damage caused by or resulting from thawing of snow, sleet or ice on the building described in the schedule.
2. In any one occurrence, the Water Damage Deductible(s) applies separately at each building described in the Schedule.
3. This endorsement does not include loss or damage otherwise excluded under the terms of the Water Exclusion.

**B.** As used in this endorsement "automatic sprinkler system" means:

1. Any automatic fire-protective or extinguishing system, including connected:
  - a. Sprinklers and discharge nozzles;
  - b. Ducts, pipes, valves and fittings;
  - c. Tanks, their component parts and supports; and
  - d. Pumps and private fire protection mains.
2. When supplied from an automatic fire-protective system:
  - a. Non-automatic fire-protective systems; and
  - b. Hydrants, standpipes and outlets.

All other terms, conditions, provisions and exclusions of this policy remain the same.

# POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, that 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 THIS 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 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019; AND 80% BEGINNING ON JANUARY 1, 2020, OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. 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.

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 INSURER'S 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.

PLEASE ALSO BE AWARE THAT YOUR POLICY DOES NOT PROVIDE COVERAGE FOR ACTS OF TERRORISM THAT ARE NOT CERTIFIED BY THE SECRETARY OF THE TREASURY.

## Acceptance or Rejection of Terrorism Insurance Coverage

You must accept or reject this insurance coverage for losses arising out of acts of terrorism, *as defined in Section 102(1) of the Act*, before the effective date of this policy. Your coverage cannot be bound unless our representative has received this form signed by you on behalf of all insureds with all premiums due.

**Coverage acceptance:**

I hereby elect to purchase coverage for certified acts of terrorism, *as defined in Section 102(1) of the Act* for a prospective annual premium of \$ 115.62. I understand that I will not have coverage for losses resulting from any non-certified acts of terrorism.

OR

**Coverage rejection:**

I hereby decline to purchase coverage for certified acts of terrorism, *as defined in Section 102(1) of the Act*. I understand that I will not have coverage for any losses arising from either certified or non-certified acts of terrorism.

\_\_\_\_\_  
**Policyholder/Applicant's Signature-**  
**Must be person authorized to sign for all Insureds.**

\_\_\_\_\_  
**Print Name**

1294 PIEDMONT APARTMENTS OWNER, LLC

\_\_\_\_\_  
**Named Insured**

\_\_\_\_\_  
**Date**

Specialty Builders Insurance co.

\_\_\_\_\_  
**Insurance Company**

\_\_\_\_\_  
**Policy Number**

\_\_\_\_\_  
**Submission Number**

\_\_\_\_\_  
**Producer Number**

John Streer

\_\_\_\_\_  
**Producer Name**

1117 Perimeter Center West, Suite W101, Atlanta, GA

30338

\_\_\_\_\_  
**Street Address**

1117 Perimeter Center West, Suite W101, Atlanta, GA

30338

\_\_\_\_\_  
**City, State, Zip**

**The producer shown above is the wholesale insurance broker your insurance agent used to place your insurance coverage with us. Please discuss this Disclosure with your agent before signing.**



## Schedule of Forms and Endorsements:

Form Name	Form Number
ASBESTOS EXCLUSION	HNYC-ABE-EX-CW
BUILDERS PRIVACY NOTICE	BIG PRVN 03 20
BUILDING AND PERSONAL PROPERTY COVERAGE FORM	CP 00 10 10 12
BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM	CP 00 30 10 12
CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM	CG 21 70 01 15
CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM	IL 09 52 01 15
CAUSES OF LOSS - SPECIAL FORM	CP 10 30 09 17
CERTAIN WATER DEDUCTIBLE ENDORSEMENT	HNYC-WDED-01-CW
COMMERCIAL GENERAL LIABILITY COVERAGE FORM	CG 00 01 04 13
COMMERCIAL PROPERTY CONDITIONS	CP 00 90 07 88
COMMON POLICY CONDITIONS	IL 00 17 11 98
COMMUNICABLE DISEASE EXCLUSION	CG 21 32 05 09
CONDITIONAL EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)	CG 21 88 01 15
CYBER INCIDENT EXCLUSION	CP 10 75 12 20
DISCHARGE FROM SEWER, DRAIN, OR SUMP (NOT FLOOD RELATED)	CP 10 38 10 12
DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT	IL 09 85 12 20
ELECTROMAGNETIC RADIATION EXCLUSION	HNYC-ELEC-EX-CW
EMPLOYMENT-RELATED PRACTICES EXCLUSION	CG 21 47 12 07
EQUIPMENT BREAKDOWN ENHANCEMENT ENDORSEMENT	HNYC-EB-01-CW
EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY - WITH LIMITED BODILY INJURY EXCEPTION	CG 21 06 05 14
EXCLUSION FOR SOFTWARE AND DATA-RELATED LOSSES	HNYC-SFDA-EX-CW
EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES	IL 09 35 07 02
EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA	CP 01 40 07 06

EXCLUSION OF PUNITIVE DAMAGES RELATED TO A CERTIFIED ACT OF TERRORISM	CG 21 76 01 15
FUNGI OR BACTERIA EXCLUSION	CG 21 67 12 04
FUNGI OR BACTERIA EXCLUSION ENDORSEMENT	HNYC-FUNGI-EX-CW
GEORGIA CHANGES	CP 01 31 01 20
GEORGIA CHANGES – CANCELLATION AND NONRENEWAL	IL 02 62 02 15
HEXAGON PROPERTY COVERAGE ENDORSEMENT	HNYC-PBE-02-CW
HEXAGON PROPERTY COVERAGE ENHANCEMENT	HNYC-PBES-02-CW
HIRED AUTO AND NON-OWNED AUTO LIABILITY INSURANCE - GEORGIA	HNYC-HNOA-01-GA
LEAD LIABILITY EXCLUSION	HNYC-LEAD-EX-CW
LIMITATION OF COVERAGE TO DESIGNATED PREMISES, PROJECT OR OPERATION	CG 21 44 04 17
MINIMUM EARNED PREMIUM ENDORSEMENT	HNYC-ME-06-2024
NOTIFICATION - INFORMATION SHARING	SBIC 0002 03 20
NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (BROAD FORM)	IL 00 21 09 08
POLICY JACKET BUILDERS	HNYC-PJ-BUILDERS-06-2024
POLICY TEMPLATE	HNYC-DEC-01-CW_SPC
POLICYHOLDER NOTICE - COMPLAINTS	HNYC-PN-COMPL-GA-01
RECORDING AND DISTRIBUTION OF MATERIAL OR INFORMATION IN VIOLATION OF LAW EXCLUSION	HNYC-REC-EX-CW
SANCTIONS EXCLUSION ENDORSEMENT	HNYC-SANC-EX-CW
Service of Suit	HNYC-SRV-06-2024-V1
SILICA AND MIXED DUST PARTICLES EXCLUSION ENDORSEMENT	HNYC-SILICA-EX-CW
TOTAL POLLUTION EXCLUSION WITH A BUILDING HEATING, COOLING AND DEHUMIDIFYING EQUIPMENT EXCEPTION AND A HOSTILE FIRE EXCEPTION	CG 21 65 12 04
U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL (OFAC) ADVISORY NOTICE TO POLICYHOLDERS	IL P 001 01 04
WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE	CP 03 21 10 12
Schedule of Forms and Endorsement	HNYC-FORMSCH-CW-01





## Your Excess Liability Honeycomb Quote

Dear 1294 PIEDMONT APARTMENTS OWNER, LLC,  
Below is your customized insurance quote and coverage overview.

### Quote Details

**Policy Type:** Excess Liability  
**Insurance Company:** Specialty Builders Insurance Company  
**Annual Cost:** \$1,375.00  
**Quote Valid Until:** 06/29/2026 or effective date whichever comes sooner  
**Proposal Number:** MP12569-20251205

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**Named Insured:** 1294 PIEDMONT APARTMENTS OWNER, LLC  
**Agency Name:** John Snellings Insurance Agency, Inc.  
**Producer Name:** John Streer  
**Policy Start Date:** 04/30/2026 \*Standard time zone at property location  
**Policy End Date:** 04/30/2027 \*Standard time zone at property location

NON BINDING



## COVERAGE & LIMITS

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### Excess Policy – Limits of Insurance

Controlling Underlying Insurance Limits	Excess Limit of Insurance
General Liability General Aggregate Limit of \$2,000,000	\$1,000,000
General Liability Products/Completed Operations Aggregate Limit of \$2,000,000	\$1,000,000
General Liability Each Occurrence Limit of \$1,000,000	\$1,000,000
General Liability Personal and Advertising Injury Limit of \$1,000,000	\$1,000,000

NON-BINDING



Honeycomb Programs Inc.  
141 W Jackson Blvd Suite 1510A  
Chicago, IL 60604

### Schedule of Controlling Underlying Insurance

Proposal Number	Insurer Name	Type of Proposal	Effective Date	Occurrence or Claims Made	General Aggregate/ Aggregate Limit	Products/ Completed Operations Aggregate Limit	Each/Per Occurrence Limit	Personal and Advertising Injury Limit	Each Claim Limit
BQ517090-20210203		General Liability	04/30/2026 - 04/30/2027	Occurrence	\$2,000,000	\$2,000,000	\$1,000,000	\$1,000,000	N/A

NON-BINDING



## PREMIUM BREAKDOWN

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Excess Liability Coverage	\$1,250.00
Certified Terrorism Coverage Premium	Not Covered
Program Fee	\$75.00
Surplus Lines Tax	\$50.00
Stamping Fee	Not applicable
Clearinghouse Fee	Not applicable
Regulatory Fee	Not applicable

**TOTAL:** \$1,375.00

\*\* Policy fees are non-refundable at any time including but not limited to if policy is cancelled at a later date. Where applicable, installment fees, convenience fees and other fees may not be eligible for a refund if policy is cancelled at a later date.

\*\*\* If the named insured elects to cancel the policy before the expiration date, a Short-Rate Cancellation Fee of 10% of the remaining unearned premium will apply.

For Example: If the policy's annual premium is \$12,000 and the named insured cancels with 8 months remaining, the unearned premium would be \$8,000, resulting in a Short-Rate Cancellation Fee of \$800.

Exception: The Short-Rate Cancellation Fee will not apply if the named insured provides documented proof of selling the insured location.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – DESIGNATED ONGOING OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

### **SCHEDULE**

**Description Of Designated Ongoing Operation(s):**

Operations or activities involving, directly or indirectly, the ownership, maintenance, use, operation, control, supervision, or management of, whether primary, incidental, or ancillary to your operations:

- Playground equipment with moving parts, including but not limited to swings, rotating structures, slides with mechanical components, and other motorized or motion-activated play features;
- Docks, piers, wharves, marinas, and boat slips, including the mooring, launching, or storage of watercraft;
- Equestrian trails, riding paths, or horse-related recreational areas, including horseback riding activities, trail riding, and associated animal handling or supervision;
- Swimming pools located at single-family residential dwellings, including related pool decks, diving boards, slides, and associated recreational water activities.

**Specified Location (If Applicable):**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following exclusion is added to Paragraph 2. **Exclusions of Section I – Coverages:**

**2. Exclusions**

Insurance provided under this Coverage Part does not apply to "injury or damage" arising out of the ongoing operations described in the Schedule of this endorsement, regardless of whether such operations are conducted by you or on your behalf or whether the operations are conducted for yourself or for others.

Unless a "location" is specified in the Schedule, this exclusion applies regardless of where such operations are conducted by you or on your behalf. If a specific "location" is designated in the Schedule of this endorsement, this exclusion applies only to the described ongoing operations conducted at that "location".

For the purpose of this endorsement, "location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

# COMMERCIAL EXCESS LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance. The word "insured" means any person or organization qualifying as such under the "controlling underlying insurance".

Other words and phrases that appear in quotation marks in this Coverage Part have special meaning. Refer to Section IV – Definitions. Other words and phrases that are not defined under this Coverage Part but defined in the "controlling underlying insurance" will have the meaning described in the policy of "controlling underlying insurance".

The insurance provided under this Coverage Part will follow the same provisions, exclusions and limitations that are contained in the applicable "controlling underlying insurance", unless otherwise directed by this insurance. To the extent such provisions differ or conflict, the provisions of this Coverage Part will apply. However, the coverage provided under this Coverage Part will not be broader than that provided by the applicable "controlling underlying insurance".

There may be more than one "controlling underlying insurance" listed in the Declarations and provisions in those policies conflict, and which are not superseded by the provisions of this Coverage Part. In such a case, the provisions, exclusions and limitations of the "controlling underlying insurance" applicable to the particular "event" for which a claim is made or suit is brought will apply.

## SECTION I – COVERAGES

### 1. Insuring Agreement

- a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "retained limit" because of "injury or damage" to which insurance provided under this Coverage Part applies.

We will have the right and duty to defend the insured against any suit seeking damages for such "injury or damage" when the applicable limits of "controlling underlying insurance" have been exhausted in accordance with the provisions of such "controlling underlying insurance".

When we have no duty to defend, we will have the right to defend, or to participate in the defense of, the insured against any other suit seeking damages for "injury or damage".

However, we will have no duty to defend the insured against any suit seeking damages for which insurance under this policy does not apply.

At our discretion, we may investigate any "event" that may involve this insurance and settle any resultant claim or suit, for which we have the duty to defend.

But:

- (1) The amount we will pay for "ultimate net loss" is limited as described in Section II – Limits Of Insurance; and
  - (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under this Coverage Part. However, if the policy of "controlling underlying insurance" specifies that limits are reduced by defense expenses, our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of defense expenses, judgments or settlements under this Coverage Part.
- b. This insurance applies to "injury or damage" that is subject to an applicable "retained limit". If any other limit, such as, a sublimit, is specified in the "controlling underlying insurance", this insurance does not apply to "injury or damage" arising out of that exposure unless that limit is specified in the Declarations under the Schedule of "controlling underlying insurance".
  - c. If the "controlling underlying insurance" requires, for a particular claim, that the "injury or damage" occur during its policy period in order for that coverage to apply, then this insurance will only apply to that "injury or damage" if it occurs during the policy period of this Coverage Part. If the "controlling underlying insurance" requires that the "event" causing the particular "injury or damage" takes place during its policy period in order for that coverage to apply, then this insurance will apply to the claim only if the "event" causing that "injury or damage" takes place during the policy period of this Coverage Part.

d. Any additional insured under any policy of "controlling underlying insurance" will automatically be an additional insured under this insurance. If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance required by the contract, less any amounts payable by any "controlling underlying insurance".

Additional insured coverage provided by this insurance will not be broader than coverage provided by the "controlling underlying insurance".

## 2. Exclusions

The following exclusions, and any other exclusions added by endorsement, apply to this Coverage Part. In addition, the exclusions applicable to any "controlling underlying insurance" apply to this insurance unless superseded by the following exclusions, or superseded by any other exclusions added by endorsement to this Coverage Part.

Insurance provided under this Coverage Part does not apply to:

### a. Medical Payments

Medical payments coverage or expenses that are provided without regard to fault, whether or not provided by the applicable "controlling underlying insurance".

### b. Auto

Any loss, cost or expense payable under or resulting from any of the following auto coverages:

- (1) First-party physical damage coverage;
- (2) No-fault coverage;
- (3) Personal injury protection or auto medical payments coverage; or
- (4) Uninsured or underinsured motorists coverage.

### c. Pollution

- (1) "Injury or damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time.
- (2) Any loss, cost or expense arising out of any:
  - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants; or

(b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, pollutants.

This exclusion does not apply to the extent that valid "controlling underlying insurance" for the pollution liability risks described above exists or would have existed but for the exhaustion of underlying limits for "injury or damage".

### d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

## SECTION II – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations, and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- b. Claims made or suits brought, or number of vehicles involved;
- c. Persons or organizations making claims or bringing suits; or
- d. Limits available under any "controlling underlying insurance".

2. The Limits of Insurance of this Coverage Part will apply as follows:

- a. This insurance only applies in excess of the "retained limit".
- b. The Aggregate Limit is the most we will pay for the sum of all "ultimate net loss", for all "injury or damage" covered under this Coverage Part. However, this Aggregate Limit only applies to "injury or damage" that is subject to an aggregate limit of insurance under the "controlling underlying insurance".
- c. Subject to Paragraph 2.b. above, the Each Occurrence Limit is the most we will pay for the sum of all "ultimate net loss" under this insurance because of all "injury or damage" arising out of any one "event".
- d. If the Limits of Insurance of the "controlling underlying insurance" are reduced by defense expenses by the terms of that policy, any payments for defense expenses we make will reduce our applicable Limits of Insurance in the same manner.

3. If any "controlling underlying insurance" has a policy period that is different from the policy period of this Coverage Part then, for the purposes of this insurance, the "retained limit" will only be reduced or exhausted by payments made for "injury or damage" covered under this insurance.

The Aggregate Limit of this Coverage Part applies separately to each consecutive annual period of this Coverage Part and to any remaining period of this Coverage Part of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

### SECTION III – CONDITIONS

The following conditions apply. In addition, the conditions applicable to any "controlling underlying insurance" are also applicable to the coverage provided under this insurance unless superseded by the following conditions.

#### 1. Appeals

If the "controlling underlying insurer" or insured elects not to appeal a judgment in excess of the amount of the "retained limit", we may do so at our own expense. We will also pay for taxable court costs, pre- and postjudgment interest and disbursements associated with such appeal. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in Section II – Limits Of Insurance.

#### 2. Bankruptcy

##### a. Bankruptcy Of Insured

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

##### b. Bankruptcy Of Controlling Underlying Insurer

Bankruptcy or insolvency of the "controlling underlying insurer" will not relieve us of our obligations under this Coverage Part.

However, insurance provided under this Coverage Part will not replace any "controlling underlying insurance" in the event of bankruptcy or insolvency of the "controlling underlying insurer". The insurance provided under this Coverage Part will apply as if the "controlling underlying insurance" were in full effect and recoverable.

#### 3. Duties In The Event Of An Event, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "event", regardless of the amount, which may result in a claim under this insurance. To the extent possible, notice should include:

- (1) How, when and where the "event" took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any "injury or damage" arising out of the "event".

- b. If a claim is made or suit is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or suit and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or suit as soon as practicable.

- c. You and any other insured involved must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit;
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the suit; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of "injury or damage" to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

#### 4. First Named Insured Duties

The first Named Insured is the person or organization first named in the Declarations and is responsible for the payment of all premiums. The first Named Insured will act on behalf of all other Named Insureds for giving and receiving of notice of cancellation or the receipt of any return premium that may become payable.

At our request, the first Named Insured will furnish us, as soon as practicable, with a complete copy of any "controlling underlying insurance" and any subsequently issued endorsements or policies which may in any way affect the insurance provided under this Coverage Part.

## 5. Cancellation

- a. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
- b. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- c. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
- d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- e. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- f. If notice is mailed, proof of mailing will be sufficient proof of notice.

## 6. Changes

This Coverage Part contains all the agreements between you and us concerning the insurance afforded. The first Named Insured is authorized by all other insureds to make changes in the terms of this Coverage Part with our consent. This Coverage Part's terms can be amended or waived only by endorsement.

## 7. Maintenance Of/Changes To Controlling Underlying Insurance

Any "controlling underlying insurance" must be maintained in full effect without reduction of coverage or limits except for the reduction of aggregate limits in accordance with the provisions of such "controlling underlying insurance" that results from "injury or damage" to which this insurance applies.

Such exhaustion or reduction is not a failure to maintain "controlling underlying insurance". Failure to maintain "controlling underlying insurance" will not invalidate insurance provided under this Coverage Part, but insurance provided under this Coverage Part will apply as if the "controlling underlying insurance" were in full effect.

The first Named Insured must notify us in writing, as soon as practicable, if any "controlling underlying insurance" is cancelled, not renewed, replaced or otherwise terminated, or if the limits or scope of coverage of any "controlling underlying insurance" is changed.

## 8. Other Insurance

a. This insurance is excess over, and shall not contribute with any of the other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Part.

When this insurance is excess, if no other insurer defends, we may undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

b. When this insurance is excess over other insurance, we will pay only our share of the "ultimate net loss" that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of the insurance provided under this Coverage Part; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

## 9. Premium Audit

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. If this policy is auditable, the premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period, we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit premium is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

## 10. Loss Payable

Liability under this Coverage Part does not apply to a given claim unless and until:

- a. The insured or insured's "controlling underlying insurer" has become obligated to pay the "retained limit"; and
- b. The obligation of the insured to pay the "ultimate net loss" in excess of the "retained limit" has been determined by a final settlement or judgment or written agreement among the insured, claimant, "controlling underlying insurer" (or a representative of one or more of these) and us.

## 11. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a suit asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured, "controlling underlying insurer" and the claimant or the claimant's legal representative.

## 12. Transfer Of Defense

### a. Defense Transferred To Us

When the limits of "controlling underlying insurance" have been exhausted, in accordance with the provisions of "controlling underlying insurance", we may elect to have the defense transferred to us. We will cooperate in the transfer of control to us of any outstanding claims or suits seeking damages to which this insurance applies and which would have been covered by the "controlling underlying insurance" had the applicable limit not been exhausted.

### b. Defense Transferred By Us

When our limits of insurance have been exhausted our duty to provide a defense will cease.

We will cooperate in the transfer of control of defense to any insurer specifically written as excess over this Coverage Part of any outstanding claims or suits seeking damages to which this insurance applies and which would have been covered by the "controlling underlying insurance" had the applicable limit not been exhausted.

In the event that there is no insurance written as excess over this Coverage Part, we will cooperate in the transfer of control to the insured and its designated representative.

## 13. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

## SECTION IV – DEFINITIONS

The definitions applicable to any "controlling underlying insurance" also apply to this insurance. In addition, the following definitions apply.

1. "Controlling underlying insurance" means any policy of insurance or self-insurance listed in the Declarations under the Schedule of "controlling underlying insurance".
2. "Controlling underlying insurer" means any insurer who provides any policy of insurance listed in the Declarations under the Schedule of "controlling underlying insurance".
3. "Event" means an occurrence, offense, accident, act, or other event, to which the applicable "controlling underlying insurance" applies.
4. "Injury or damage" means any injury or damage, covered in the applicable "controlling underlying insurance" arising from an "event".
5. "Retained limit" means the available limits of "controlling underlying insurance" applicable to the claim.
6. "Ultimate net loss" means the total sum, after reduction for recoveries, or salvages collectible, that the insured becomes legally obligated to pay as damages by reason of:
  - a. Settlements, judgments, binding arbitration; or
  - b. Other binding alternate dispute resolution proceeding entered into with our consent.

"Ultimate net loss" includes defense expenses if the "controlling underlying insurance" specifies that limits are reduced by defense expenses.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ANIMAL LIABILITY EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL EXCESS LIABILITY COVERAGE PART**

### **SECTION I – COVERAGES**

#### **2. Exclusions**

**The following exclusion is added to Paragraph 2. Exclusions:**

##### **Liability for Animals**

This insurance does not apply to “bodily injury”, “property damage” or “personal and advertising injury” arising directly or indirectly out of any animal.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

**NON-BINDING**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EMPLOYEE LIABILITY EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL EXCESS LIABILITY COVERAGE PART**

### **SECTION I – COVERAGES**

#### **2. Exclusions**

**The following exclusion is added to Paragraph 2. Exclusions:**

#### **Employee Benefit Liability**

This insurance does not apply to any “employee benefit liability”, including any “bodily injury”, “property damage”, “personal and advertising injury”, loss, cost or expense arising directly or indirectly out of any act, error or omission in the administration of any employee benefit plan.

This exclusion applies regardless of whether employee benefit liability coverage is provided by endorsement or otherwise under any underlying insurance policy.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

**NON-BINDING**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## MINIMUM EARNED PREMIUM ENDORSEMENT

All cancellation provisions of this policy are amended by the following:

1. If this policy is cancelled, we will send the (first) Named Insured any premium refund due.
  - a. **If we cancel**, the refund will be generated on a pro-rata of gross annual premium basis (including any premium changes by endorsement).
  - b. If the policy is **cancelled at the request of the (first) Named Insured**, the premium charged shall be subject to a **Minimum Earned Premium of 25%** of the gross annual premium (including any premium changes by endorsement). This Minimum Earned Premium is the least amount of premium we shall retain as earned premium regardless of term.
    - i Program, Policy and Broker Fees, Installment Fees (accrued), Credit Card Convenience Fees, Reinstatement Fees and/or Late Fees are fully earned, regardless of the term.
    - ii Cancellation for non-payment of premium will be considered cancellation at the request of the (first) Named Insured.
  - c. All refunds If the policy is **cancelled at the request of the (first) Named Insured** will be determined as follows:
    - i. If at the time of cancellation, the earned premium is GREATER than the Minimum Earned Premium, the refund will be pro-rata return of the gross annual premium (including any premium changes by endorsement).
    - ii. If at the time of cancellation, the earned premium is EQUAL TO or LESS than the Minimum Earned Premium, the refund will be determined by subtracting the Minimum Earned Premium from the gross annual premium (including any premium changes by endorsement)

**All other terms and conditions of this policy remain unchanged**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **TRAMPOLINE AND INFLATABLE EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL EXCESS LIABILITY COVERAGE PART**

This insurance does not apply to and there is no duty to defend a suit alleging “bodily injury,” “property damage,” “personal and advertising injury,” medical expenses, “injury” or damages arising in whole or in part from the use of trampolines and/or any type of inflatable or any other similar jumping/bouncing device.

All other terms, conditions, definitions or exclusions of this policy remain unchanged.

**NON-BINDING**

# POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, that 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 THIS 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 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019; AND 80% BEGINNING ON JANUARY 1, 2020, OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. 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.

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 INSURER'S 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.

PLEASE ALSO BE AWARE THAT YOUR POLICY DOES NOT PROVIDE COVERAGE FOR ACTS OF TERRORISM THAT ARE NOT CERTIFIED BY THE SECRETARY OF THE TREASURY.

## Acceptance or Rejection of Terrorism Insurance Coverage

You must accept or reject this insurance coverage for losses arising out of acts of terrorism, *as defined in Section 102(1) of the Act*, before the effective date of this policy. Your coverage cannot be bound unless our representative has received this form signed by you on behalf of all insureds with all premiums due.

**Coverage acceptance:**

I hereby elect to purchase coverage for certified acts of terrorism, *as defined in Section 102(1) of the Act* for a prospective annual premium of \$29.79. I understand that I will not have coverage for losses resulting from any non-certified acts of terrorism.

OR

**Coverage rejection:**

I hereby decline to purchase coverage for certified acts of terrorism, *as defined in Section 102(1) of the Act*. I understand that I will not have coverage for any losses arising from either certified or non-certified acts of terrorism.

\_\_\_\_\_  
**Policyholder/Applicant's Signature-**  
**Must be person authorized to sign for all Insureds.**

\_\_\_\_\_  
**Print Name**

1294 PIEDMONT APARTMENTS OWNER, LLC

\_\_\_\_\_  
**Named Insured**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Insurance Company**

\_\_\_\_\_  
**Policy Number**

\_\_\_\_\_  
**Submission Number**

\_\_\_\_\_  
**Producer Number**

John Streer

\_\_\_\_\_  
**Producer Name**

1117 Perimeter Center West, Suite W101, Atlanta, GA

30338

\_\_\_\_\_  
**Street Address**

1117 Perimeter Center West, Suite W101, Atlanta, GA

30338

\_\_\_\_\_  
**City, State, Zip**

**The producer shown above is the wholesale insurance broker your insurance agent used to place your insurance coverage with us. Please discuss this Disclosure with your agent before signing.**

**NON-BINDING**

## Schedule of Forms and Endorsements:

Form Name	Form Number
ANIMAL LIABILITY EXCLUSION EXL	HNYC-ANIMAL-EX-EXL-CW-02-2026
BUILDERS POLICY NOTICE (PRIVACY)	BIG PRVN 03 20
BUILDERS SHARED	SBIC 0002 03 20
COMMERCIAL EXCESS LIABILITY COVERAGE FORM	CX 00 01 04 13
COMMON POLICY CONDITIONS	IL 00 17 11 98
CONDITIONAL EXCLUSION OF TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)	CX 21 29 01 15
CONDITIONAL EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)	CX 21 32 01 15
DESIGNATED ONGOING OPERATIONS EXCLUSION EXL	CX 21 12 04 13
EMPLOYEE LIABILITY EXCLUSION	HNYC EBL EX EXL CW 02 2026
EXCLUSION OF CERTIFIED ACTS OF TERRORISM AND EXCLUSION OF OTHER ACTS OF TERRORISM COMMITTED OUTSIDE THE UNITED STATES	CX 21 35 01 15
EXCLUSION OF CERTIFIED NUCLEAR, BIOLOGICAL, CHEMICAL OR RADIOLOGICAL ACTS OF TERRORISM; CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM	CX 21 45 01 15
GEORGIA CHANGES	CX 01 19 02 24
MINIMUM EARNED PREMIUM ENDORSEMENT	HNYC-ME-06-2024
NONCONTRIBUTORY AND ORDER OF RESPONSE - OTHER INSURANCE CONDITION	CX 24 32 12 23
NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT	CX 21 01 09 08
POLICYHOLDER NOTICE - COMPLAINTS	HNYC-PN-COMPL-GA-01
Service of Suit	HNYC-SRV-06-2024
SPECIALTY BUILDERS INSURANCE COMPANY POLICY JACKET	HNYC-PJ-BUILDERS-11-2025
TRAMPOLINE EXCLUSION EXL	HNYC-TINX-EXL-02-2026
Schedule of Forms and Endorsement	HNYC-FORMSCH-CW-01