



CLAIM NOTIFICATION PROCEDURE

ISSUED BY:

EQ One

ON BEHALF OF

**QBE Specialty Insurance Company
and
The Princeton Excess & Surplus Lines Insurance Company**

In the event of a loss, claims should be reported immediately to one of the following:

Shane Hoffman, AIC
National General Adjuster
Global Technical Services
Crawford & Company
5335 Triangle Pkwy NW
Peachtree Corners, GA 30092

EQ One Insurance Services, LLC
333 S Hope Street, Suite 3750
Los Angeles, CA 90071
eqone.com
CA Insurance License No. 0C79819

EQONE-U-4002 0124

IMPORTANT NOTICE (UTAH)

The insurer issuing this policy does not hold a certificate of authority to do business in this state and thus is not fully subject to regulation by the Utah insurance commissioner. This policy receives no protection from any of the guaranty associations created under Title 31A, Chapter 28.

Commercial Lines Policy

Home Office

c/o CT Corporation
120 West Sweet Avenue
Bismarck, North Dakota 58504

Administrative Office

One QBE Way
Sun Prairie, Wisconsin 53596
1-877-772-6771

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PARTICIPATING POLICY DECLARATIONS

EQ One Contract Number: EQONE0002432A		
Insurer(s):		Policy Number:
QBE Specialty Insurance Company (A Stock Company) Administrative Office: One QBE Way Sun Prairie, WI 53596 Statutory Office: c/o CT Corporation System 314 East Thayer Avenue Bismarck, ND 58501-4018		SSE91416-00
The Princeton Excess and Surplus Lines Insurance Company (A Stock Company) Administration Office: 555 College Road East Princeton, NJ 08543-5241 (800) 305-4975 Statutory Office: 2711 Centerville Road Suite 400 Wilmington, DE 19805		1UA3DC000187400

Name and Address of the Insured:	Producer:
Inn Condominium Association PO Box 13 Garden City, UT 84028	Burns & Wilcox of Salt Lake City 280 S 400 W Suite 200 Salt Lake City, UT 84101

Description of Insured's Business: Homeowners Association	The insurer issuing this policy does not hold a certificate of authority to do business in this state and thus is not fully subject to regulation by the Utah insurance commissioner. This policy receives no protection from any of the guaranty associations created under Chapter 28, Title 31A.
Policy Period: From the 25th day of November 2024 To the 25th day of November 2025 Beginning and ending at 12:01 A.M. (Standard Time at the Insured's Mailing Address shown above)	

PREMIUM			
This premium may be subject to adjustment.		Premium:	
QBE Specialty Insurance Company			
Earthquake Coverage		\$7,000.00	
Terrorism Premium		Not Covered.	
TOTAL PREMIUM		\$7,000.00	
The Princeton Excess and Surplus Lines Insurance Company			
Earthquake Coverage		\$7,000.00	
Terrorism Premium		Not Covered.	
TOTAL PREMIUM		\$7,000.00	
*Fully Earned			
Supplier Fee *		\$600.00	
Supplier Inspection Fee *		\$450.00	
Policy Fee*: \$750.00	Stamp Tax: \$28.44	TOTAL POLICY PREMIUM	\$15,050.00

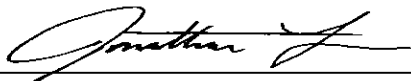
Surpls Tax: \$671.50

Total: \$16,499.94

The following forms and endorsements are attached and made a part of this policy:

FORM/ENDORSEMENT NUMBER	NAME
EQONE-2001 1221	Quota Share and Schedule of Participation Endorsement
EQONE-DIC-2002 1020	Policy Conditions
QBCM-0222 1124	Supplemental Conditions
QBCM-1003 0622	Earthquake Coverage - Condominium Associations
EQONE-1002 0921	Business Income (without Extra Expense) Coverage Form
QBCM-0188 0506	Business Income Changes - Maintenance Fees
EQONE-2003 0921	Loss Payable Provisions
QBCM-0195 0506	Contingent Liability From Operation of Building Laws
QBCM-0197 0506	Demolition Cost
QBCM-0210 0506	Increased Cost of Construction
QBCM-0219 1121	Replacement Cost
EQONE-2004 1123	Certified Acts and Other Acts of Terrorism Exclusion
CP 81 33 09 21	Nuclear, Biological, Chemical and Radiological Hazards Exclusion
CF EQ 10 01 05 22	Virus or Bacteria Exclusion
IL-2002 0624	Service of Process Endorsement
SLSOP 10 14	Service of Process Endorsement
QBGs-103 0704	OFAC Notice
IL-4030 0623	Notice to Policyholders - Fraud Warnings
PESVLCW01 05 24	Signature Endorsement

Date of Issue: December 9, 2024

Countersigned by: 
 Authorized Representative
 EQ One Insurance Services, LLC
 333 S Hope Street, Suite 3750
 Los Angeles, CA 90071



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

QUOTA SHARE AND SCHEDULE OF PARTICIPATION

ENDORSEMENT

Name of Insured:	Inn Condominium Association
Policy Number:	SSE91416-00, 1UA3DC000187400
Endorsement Number:	
Effective Date of Endorsement:	
Name of Insurer:	QBE Specialty Insurance Company The Princeton Excess & Surplus Lines Insurance Company

This endorsement modifies insurance provided under the policy to which it is attached.

This Policy is part of a quota share arrangement. Each Participating Company or Underwriter (hereinafter "Participating Insurer") shall be liable only for its agreed upon percentage of the Limit of Liability shown in Item **2.A. LIMITS OF LIABILITY** of the policy as set forth in the table below, subject to any applicable deductible. In no event shall a Participating Insurer be liable for any amount greater than such agreed upon share of the Limit of Liability shown in Item **2.A.** of the policy. Any sublimited coverage provided under Item **2.B.** of this Policy is limited to the percentage shown in the table below for each Participating Insurer.

The quota share participants provide the following Limits of Liability:

Participating Insurer	Policy No.	Percentage	Participating Insurer's Limit of Liability	Premium
QBE Specialty Insurance Company	SSE91416-00	50%	\$6,698,850.	\$7,000.00
The Princeton E&S Lines Ins Co	1UA3DC000187400	50%	\$6,698,850.	\$7,000.00
Total:		100%	\$13,397,700.	\$14,000.00

The liability of each Participating Insurer shall be several and not joint. The failure, refusal or inability of any Participating Insurer to pay its respective share of the Limits of Liability, including, without limitation, an inability based upon insolvency, shall not increase or otherwise affect the liability of any other Participating Insurer. The Insured(s) expressly retains the risk of any gap in coverage or the inability to collect and the Participating Insurer does not in any way insure or assume such risk.

The Participating Insurer listed first in the table above shall be designated as the Lead for the purposes of claims handling, adjustment and investigation.

All other terms and conditions of this policy remain unchanged.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY CONDITIONS

1. **Territorial Limits:** This policy in no event shall cover beyond the territorial limits of the United States, Puerto Rico and Canada.
2. **Impairment of Carrier's Liability:** Unless otherwise provided in coverage forms attached, any act or agreement by the Insured, prior or subsequent hereto, whereby any right of the Insured to recover the full value of, or amount of damage to, any property lost or damaged and insured hereunder, against any carrier, bailee or other party liable therefore, is released, impaired or lost, shall render this policy null and void, but this Company's right to retain or recover the premium shall not be affected. It is agreed, however, that the Insured may, without prejudice to this insurance, accept the ordinary bills of lading issued by carriers. This Company is not liable for any loss or damage which, without its consent, has been settled or compromised by the Insured.
3. **Protection of Property after Loss:** In case of loss or damage, it shall be lawful and necessary for the Insured, his or their factors, servants and assigns, to sue, labor, and travel for, in and about the defense, safeguard and recovery of the property insured hereunder, or any part thereof without prejudice to this insurance; nor shall the acts of the Insured or this Company, in recovering, saving and preserving the property insured in case of loss or damage, be considered a waiver or an acceptance of abandonment, to the charge whereof this Company will contribute according to the rate and quantity of the sum herein insured.
4. **Subrogation:** Unless otherwise provided in coverage forms attached, in the event of any payment under this policy the Company shall be subrogated to all the Insured's rights of recovery heretofore against any person or organization and the Insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The Insured shall do nothing after loss to prejudice such rights.
5. **Changes:** Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this policy or to stop the Company from asserting any right under the terms of this policy, nor shall the terms of this policy be waived or changed, except by endorsement issued to form a part of this Policy.
6. **Conformity to Statute:** Terms of this policy which are in conflict with the statutes of the State wherein this policy is issued are hereby amended to conform to such statutes.
7. **Assignment:** This policy shall be void if assigned or transferred without the written consent of this Company.
8. **Agent:** No person shall be deemed an Agent of this Company unless specifically authorized in writing by this Company.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SUPPLEMENTAL CONDITIONS

1. Form No. QBCM-1003 0622 - Earthquake Coverage - Condominium Associations is amended as follows:

A. Item **2. LIMITS OF LIABILITY**

1. Article **B. (4)** is amended to read:

(4) \$13,167,700. Building Ordinance - Limited as shown below:

Building(s):

\$13,167,700. Contingent Liability.

\$1,316,770. Combined Demolition Cost and Increased Cost of Construction - Limited to 10% of the building value per building.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EARTHQUAKE COVERAGE - CONDOMINIUM ASSOCIATIONS

1. INSURING AGREEMENT

This policy insures against risks of direct physical loss or damage solely from **Earthquake** except as hereinafter excluded, while anywhere within the fifty (50) states of the United States of America, including the District of Columbia and as specifically set forth in the schedule of locations.

2. LIMITS OF LIABILITY:

A. This Company's Liability shall not exceed **\$13,397,700**, each and every loss occurrence.

B. Sublimits:

(1) **\$13,397,700**, **Earthquake** loss or damage during any one policy year.

This policy ☐ provides ☒ does not provide coverage for direct physical loss or damage due to **Sprinkler Leakage** in accordance with QBCM-0257 Earthquake Sprinkler Leakage, but only when such **Sprinkler Leakage** is caused directly by **Earthquake** as insured against by this policy; if indicated, such coverage is part of and not in addition to the aforementioned limits of liability for **Earthquake**.

(2) **Not Covered**, **At Any Other Location**, not scheduled in Item 5, **SCHEDULE OF LOCATIONS AND VALUES**, of this form, each and every loss occurrence.

(3) **\$5,000**, **Seepage** and/or **Pollution** and/or **Contamination** and/or **Asbestos** loss or damage during any one policy year.

(4) **\$13,167,700**, **Building Ordinance** - Combined Blanket Sublimit on Demolition Cost and Increased Cost of Construction, limited to 10% of the building value per building.

3. **TOTAL INSURABLE VALUES: \$13,397,700**.

4. PROPERTY OR INTEREST COVERED:

This policy covers property as described below, when preceded by an "X":

- A. ☒ On **Building(s)** and/or **Structure(s)**
 B. ☐ On **Business Personal Property**
 C. ☐ On the insured's interest in **Tenants' Improvements** and **Betterments**

D. ☒ **Business Interruption, Rental Income** or other **Time Element Coverages** as more specifically defined in the Form No(s): EQONE-1002 0921, QBCM-0188 0506 attached to this policy.

5. SCHEDULE OF LOCATIONS AND VALUES:

Coverage provided hereunder shall apply as respects the following locations:

Per Signed Statement of Values on file with the Company signed on 11/28/24.

6. DEDUCTIBLE:

The sum(s) shown below shall be deducted from the amount which would otherwise be recoverable for each loss separately occurring to the property covered hereunder from all perils insured against by this policy.

Earthquake:

Property Damage:

5% of total insurable Replacement Cost Value per unit of insurance.

Time Element:

5% of 100% Annual Values per unit of insurance.

Subject to **\$50,000**, minimum per occurrence.

Each of the following shall be considered a separate "unit of insurance":

- A. Each separate **building** or **structure**;
 B. The contents of each separate **Building** or **Structure**; and,
 C. Property outside of **Buildings** or **Structures**;
 D. Time element at each location whether or not such location has more than one unit as defined in **A.**, **B.** and **C.** above;
 E. All other coverage forms (separately) at each location, whether or not such location has more than one unit as defined in **A.**, **B.** and **C.** above.

The word "day(s)" shall mean twenty-four (24) consecutive hours.

7. PROPERTY EXCLUDED:

- A. Accounts, bills, deeds, evidences of debt, currency, money, notes, securities, stamps, original drawings and specifications, letters of credit, passports, tickets (including lottery tickets), valuable papers or records;
- B. Animals, growing plants, trees or shrubs (except when held for sale, or when used for decorative purposes inside buildings) growing crops or lawns, motor vehicles licensed or designed principally for highway use, watercraft, aircraft, motorcycles, motor scooters and other similar vehicles licensed or designed principally for highway use;
- C. Property sold by the Insured under conditional sales, trust agreements, installment payments or other deferred payment plans after delivery to customers;
- D. Property in transit;
- E. Steam boilers, steam pipes, steam turbines, or steam engines owned or operated by the Insured against loss by bursting, rupture or explosion of such objects;
- F. Machines or machinery against loss by rupture, bursting or disintegrating of rotating or moving parts;
- G. Contractor's equipment;
- H. Jewelry, watches, pearls, precious and semi-precious stones, gold, silver, platinum, other precious metals or alloys, bullion, furs and articles trimmed with fur;
- I. Electronic data processing equipment including computers, electronic accounting machines, all supporting machinery, magnetic tapes, discs, cards, any storage device and all software including procedures, programs or source material of any kind;
- J. Property in the course of construction, including materials and supplies thereof;
- K. Power transmission and/or feeder lines not on the Insured's premises;
- L. Land (including but not limited to land on which the Insured property is located), or water, howsoever and wherever located, or any interest or right therein;
- M. Contraband, or property in the course of illegal transportation or trade;
- N. The cost of research, replace or restore the information on valuable papers and records, including those that exist on electronic or magnetic media;
- O. Grain, hay, straw or other crops while outside of buildings;
- P. Fences, radio or television antennas, including their lead-in wiring, masts or towers, signs (other than signs attached to buildings);
- Q. Bridges, roadways, walks, patios or other exterior paved surfaces;

- R. The cost of excavations, grading, backfilling or filling;
- S. Bulkheads, pilings, piers, wharves or docks;
- T. Retaining walls that are not part of the building;
- U. Underground pipes, flues or drains including water, electrical, communications and sanitary systems; and
- V. Antiques; objects of art; property of rarity; property of artistic, historical or scientific significance whether or not constituting part of the covered buildings; or any item scheduled under a Fine Arts or other scheduled property floater.

8. PERILS EXCLUDED:

This policy does not insure against loss or damage directly or indirectly caused by or resulting from any of the following regardless of: (i) the cause of the excluded event; (ii) any other causes or events, whether or not covered under this policy, which may have contributed concurrently or in any sequence with the excluded event to produce the loss; or (iii) whether the event occurred suddenly or gradually, involved isolated or widespread damage, or arose from natural or external forces, or occurred as a result of any combination of any of the following:

- A. Any peril other than **Earthquake** that is insured or excluded by the policy or policies maintained by the Insured as required by Section 10. **UNDERLYING ALL RISK COVERAGE** of this policy;
- B. Any earth movement, other than **Earthquake** as defined by this policy, including volcanic eruption, mine subsidence, landslide, mudslide, sinkhole, subsidence, earth sinking, rising, settling, or shifting;
- C. **Flood;**
- D. Water below the ground surface that exerts pressure on, flows, seeps or leaks through foundations, walls, basements, floors, doors, windows or other openings;
- E. Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning, fire protective systems, or other equipment. However, this exclusion shall not apply to direct physical loss or damage by water that leaks or flows from fire protective systems, as a result of the peril of **Earthquake**, if coverage for **Sprinkler Leakage** is indicated in Section . **LIMITS OF LIABILITY, B.(1)**;
- F. Costs, expenses, fines or penalties incurred or sustained by or imposed on the Insured at the order of any government agency, court or other authority arising from any cause whatsoever;
- G. The presence, growth, proliferation, spread or any activity of:
 - (1) fungus;
 - (2) wet or dry rot; or

- (3) virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease;

H. Any cyber incident, including:

- (1) Unauthorized access to or use of any computer system (including electronic data);
- (2) Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any computer system (including electronic data) and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any computer system (including electronic data) or otherwise disrupt its normal functioning or operation; or
- (3) Denial of service attack which disrupts, prevents or restricts access to or use of any computer system, or otherwise disrupts its normal functioning or operation; or

I. Any loss or any increase in loss caused by or resulting from any of the following:

- (1) Acts or decisions, including the failure to act or decide, of any person, organization or governmental body;
- (2) Faulty, inadequate or defective:
 - a. Planning, zoning, development, surveying, siting;
 - b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compacting;
 - c. Materials used in repair, construction, renovation or remodeling; or
 - d. Maintenance;

of part or all of any property on or off the Insured's premises.

9. DEFINITIONS:

A. Building(s) and/or Structure(s) means and includes:

- (1) Completed additions;
- (2) Fixtures outside of individual units;
- (3) Permanently installed:
 - a. Machinery; and
 - b. Equipment;
- (4) Personal property owned by the Insured that is used to maintain or service the building or structure or its premises, including:
 - a. Fire extinguishing equipment;
 - b. Outdoor furniture;
 - c. Floor coverings that are not contained with individual units;
 - d. Appliances used for refrigerating, air-conditioning; ventilating, cooking, dishwashing or laundering that are not

contained within individual units;

- (5) Foundations of buildings, structures, machinery or boilers; and

- (6) If not covered by other insurance:

- a. Additions under construction, alterations and repairs to the building or structure;
- b. Materials, equipment, supplies and temporary structures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the building or structure.

But Building(s) and/or Structure(s) does not include property owned by, used by or in the care, custody or control of a unit-owner within individual units.

"Individual Unit" shall mean that portion of real property used for a residence and owned by an individual unit owner. It is the intent of this policy to provide coverage solely to the four perimeter walls of the individual units. Coverage does not extend to interiors of individual units, appliances, fireplaces, interior unit plumbing, plumbing fixtures, showers, sinks, toilets, individual air conditions for the exclusive use of individual unit owners, cabinetry, mirrors, wall-to-wall carpeting, floor coverings, wall coverings, interior doors and partitions, and any other structures or property contained within the four perimeter walls of the units.

B. Business Personal Property means personal property located in or on the building(s) and/or structure(s) described in this policy or in the open, or in a vehicle within 100 feet of the described premises, but does not include personal property owned by, used by or in the care, custody or control of a unit-owner.

C. Tenants' Improvements and Betterments means improvements and betterments to buildings, being fixtures, alterations, installation or additions comprising part of a building(s) occupied but not owned by the Insured and made at the expense of the Insured.

D. Earthquake means seismic activity that causes earth movement, but not including subsidence, landslide, rock slide, mudflow, earth rising, sinking, shifting or settling, or the eruption, explosion or effusion of any volcano; unless such earth movement is a direct result of such seismic activity.

E. Flood means a general and temporary condition of partial or complete inundation of normally dry land areas from:

- (1) The overflow of inland or tidal waters;
- (2) The unusual and rapid accumulation or runoff of surface waters from any source or spray from any of the foregoing;
- (3) Mudslides which are caused or precipitated by accumulations of water on or under the ground;

- (4) Tsunami;
- (5) Release of water held by a dam, levee or dike or by a water or **Flood** control device; or
- (6) Sewer backup resulting from any of the foregoing

all whether driven by wind or not.

F. Seepage(s) and/or Pollution and/or Contamination means:

- (1) Any loss, damage, cost or expense;
- (2) Any increase in insured loss, damage, cost or expense; or
- (3) Any loss, damage, cost, expense, fine or penalty, which incurred, sustained or imposed by judgment order, direction, instruction or request of, or by any agreement with any court, government agency or any public, civil or military court, government agency or any public, civil or military authority, or threat thereof, (and whether or not as a result of public or private litigation), which arises from any kind of seepage, discharge or release, and/or any kind of pollution and/or contamination, or threat thereof, however caused, whether or not caused by or resulting from a peril insured or from steps or measures taken in connection with the avoidance, prevention, abatement, mitigation, remediation, clean-up or removal of such seepage, discharge or release, and/or any kind of pollution and/or contamination or threat thereof.

The term "any kind of seepage, discharge or release, and/or any kind of pollution and/or contamination, or threat thereof" as used in above, includes (but is not limited to):

- (1) Seepage, discharge or release of, or pollution and/or contamination, or threat thereof by anything, including but not limited to any material designated as a "hazardous substance" by the United States Environmental Protection Agency or as a "hazardous material" by the United States Department of Transportation, or any substance designated or defined as toxic, dangerous, hazardous, or deleterious to persons or the environment under any other Federal, State, Municipal or other law, ordinance or regulation, whether or not the substance was product or a waste, and whether or not said product was being used in its intended purpose; and
- (2) The presence, existence, or release of anything which endangers or threatens to endanger the health, safety or welfare of persons or the environment, whether or not the substance was a product or a waste, and whether or not said product was being used in its intended purpose.

G. Asbestos means loss or increase in loss caused by or resulting from:

- (1) Asbestos material removal, disposal, encapsulation, covering, or any manner of control or abatement;
- (2) Demolition or increased cost of reconstruction, repair, debris removal or loss of use necessitated by the enforcement of any law or ordinance regulating asbestos material;
- (3) Any governmental direction or request declaring that asbestos material present in or part of or utilized on any undamaged portion of the Insured's property can no longer be used for the purpose for which it was intended or installed and must be removed or modified; or
- (4) The presence of asbestos in any **Building** or **Structure** as defined in this policy.

H. Sprinkler Leakage means leakage or discharge of water from an **Automatic Sprinkler System**, including collapse of a tank that is part of the system.

I. Automatic Sprinkler System means:

- (1) Any automatic fire protective or extinguishing system using water, 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 using water:
 - a. Non-automatic fire protective systems; and
 - b. Hydrants, standpipes and outlets.

10. UNDERLYING ALL RISK COVERAGE

The Insured shall maintain underlying all risk coverage from the inception of this policy to expiration, equivalent to Insurance Service Office form CP1030 or its equivalent(s) as approved by the insurance department of the state where the property is located. All losses hereunder will be adjusted as though such coverage was in effect at the time of loss.

11. STATEMENT OF VALUES

The premium for this policy is based upon the statement of values on file with the Company or attached to this policy. In the event of loss hereunder, liability of the Company shall be limited to the least of the following:

- A.** The actual adjusted amount of the loss, less applicable deductible(s).
- B.** The stated values for the items involved, as shown on the latest statement of values on file

with this Company, less applicable deductible(s).

- C. The limit of liability or amount of insurance shown on the face of this policy or endorsed onto this policy. In no event shall the liability of this Company exceed this limit or amount in any one disaster, casualty, or event, irrespective of the number of items or locations involved.
- D. The remaining amount of the applicable annual aggregate limit for **Earthquake** shown on the face of this policy or endorsed onto this policy.

12. OTHER INSURANCE

This policy does not attach to or become insurance against any peril upon property herein described, which at the time of any loss is covered by other insurance (meaning insurance in the name of the Insured but not written upon the identical plan, terms, conditions and provisions contained in this policy) until the liability of such other insurance has been exhausted, and then cover only such loss as may exceed the amount due from such other insurance (whether collectible or not) after application of any contribution, coinsurance, average or distribution or other clauses contained in policies of such other insurance affecting the amount collectible thereunder, not, however, exceeding the limits as set forth herein.

13. SINGLE LOSS CLAUSE

Each loss by **Earthquake** shall constitute a single claim hereunder, provided, if more than one **Earthquake** shock shall occur within any period of 168 hours during the term of this policy, such **Earthquake** shocks shall be deemed to be a single **Earthquake** within the meaning hereof. This Company shall not be liable for any loss caused by any **Earthquake** shock occurring before the effective date and time of this policy, nor for any loss occurring after the expiration date and time of this policy.

In no event shall this Company be liable for any loss caused directly or indirectly by fire, explosion or other excluded perils whether the same be caused by or attributable to **Earthquake** or otherwise.

14. SUBROGATION WAIVER

This insurance shall not be prejudiced by agreement made by the named Insured releasing or waiving the named Insured's right to recovery against third parties responsible for the loss, under the following circumstances only:

- A. If made before loss has occurred, such agreement may run in favor of any third party;
- B. If made after loss has occurred, such agreement may run only in favor of a third party falling within one of the following categories at the time of loss:
 - (1) A third party insured under this policy; or
 - (2) A corporation, firm or entity:
 - a. Owned or controlled by the named Insured or in which the named Insured owns capital stock or other proprietary interest; or

- b. Owning or controlling the named Insured or owning or controlling capital stock or other proprietary interest in the named Insured;

- C. Whether made before or after loss has occurred, such agreement must release or waive the entire right of recovery of the named Insured against such third party.

15. LOSS CLAUSE

Any loss shall reduce the amount of this policy for **Earthquake** as stated under Section **2. LIMITS OF LIABILITY**, of this form.

16. MISREPRESENTATION AND FRAUD

This entire policy shall be void if, whether before or after a loss, the Insured has concealed or misrepresented any material fact or circumstance concerning this insurance or the subject thereof, or the interest of the Insured therein, or in case of any fraud or false swearing by the Insured relating thereto.

17. NOTICE OF LOSS

The Insured shall as soon as practicable report in writing to the Company or its agent every loss, damage or occurrence which may give rise to a claim under this policy and shall also file with the Company or its agent within ninety (90) days from date of discovery of such loss, damage or occurrence, a detailed sworn proof of loss.

18. EXAMINATION UNDER OATH

The Insured, as often as may be reasonably required, shall exhibit to any person designated by the Company all that remains of any property herein described, and shall submit, and in so far as is within his or their power cause his or their employees, members of the household and others to submit to examinations under oath by any person named by the Company and subscribe the same; and, as often as may be reasonably required, shall produce for examination all writings, books of account, bills, invoices and other vouchers, or certified copies thereof if originals be lost, at such reasonable time and place as may be designated by the Company or its representative, and shall permit extracts and copies thereof to be made. No such examinations under oath or examination of books or documents, nor any other act of the Company or any of its employees or representatives in connection with the investigation of any loss or claim hereunder, shall be deemed a waiver of any defense which the Company might otherwise have with respect to any loss claim, but all such examinations and acts shall be deemed to have been made or done without prejudice to the Company's liability.

19. PRIVILEGE TO ADJUST WITH OWNER

In the event of loss of or damage to property of others held by the Insured for which claim is made upon the Company, the right to adjust such loss or damage with the owner or owners of the property is reserved to the Company and the receipt of such owner or owners in satisfaction thereof shall be in full

satisfaction of any claim of the Insured for which such payment has been made. If legal proceedings be taken to enforce a claim against the Insured as respects any such loss or damage, the Company reserves the right at this option without expense to the Insured, to conduct and control the defense on behalf of and in the name of the Insured. No action of the Company in such regard shall increase the liability of the Company under this policy, nor increase the limits of liability specified in the policy.

20. SETTLEMENT OF LOSS

All adjusted claims shall be paid or made good to the Insured within sixty (60) days after presentation and acceptance of satisfactory proof of interest and loss at the office of the Company. No loss shall be paid or made good if the Insured has collected the same from others.

21. NO BENEFIT TO BAILEE

This insurance shall in no way inure directly or indirectly to the benefit of any carrier or other bailee.

22. PAIR, SET OR PARTS

In the event of loss of or damage to:

- A.** Any article or articles which are a part of a pair or set, the measure of loss of or damage to such article or articles shall be a reasonable and fair proportion of the total value of the pair or set, giving consideration to the importance of said article or articles, but in no event shall such loss damage be construed to mean total loss of the pair or set; or
- B.** Any part of property covered consisting, when complete for use or sale, of several parts, the Company shall only be liable for the value of the part lost or damaged.

23. RECORDS AND INVENTORY

The Insured shall keep accurate books, records and accounts in the following manner: a detailed and itemized inventory record of all property covered hereunder shall be maintained and physical inventory shall be taken periodically at intervals not more than twelve months apart.

24. EXAMINATION OF RECORDS

The Insured shall, as often as may be reasonable required during the term of this policy and for one year thereafter, produce for examination by the Company or its duly authorized representative all the books and records, inventories and accounts relating to the property covered hereunder.

25. SUIT

No suit, action or proceeding for the recovery of any claim under this policy shall be sustainable in any court of law or equity unless the same be commenced within twelve (12) months next after discovery by the Insured of the occurrence which gives rise to the claim, provided however, that if by the laws of the state within which this policy is issued such limitation is invalid, then any such claims shall

be void unless such action, suit or proceeding be commenced with the shortest limit of time permitted by the laws of such state.

26. APPRAISAL

If the Insured and the Company fail to agree as to the amount of loss, each shall, on the written demand of either, made within sixty (60) days after receipt of proof of loss by the Company, select a competent and disinterested appraiser, and the appraisal shall be made at a reasonable time and place. The appraisers shall first select a competent and disinterested umpire, and failing for fifteen (15) days to agree upon such umpire, then, on the request of the Insured or the Company, such umpire shall be selected by a judge of a court of record in the state in which such appraisal is pending. The appraisers shall then appraise the loss, stating separately the actual cash value at the time of loss and the amount of loss, and failing to agree shall submit their differences to the umpire. An award in writing of any two shall determine the amount of loss. The Insured and the Company shall each pay his or its chosen appraiser and shall bear equally the other expenses of the appraisal and umpire. The Company shall not be held to have waived any of its rights by any act relating to appraisal.

27. COMPANY'S OPTIONS

It shall be optional with the Company to take all or any part of the property at the agreed or appraised value, or to repair, rebuild or replace the property destroyed or damaged, with other of like kind and quality within a reasonable time, or giving notice of its intention to do so with sixty (60) days after the receipt of the proof of loss herein required.

28. ABANDONMENT

There can be no abandonment to the Company of any property.

29. CLAIMS AGAINST THIRD PARTIES

In the event of any loss of or damage to the property covered hereunder, the Insured shall immediately make claim in writing against the carrier(s), bailee(s) or others involved.

30. LABELS

In the event of loss of or damage to labels, capsules or wrappers, the loss shall be adjusted on the basis of an amount sufficient to pay the cost of new labels, capsules or wrappers.

31. ASSISTANCE AND COOPERATION OF THE INSURED

In the event this policy covers the Insured's liability, the Insured shall cooperate with the Company and upon the Company's request, shall attend hearings and trials and shall assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses and in the conduct of suits, the Insured shall not, except at his own cost, voluntarily make any payment, assume any obligation or incur any expense without the written consent of

the Company.

32. SUE AND LABOR

In case of actual (or imminent, with proper notice to and approval from this Company) loss or damage, it shall be lawful and necessary for the Insured, their factors, servants or assigns, to sue, labor and travel for, in and about the defense, safeguard and recovery of the property insured hereunder, or any part thereof, without prejudice to this insurance, nor shall the acts of the Insured or this Company in recovering, saving and preserving the property insured in case of loss or damage, be considered a waiver or acceptance of abandonment; to the charges thereof, this Company will contribute according to the rate and quantity of the sum herein insured.

33. DEBRIS REMOVAL

- A.** This policy covers ordinary and reasonable expenses incurred in the removal of any debris of the damaged or destroyed property covered hereunder which may be occasioned by direct physical loss or damage caused by, or resulting from any of the perils insured against by this policy, subject however, to the limit of liability, provided however, that notice of said loss or damage to the property covered by this policy shall be given to the Company no later than twelve (12) months after the date of said physical loss or damage.
- B.** This Company shall not be liable under this policy and this clause for:
- (1)** More than the amount of insurance provided in this policy;
 - (2)** Any greater proportion of such expense than the amount of insurance hereunder, bears to the total amount of all insurance, whether all such insurance contains this clause or not;
 - (3)** Loss or damage occasioned by the enforcement of any state or municipal law or ordinance which necessitates the demolition of any portion of the building covered hereunder, which has not suffered damage by any peril insured against in this policy unless such liability is otherwise specifically insured by this policy; or
 - (4)** The costs of decontamination or removal of water, soil or any other uninsured substance on or under any property covered by this policy.
- C.** If this policy is divided into two or more items, the foregoing shall apply separately to each such item.

34. CANCELLATION

This policy may be canceled by the Insured by mailing to the Company written notice stating when thereafter, such cancellation shall be effective. This policy may be canceled by the Company by mailing

written notice stating when not less than thirty (30) days thereafter, such cancellation shall be effective; however, cancellation due to non-payment of premium shall require ten (10) days written notice of cancellation. The mailing of notice as aforementioned, shall be sufficient proof of notice and the effective date of cancellation stated in the notice shall become the end of the policy period. Delivery of such written notice either by the Insured or by the Company shall be equivalent to mailing.

35. ALL OTHER MATTERS

All matters not provided for herein or by endorsement hereon shall be governed by the terms and conditions of the Company's printed policy form to which this form is attached and which has been issued in conjunction herewith. The foregoing clauses shall, however, be considered to supersede and annul any clauses therein, which may be of the same or similar nature.

36. STATUTORY REQUIREMENTS

It is hereby understood and agreed that if property covered under this policy is located in a state that at the time of loss requires a statutory policy or standard form(s) at variance with this policy or the form(s) attached hereto, then this insurance shall cover such property in accordance with provisions of such required policy or form(s).

37. VALUATION

This Company shall not be liable for more than the actual cash value of the property at the time any loss or damage occurs and the loss or damage shall be ascertained or estimated according to such actual cash value with proper deduction for depreciation, however caused, and shall in no event exceed what it would then cost to repair or replace the same with material of like kind and quality, nor the amount for which the Insured may be liable.

38. EXCESS INSURANCE

Permission is granted the Insured to have excess insurance over the limit of liability set forth in this policy without prejudice to this policy and the existence of such insurance, if any, shall not reduce any liability under this policy.

39. SALVAGE AND RECOVERIES

All salvage, recoveries and payments recovered or received subsequent to a loss settlement under this policy shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made by the parties hereto.

40. INSPECTION OF PROPERTY AND OPERATIONS

This Company and any person or organization making inspections on the Company's behalf shall be permitted but not obligated to inspect the Insured's property and operations at any time. Neither the right of this Company and any person or organization to make such inspection nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the Insured or others, to

determine or warrant that such property or operations are safe or healthful, or are in compliance with any law, rule or regulation.

41. MINIMUM EARNED PREMIUM

In the event of cancellation of this policy by the Insured, a minimum earned premium of **25%** of the annual premium shall become payable by the Insured; any conditions of the policy to the contrary notwithstanding. Failure of the Insured to make timely payment of premium shall be considered a request by the Insured for the Company to cancel. In the event of such cancellation by the Company for non-payment of premium the minimum premium shall be due and payable; provided, however, such non-payment cancellation shall be rescinded if the Insured remits the full premium due within 10 days of receiving the cancellation notice.



BUSINESS INCOME (WITHOUT EXTRA EXPENSE) 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 word "Insured" refers to the Insured shown in the Declarations. The word "Company" refers to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **E. Definitions**.

A. Coverage

1. Business Income

Business Income means the:

- a.** Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- b.** Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.

Coverage is provided as described and limited below for one or more of the following options for which a Limit Of Liability is shown in the Policy:

- (1)** Business Income Including "Rental Value".
- (2)** Business Income Other Than "Rental Value".
- (3)** "Rental Value".

If option **(1)** above is selected, the term Business Income will include "Rental Value". If option **(3)** above is selected, the term Business Income will mean "Rental Value" only.

If Limits of Liability are shown under more than one of the above options, the provisions of this Coverage Part apply separately to each.

The Company will pay for the actual loss of Business Income the Insured sustains due to the necessary "suspension" of the Insured's "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at premises which are described in the Schedule of Locations attached to the Policy and for which a Business Income Limit Of Liability is shown in the Policy. The loss or damage must be caused by or result from a "covered cause of loss". With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 100 feet of such premises.

With respect to the requirements set forth in the preceding paragraph, if the Insured occupies only

part of a building, the Insured's premises means:

- (a)** The portion of the building which the Insured rents, leases or occupies;
- (b)** The area within 100 feet of the building or within 100 feet of the premises described in the Schedule of Locations attached to the Policy, whichever distance is greater (with respect to loss of or damage to personal property in the open or personal property in a vehicle); and
- (c)** Any area within the building or at the described premises, if that area services, or is used to gain access to, the portion of the building which the Insured rents, leases or occupies.

2. Covered Causes Of Loss, Exclusions And Limitations

See applicable Causes Of Loss form as shown in the Policy.

3. Additional Limitation - Interruption Of Computer Operations

- a.** Coverage for Business Income does not apply when a "suspension" of "operations" is caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage, Interruption Of Computer Operations.
- b.** Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of

a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

- c. This Additional Limitation does not apply when loss or damage to electronic data involves only electronic data which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.

4. Additional Coverages

a. Expenses To Reduce Loss

In the event of a covered loss of Business Income, the Company will pay necessary expenses the Insured incurs, except the cost of extinguishing a fire, to avoid further loss of Business Income. The total of the Company's payment for Business Income loss and Expenses To Reduce Loss will not be more than the Business Income loss that would have been payable under this Coverage Form if the Expenses To Reduce Loss had not been incurred. This coverage does not increase the Limit of Liability.

b. Civil Authority

In this Additional Coverage, Civil Authority, the described premises are premises to which this Coverage Form applies, as shown in the Schedule of Locations attached to the Policy.

When a "covered cause of loss" causes damage to property other than property at the described premises, the Company will pay for the actual loss of Business Income the Insured sustains caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property; and
- (2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the "covered cause of loss" that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority Coverage will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to four consecutive weeks from the date on which such coverage began.

c. Alterations And New Buildings

The Company will pay for the actual loss of Business Income the Insured sustains due to direct physical loss or damage at the described premises caused by or resulting from any "covered cause of loss" to:

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 100 feet of the described premises and:
 - (a) Used in the construction, alterations or additions; or
 - (b) Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations", the "period of restoration" will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

d. Extended Business Income

(1) Business Income Other Than "Rental Value"

If the necessary "suspension" of the Insured's "operations" produces a Business Income loss payable under this policy, the Company will pay for the actual loss of Business Income the Insured incurs during the period that:

- (a) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (b) Ends on the earlier of:
 - (i) The date the Insured could restore the Insured's "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 60 consecutive days after the date determined in (1)(a) above.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the "covered cause of loss" in the area where the described premises are located.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any "covered cause of loss".

(2) "Rental Value"

If the necessary "suspension" of the Insured's "operations" produces a "Rental Value" loss payable under this policy, the Company will pay for the actual loss of "Rental Value" the Insured incurs during the period that:

- (a)** Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (b)** Ends on the earlier of:
 - (i)** The date the Insured could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or
 - (ii)** 60 consecutive days after the date determined in **(2)(a)** above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the "covered cause of loss" in the area where the described premises are located.

Loss of "Rental Value" must be caused by direct physical loss or damage at the described premises caused by or resulting from any "covered cause of loss".

e. Interruption Of Computer Operations

- (1)** Under this Additional Coverage, electronic data has the meaning described under Additional Limitation - Interruption Of Computer Operations.
- (2)** Subject to all provisions of this Additional Coverage, the Insured may extend the insurance that applies to Business Income to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of electronic data due to a "covered cause of loss". However, the Company will not provide coverage under this Additional Coverage when the Additional Limitation - Interruption Of Computer Operations does not apply based on Paragraph **A.3.c.** therein.
- (3)** The most the Company will pay under this Additional Coverage, Interruption Of Computer Operations, is \$2,500 (unless a higher limit is shown in the Policy) for all loss sustained 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 sustained 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 in a subsequent policy year(s), all loss is deemed to be sustained in the policy year in which the interruption began.

- (4)** This Additional Coverage, Interruption Of Computer Operations, does not apply to loss sustained after the end of the "period of restoration", even if the amount of insurance stated in **(4)** above has not been exhausted.

B. Limits Of Liability

The most the Company will pay for loss in any one occurrence is the applicable Limit Of Liability shown in the Policy.

Payments under the following Additional Coverages will not increase the applicable Limit of Liability:

- 1.** Alterations And New Buildings;
- 2.** Civil Authority;
- 3.** Extended Business Income; or
- 4.** Expenses To Reduce Loss.

The amounts of insurance stated in the Interruption Of Computer Operations Additional Coverage and the Newly Acquired Locations Coverage Extension apply in accordance with the terms of those coverages and are separate from the Limit(s) Of Liability shown in the Policy for any other coverage.

C. Loss Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

1. Appraisal

If the Company and the Insured disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a.** Pay its chosen appraiser; and
- b.** Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, the Company will still

retain the right to deny the claim.

2. Duties In The Event Of Loss

- a.** The Insured must see that the following are done in the event of loss:
- (1)** Notify the police if a law may have been broken.
 - (2)** Give the Company prompt notice of the direct physical loss or damage. Include a description of the property involved.
 - (3)** As soon as possible, give the Company a description of how, when and where the direct physical loss or damage occurred.
 - (4)** Take all reasonable steps to protect the Covered Property from further damage, and keep a record of the Insured's expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Liability. However, the Company will not pay for any subsequent loss or damage resulting from a cause of loss that is not a "covered cause of loss". Also, if feasible, set the damaged property aside and in the best possible order for examination.
 - (5)** As often as may be reasonably required, permit the Company to inspect the property proving the loss or damage and examine the Insured's books and records.

Also permit the Company to take samples of damaged and undamaged property for inspection, testing and analysis, and permit the Company to make copies from the Insured's books and records.
 - (6)** Send the Company a signed, sworn proof of loss containing the information the Company request to investigate the claim. The Insured must do this within 60 days after the Company's request. The Company will supply the Insured with the necessary forms.
 - (7)** Cooperate with the Company in the investigation or settlement of the claim.
 - (8)** If the Insured intends to continue the Insured's business, the Insured must resume all or part of the Insured's "operations" as quickly as possible.
- b.** The Company may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

3. Loss Determination

- a.** The amount of Business Income loss will be determined based on:
- (1)** The Net Income of the business before the direct physical loss or damage occurred;
 - (2)** The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the "covered cause of loss" on customers or on other businesses;
 - (3)** The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
 - (4)** Other relevant sources of information, including:
 - (a)** The Insured's financial records and accounting procedures;
 - (b)** Bills, invoices and other vouchers; and
 - (c)** Deeds, liens or contracts.

b. Resumption Of Operations

The Company will reduce the amount of the Insured's Business Income loss to the extent the Insured can resume the Insured's "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.

- c.** If the Insured does not resume "operations", or does not resume "operations" as quickly as possible, the Company will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

4. Loss Payment

The Company will pay for covered loss within 30 days after the Company receive the sworn proof of loss, if the Insured has complied with all of the terms of this Coverage Part, and:

- a.** The Company has reached agreement with the Insured on the amount of loss; or
- b.** An appraisal award has been made.

D. Optional Coverages

If shown as applicable in the Policy, the following Optional Coverages apply separately to each item.

1. Maximum Period Of Indemnity

The most the Company will pay for loss of Business Income is the lesser of:

- a.** The amount of loss sustained during the 120 days immediately following the beginning of

the "period of restoration"; or

- b. The Limit Of Liability shown in the Policy.

2. Monthly Limit Of Indemnity

The most the Company will pay for loss of Business Income in each period of 30 consecutive days after the beginning of the "period of restoration" is:

- a. The Limit of Liability, multiplied by
- b. Not Applicable.

Example

When:	The Limit of Liability is:	\$ 120,000
	The fraction for this Optional Coverage is:	1/4
	The most the Company will pay for loss in each period of 30 consecutive days is:	\$ 30,000
	(\$120,000 x 1/4 = \$30,000)	
	If, in this example, the actual amount of loss is:	
	Days 1-30:	\$ 40,000
	Days 31-60:	\$ 20,000
	Days 61-90:	<u>\$ 30,000</u>
		\$ 90,000
	The Company will pay:	
	Days 1-30:	\$ 30,000
	Days 31-60:	\$ 20,000
	Days 61-90:	<u>\$ 30,000</u>
		\$ 80,000

The remaining \$10,000 is not covered.

3. Business Income Agreed Value

- a. To activate this Optional Coverage:
 - (1) A Business Income Report/Work Sheet must be submitted to the Company and must show financial data for the Insured's "operations":
 - (a) During the 12 months prior to the date of the Work Sheet; and
 - (b) Estimated for the 12 months immediately following the inception of this Optional Coverage.
 - (2) The Policy must indicate that the Business Income Agreed Value Optional Coverage applies, and an Agreed Value must be shown in the Policy. The Agreed Value should be at least equal to the amount of Net Income and operating expenses for the following 12 months the Insured reports on the Work Sheet.
- b. If the Business Income Limit of Liability is less than the Agreed Value, the Company will not pay more of any loss than the amount of loss multiplied by:
 - (1) The Business Income Limit of Liability; divided by
 - (2) The Agreed Value.

Example

When:	The Limit of Liability is:	\$ 100,000
	The Agreed Value is:	\$ 200,000
	The amount of loss is:	\$ 80,000

Step (1): $\$100,000 / \$200,000 = .50$

Step (2): $.50 \times \$80,000 = \$40,000$

The Company will pay \$40,000. The remaining \$40,000 is not covered.

4. Extended Period Of Indemnity

Under Paragraph **A.4.d., Extended Business Income**, the number 60 in Subparagraphs (1)(b) and (2)(b) is replaced by the number shown in the Policy for this Optional Coverage.

E. Definitions

1. "Covered cause of loss" means direct physical loss or damage from any external cause as covered under this Policy, except as excluded thereunder.
 2. "Finished stock" means stock the Insured has manufactured.
"Finished stock" also includes whiskey and alcoholic products being aged.
"Finished stock" does not include stock the Insured has manufactured that is held for sale on the premises of any retail outlet insured under this Coverage Part.
 3. "Operations" means:
 - a. The Insured's business activities occurring at the described premises; and
 - b. The tenantability of the described premises, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.
 4. "Period of restoration" means the period of time that:
 - a. Begins 72 hours after the time of direct physical loss or damage caused by or resulting from any "covered cause of loss" at the described premises; and
 - b. Ends on the earlier of:
 - (1) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (2) The date when business is resumed at a new permanent location.
- "Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:
- (1) Regulates the construction, use or repair, or requires the tearing down, of any property; or
 - (2) 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".

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

5. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
6. Rental Value" means Business Income that consists of:
 - a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the premises described in the Schedule of Locations attached to the Policy as furnished and equipped by the Insured, including fair rental value of any portion of the described premises which is occupied by the Insured; and
 - b. Continuing normal operating expenses incurred in connection with that premises, including:
 - (1) Payroll; and
 - (2) The amount of charges which are the legal obligation of the tenant(s) but would otherwise be the Insured's obligations.
7. "Suspension" means:
 - a. The slowdown or cessation of the Insured's business activities; or
 - b. That a part or all of the described premises is rendered untenable, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS INCOME CHANGES MAINTENANCE FEES

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM

- A.** We will pay for maintenance fees you have been unable, after reasonable effort, to collect from the unit owner whose unit must be rendered untenable due to an insured loss that occurs during the policy period.

After payment of loss, all amounts recovered shall be paid to us after you have recovered any loss of maintenance fees in excess of the coverage provided by this endorsement.

You will cooperate with us to recover unpaid maintenance fees. You will not waive your right to recover maintenance fees receivable without our permission.

This coverage applies only during the time reasonably required to restore the affected units to a tenantable condition.

- B.** The Definition of "Maintenance Fees":

- a.** "Maintenance Fees" means:

Unit owner contributions to the Condominium Association for the upkeep of the exterior of the building, gardens, walkways and other common areas.

All other terms and conditions of this policy remain unchanged.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOSS PAYABLE PROVISIONS

Name of Insured:	Inn Condominium Association
Policy Number:	SSE91416-00, 1UA3DC000187400
Endorsement Number:	
Effective Date of Endorsement:	
Name of Insurer:	QBE Specialty Insurance Company The Princeton Excess & Surplus Lines Insurance Company

This endorsement modifies insurance provided under the policy to which it is attached.

SCHEDULE

Location Number: 1	Building Number:	Applicable Clause (Enter B.1., B.2., B.3. or B.4.): B.4.
Description Of Property: 970 N HARBOR VILLAGE EAST GARDEN CITY, UT 84028 Loss Payee Name: EPIC GETAWAYS AND RETREATS, LLC (Landlord) Loss Payee Address: c/o: Manager Patrick Crummett 970 N HARBOR VILLAGE E GARDEN CITY, UT 84028		
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

A. Nothing in this endorsement increases the applicable Limit of Liability. The Company will not pay any Loss Payee more than their financial interest in the property covered, and the Company will not pay more than the applicable Limit of Liability on the property covered under this policy.

B. The following provisions are added to the policy as indicated in the Schedule of this endorsement:

1. Loss Payable Clause

For property covered hereunder in which both the Insured and a Loss Payee shown in the Schedule of this endorsement have an insurable interest, the Company will:

- Adjust losses with the Insured; and
- Pay any claim for loss or damage jointly to the Insured and the Loss Payee, as interests may appear.

2. Lender's Loss Payable Clause

- The Loss Payee shown in the Schedule of this endorsement is a creditor, including a mortgageholder or trustee, whose interest in property covered hereunder is established by such written instruments as:

- Warehouse receipts;
- A contract for deed;
- Bills of lading;
- Financing statements; or
- Mortgages, deeds of trust, or security agreements.

b. For property covered hereunder in which both the Insured and a Loss Payee have an insurable interest:

- The Company will pay for covered loss or damage to each Loss Payee in their order of precedence, as interests may appear.
- The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the property covered hereunder.
- If the Company denies the Insured's claim because of the Insured's acts or because the Insured has failed to comply with the terms of the policy, the Loss Payee will still have the right to receive loss payment if the Loss Payee:

(a) Pays any premium due under this Coverage Part at the Company's request if the Insured has failed to do so;

(b) Submits a signed, sworn proof of loss within 60 days after receiving notice from the Company of the Insured's failure to do so; and

(c) Has notified the Company of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

All of the terms of this policy will then apply directly to the Loss Payee.

(4) If the Company pays the Loss Payee for any loss or damage and denies payment to the Insured because of the Insured's acts or because the Insured has failed to comply with the terms of this policy:

(a) The Loss Payee's rights will be transferred to the Company to the extent of the amount the Company pays; and

(b) The Loss Payee's rights to recover the full amount of the Loss Payee's claim will not be impaired.

At the Company's option, the Company may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, the Insured will pay the remaining debt to the Company.

c. If the Company cancels this policy, the Company will give written notice to the Loss Payee at least:

(1) 10 days before the effective date of cancellation if the Company cancels for the Insured's nonpayment of premium; or

(2) 30 days before the effective date of cancellation if the Company cancels for any other reason.

d. If the Company elects not to renew this policy, the Company will give written notice to the Loss Payee at least 10 days before the expiration date of this policy.

3. Contract Of Sale Clause

a. The Loss Payee shown in the Schedule or in the Declarations is a person or organization the Insured has entered into a contract with for the sale of Covered Property.

b. For Covered Property in which both the Insured and the Loss Payee have an insurable interest, the Company will:

(1) Adjust losses with the Insured; and

(2) Pay any claim for loss or damage jointly to the Insured and the Loss Payee, as interests may appear.

c. The following is added to the **Other Insurance** condition:

For property covered hereunder that is the subject of a contract of sale, the word "Insured" includes the Loss Payee.

4. Building Owner Loss Payable Clause

a. The Loss Payee shown in the Schedule or in the Declarations is the owner of the described building in which the Insured is a tenant.

b. The Company will adjust losses to the described building with the Loss Payee. Any loss payment made to the Loss Payee will satisfy the Insured's claims against the Company for the owner's property.

c. The Company will adjust losses to tenants' improvements and betterments with the Insured unless the lease provides otherwise.

All other terms and conditions of this policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTINGENT LIABILITY FROM OPERATION OF BUILDING LAWS

- 1.** In consideration of premium charged, in the event of loss to a building(s) covered by this endorsement by any perils insured against, this Company shall also be liable for the loss occasioned by the enforcement of any state or municipal law or ordinance regulating the construction or repair of damaged building(s) which is in force at the time such loss occurs, which necessitates the demolition of any portion of the insured building(s) not damaged by the peril(s) insured against.
- 2.** This Company shall not be liable under this policy and this endorsement for:
 - a.** Any cost of demolishing or clearing the site of undamaged portions of the building(s) unless such liability is otherwise specifically assumed by endorsement hereon and an amount of insurance specified thereof.
 - b.** Any greater cost of repair, construction or reconstruction due to the enforcement of any state or municipal law or ordinance unless such liability is otherwise specifically assumed by endorsement hereon and an amount of insurance specified therefore.
 - c.** More than the amount insured under the policy to which this endorsement is attached.
 - d.** More than the actual cash value at the time of the loss of the building(s), or any part thereof, damaged by perils insured against or demolished due to the enforcement of any state or municipal law or ordinance.
- 3.** If this policy is divided into two or more items, the foregoing shall apply separately to each item to which this endorsement applies.
- 4.** This endorsement does not increase the limit of liability or amount of insurance shown on the face of this policy or endorsed onto this policy. In no event shall the liability of this Company exceed this limit or amount in one disaster, casualty, or event, irrespective of the number of items or locations involved.
- 5.** This endorsement does not increase the remaining amount of the applicable annual aggregate for earthquake or flood shown on the face of this policy or endorsed onto this policy.

All other terms and conditions of this policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DEMOLITION COST

- 1.** In consideration of premium charged, coverage is provided for the cost of demolishing any undamaged portion of the building(s) covered under this policy and this endorsement including the cost of clearing the site thereof, caused by loss from any peril insured against under this policy and resulting from enforcement of any state or municipal law or ordinance regulating the construction or repair of building(s) and in force at the time of loss, which necessitates such demolition.
- 2.** This Company shall not be liable under this policy and this endorsement for:
 - a.** Any greater proportion of any loss than the amount insured under this endorsement for demolition and clearing site bears to the total insurance covering expense of demolition and clearing site.
 - b.** More than the amount specified.
- 3.** If this policy is divided into two or more items, the foregoing shall apply separately to each item to which this endorsement applies.
- 4.** This endorsement does not increase the limit of liability or amount of insurance shown on the face of this policy or endorsed onto this policy. In no event shall the liability of this Company exceed this limit or amount in one disaster, casualty, or event, irrespective of the number of items or locations involved.
- 5.** This endorsement does not increase the remaining amount of the applicable annual aggregate for earthquake or flood shown on the face of this policy or endorsed onto this policy.

All other terms and conditions of this policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INCREASED COST OF CONSTRUCTION

- 1.** Coverage is provided for the increased cost of repair, rebuilding or construction of the building(s), on the same premises, of like height, floor area, and style and for like occupancy, caused by loss from any peril insured against under this policy and resulting from the enforcement of and limited to the minimum requirements of any state or municipal law or ordinance regulating the construction or repair of damaged building(s) which is in force at the time such loss occurs, and which necessitates such increased costs.
- 2.** This Company shall not be liable under this policy and this endorsement for:
 - a.** cost of the demolition of any portion of the building(s).
 - b.** any loss unless and until the damaged or destroyed building(s) is actually rebuilt or replaced on the same premises with due diligence and dispatch, and, in no event, unless repair or replacement is completed within two (2) years after the destruction or damage, or within such further time as the Company may allow, in writing, during the two years.
 - c.** more than the amount actually and necessarily expended to repair or replace as above provided, in excess of the amount recoverable under this policy, had this endorsement not been attached thereto.
 - d.** more than the amount insured under this endorsement in excess of the replacement cost of the building(s) without deduction for depreciation however caused.
- 3.** If this policy is divided into two or more items, the foregoing shall apply separately to each item to which this endorsement applies.
- 4.** This endorsement does not increase the limit of liability or amount of insurance shown on the face of this policy or endorsed onto this policy. In no event shall the liability of this Company exceed this limit or amount in one disaster, casualty, or event, irrespective of the number of items or locations involved.
- 5.** This endorsement does not increase the remaining amount of the applicable annual aggregate for earthquake or flood shown on the face of this policy or endorsed onto this policy.

All other terms and conditions of this policy remain unchanged.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

REPLACEMENT COST

Name of Insured:	Inn Condominium Association
Policy Number:	SSE91416-00, 1UA3DC000187400
Endorsement Number:	
Effective Date of Endorsement:	
Name of Insurer:	QBE Specialty Insurance Company The Princeton Excess & Surplus Lines Insurance Company

This endorsement modifies insurance provided under the policy to which it is attached.

The **VALUATION** provision in the policy is deleted in its entirety and replaced by the following:

1. Replacement cost coverage replaces the actual cash value provision in the policy and the Company shall pay for replacement cost (without deduction for depreciation).
2. This coverage does not apply to:
 - a. Property of others;
 - b. Contents of a residence;
 - c. Manuscripts;
 - d. Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or
 - e. "Stock," unless the including "Stock" option is shown in **PROPERTY OR INTEREST COVERED** of the policy.
3. The Insured may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event the Insured elects to have loss or damage settled on an actual cash value basis, the Insured may still make a claim for the additional coverage provided the Insured notifies the Company the intent to do so within 180 days after the loss or damage.

4. The Company will not pay on a replacement cost basis for any loss or damage:
 - a. Until the loss or damaged property is actually repaired or replaced; and
 - b. Unless the repairs or replacement(s) are made as soon as reasonably possible after the loss or damage.
5. The Company will not pay more for loss or damage on a replacement cost basis than the least of:
 - a. The Limit of Insurance applicable to the loss or damaged property;
 - b. The cost to replace the lost or damaged property with other property:
 1. of comparable material and quality; and
 2. used for the same purpose; or
 - c. The amount the Insured actually spends that is necessary to repair or replace the lost or damaged property.

All other terms and conditions of this policy remain unchanged.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**CERTIFIED ACTS AND OTHER ACTS OF TERRORISM
EXCLUSION**

Name of Insured:	Inn Condominium Association
Policy Number:	SSE91416-00, 1UA3DC000187400
Endorsement Number:	
Effective Date of Endorsement:	
Name of Insurer:	QBE Specialty Insurance Company The Princeton Excess & Surplus Lines Insurance Company

This endorsement modifies insurance provided under the policy to which it is attached.

1. Section **8., PERILS EXCLUDED** is amended by adding the following:

Any **Certified Acts of Terrorism** or **Other Acts of Terrorism**, including action in hindering or defending against an actual or expected incident of **Certified Acts of Terrorism** or **Other Acts of Terrorism**.

Regardless of the amount of damage and losses, this exclusion applies to any incident of **Certified Acts of Terrorism** or **Other Acts of Terrorism** that involve the use, release or escape of pathogenic or poisonous biological or chemical materials or of nuclear materials, or to any incident that directly or indirectly results in nuclear reaction or radiation or radioactive contamination.

But with respect to any activity that also comes within the terms of the War And Military Action exclusion, that exclusion supersedes this exclusion. In the event of an act of terrorism that involves nuclear reaction or radiation, or radioactive contamination, this exclusion supersedes the Nuclear Hazard exclusion.

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Form, Coverage Part or Policy.

2. Section **9. DEFINITIONS**, is amended by adding the following:

Certified Act of Terrorism means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a **Certified Act of Terrorism** include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is 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.

Other Acts of Terrorism means activities against persons, organizations, or property of any nature:

1. That involve the following or preparation for the following:
 - a. Use or threat of force or violence;
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
2. When one or both of the following applies:
 - a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express oppositions to) a philosophy or ideology.

Other Acts of Terrorism do not include acts certified as terrorist acts pursuant to the federal Terrorism Risk Insurance Act.

All other terms and conditions of this policy remain unchanged



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR, BIOLOGICAL, CHEMICAL AND RADIOLOGICAL HAZARDS EXCLUSION

Name of Insured:	Inn Condominium Association
Policy Number:	SSE91416-00, 1UA3DC000187400
Endorsement Number:	
Effective Date of Endorsement:	
Name of Insurer:	QBE Specialty Insurance Company The Princeton Excess & Surplus Lines Insurance Company

This endorsement modifies insurance provided under the policy to which it is attached.

Section **8. PERILS EXCLUDED** is amended by the addition of the following:

- I.** We will not pay for any loss, damage, cost or expense, whether real or alleged, that is caused, results from, is exacerbated by or otherwise impacted by, either directly or indirectly, any of the following:
 - 1) Nuclear Hazard** - including, but not limited to, nuclear reaction, nuclear detonation, nuclear radiation, radioactive contamination and all agents, materials, products or substances, whether engineered or naturally occurring, involved therein or released thereby;
 - 2) Biological Hazard** - including, but not limited to, any biological and/or poisonous or pathogenic agent, material, product or substance, whether engineered or naturally occurring, that induces or is capable of inducing physical distress, illness, or disease;
 - 3) Chemical Hazard** - including, but not limited to, any chemical agent, material, product or substance;
 - 4) Radioactive Hazard** - including, but not limited to, any electromagnetic, optical, or ionizing radiation or energy, including all generators and emitters thereof, whether engineered or naturally occurring.
- II.** The provisions of subparagraphs **I. 2)** and **I. 3)** will not apply where the agent, material, product or substance at issue is utilized in the course of business by an Insured.
- III.** Only if and to the extent required by state law, the following exception to the exclusion in paragraph **I.** applies:
If a hazard excluded under paragraph **I.** results in fire, we will pay for the loss, damage, cost or expense caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. This coverage does not apply to insurance provided under Business Income, Rental Value or Extra Expense coverage forms or endorsements that apply to those coverage forms.

All other terms and conditions of this policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

VIRUS OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the policy to which it is attached.

A. The following exclusion is added to PERILS EXCLUDED:

This policy does not insure against loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease. Such loss or damage is excluded regardless of whether any cause or perils contributes concurrently or in any sequence to the loss.

However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", mildew or rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy.

B. With respect to any loss or damage subject to the exclusion in Paragraph A., such exclusion supersedes any exclusion relating to pollutants.

C. The terms of the Exclusion in Paragraph A., or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Policy.

All other terms and conditions of this policy remain unchanged.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SERVICE OF PROCESS ENDORSEMENT

When a cause of action arises in any of the states listed below, service of process applies as shown below for that state. As used in this endorsement, "the Company" shall mean QBE Specialty Insurance Company.

ALABAMA Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the State of Alabama as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary hereunder arising out of this contract of insurance. The Company further designates CT Corporation System, 2 North Jackson Street, Suite 605, Montgomery, AL 36104 as the person to whom the Commissioner shall mail process.

ALASKA Service of Process Clause

Upon any cause of action arising in Alaska under this contract, the Company may be sued. The Company appoints the Director of Insurance for the State of Alaska as its attorney for acceptance of service of all legal process issued in this state in any action or proceeding arising out of this policy. Service of process upon the Director, or his successors in office, shall be lawful service upon the Company. The Company further designates CT Corporation System, 8585 Old Dairy Road, Suite 208, Juneau, AK 99801 as the person to whom the Director is authorized to mail such process or a true copy thereof.

ARIZONA Service of Process Clause

Upon any cause of action arising in Arizona under this contract, the Company may be sued in the circuit court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Director of Insurance of the State of Arizona by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 3800 North Central Avenue, Suite 460, Phoenix, AZ 85012, as the person to whom the Director shall mail process.

ARKANSAS Service of Process Clause

Upon any cause of action arising in Arkansas under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Arkansas and his successors in office by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 320 S. IZard Street, Little Rock, AR 72201-2114 as the person to whom the Commissioner shall mail process.

CALIFORNIA Service of Suit Clause

The Company hereby designates CT Corporation System, 330 North Brand Boulevard, Glendale, California 91203-2336 as its true and lawful attorney in and for the State of California, upon whom all lawful process may be served in any action, suit or proceeding instituted in California by or on behalf of any insured or beneficiary against the Company arising out of this insurance policy, provided a copy of any process, suit, complaint or summons is sent by certified or registered mail to: 55 Water Street, 19th Floor, New York, NY 10041.

COLORADO Service of Process Clause

Upon any cause of action under this policy, the Company may be sued in the district court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance for the State of Colorado. The Company further designates CT Corporation System, 7700 East Arapahoe Road, Suite 220, Centennial, CO 80112 as the person to whom the Commissioner shall mail process or a true copy thereof.

CONNECTICUT Service of Process Clause

Upon any cause of action under this policy, the Company may be sued in the district court of the county in which the cause of action arose. The Company appoints the Commissioner of Insurance for the State of Connecticut as its attorney for acceptance of service of all legal process issued in this state in any action or proceeding arising out of this policy. Service of process upon the Commissioner shall be lawful service upon the Company. The Company further designates CT Corporation System, 67 Burnside Avenue, East Hartford, CT 06108 as the person to whom the Commissioner is authorized to mail such process or a true copy thereof.

DELAWARE Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the State of Delaware as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates Delaware Department of Insurance, 1351 West North Street, Suite 101, Dover, DE 19904 as the person to whom the Commissioner shall mail process.

DISTRICT OF COLUMBIA Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the District of Columbia as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 1015 15th Street, NW, Suite 1000, Washington, DC 20005 as the person to whom the Commissioner shall mail process.

FLORIDA Service of Process Clause

The Company hereby designates the Chief Financial Officer of the Department of Financial Services as its agent upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary hereunder arising out of this contract of insurance. The Company further designates CT Corporation System, 1200 South Pine Island Road, Plantation, FL 33324 as the person to whom the Chief Financial Officer shall mail process.

GEORGIA Service of Process Clause

Upon any cause of action under this policy, the Company may be sued in the superior court of the county in which the cause of action arose. The Company appoints the Georgia Commissioner of Insurance as its attorney for acceptance of service of all legal process issued in this state in any action or proceeding arising out of this policy. Service of process upon the Commissioner shall be lawful service upon the Company. The Company further designates CT Corporation System, 289 South Culver Street, Lawrenceville, GA 30046 as the person to whom the Commissioner is authorized to mail such process or a true copy thereof.

HAWAII Service of Process Clause

Upon any cause of action under this policy, the Company may be sued in the district court of the county in which the cause of action arose. The Company appoints the Commissioner of Insurance for the State of Hawaii as its attorney for acceptance of service of all legal process issued in this state in any action or proceeding arising out of this policy. Service of process upon the Commissioner shall be lawful service upon the Company. The Company further designates CT Corporation System, 900 Fort Street Mall, Suite 1680, Honolulu, HI 96813 as the person to whom the Commissioner is authorized to mail such process or a true copy thereof.

IDAHO Service of Process Clause

Upon any cause of action arising in Idaho under this contract, the Company may be sued in the district court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Director of the Department of Insurance of the State of Idaho. The Company further designates CT Corporation System, 1555 W. Shoreline Drive, Suite 100, Boise, ID 83702 as the person to whom the Director shall mail process.

ILLINOIS Service of Process Clause

The Company hereby designates the Director of the Illinois Department of Insurance and his successor or successors in office as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary hereunder arising out of this contract of insurance. The Company further designates CT Corporation System, 208 South LaSalle Street, Suite 814, Chicago, IL 60604 as the person to whom the Director shall mail process.

INDIANA Service of Process Clause

Upon any cause of action arising in Indiana under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Indiana by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 334 North Senate Avenue, Indianapolis, IN 46204-1708 as the person to whom the Commissioner shall mail process.

IOWA Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the State of Iowa as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 400 East Court Avenue, Suite 110, Des Moines, Iowa 50309 as the person to whom the Commissioner shall mail process.

KANSAS Service of Process Clause

Upon any cause of action arising in Kansas under this policy, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Kansas and his successor or successors in office. The Company further designates The Corporation Company, Inc., 112 S.W. Seventh Street, Suite 3C, Topeka, KS 66603 as the person to whom the Commissioner shall mail process.

KENTUCKY Service of Process Clause

Upon any cause of action arising in Kentucky under this contract, the Company may be sued in the circuit court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Kentucky Secretary of State by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 306 West Main Street, Suite 512, Frankfort, KY 40601 as the person to whom the Secretary of State shall mail process.

LOUISIANA Service of Process Clause

Upon any cause of action arising in Louisiana under this contract, the Company may be sued in the district court of the parish in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Louisiana Secretary of State. The Company further designates CT Corporation System, 3867 Plaza Tower Drive, Baton Rouge, LA 70816 as the person to whom the Secretary of State shall mail process.

MAINE Service of Process Clause

Upon any cause of action arising in this State under this policy, the Company may be sued in the Superior Court. Service of legal process against the Company may be made in any such action by service of two copies upon the designated agent. The Company further designates CT Corporation System, 3 Chase Avenue, Augusta, ME 04330 as the agent.

MARYLAND Service of Process Clause

Upon any cause of action arising in Maryland under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Insurance Commissioner of the State of Maryland by the clerk of the court in which the action is brought. The Company further designates The Corporation Trust Incorporated, 2405 York Road, Suite 201, Lutherville Timonium, MD 21093 as the person to whom the Commissioner shall mail process.

MASSACHUSETTS Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the State of Massachusetts as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 155 Federal Street, Suite 700, Boston, MA 02110 as the person to whom the Commissioner shall mail process.

MICHIGAN Service of Process Clause

Upon any cause of action arising in Michigan under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Director of Insurance, c/o Resident Agent, of the State of Michigan by the clerk of the court in which the action is brought. The Company further designates The Corporation Company, 40600 Ann Arbor Road East, Suite 201, Plymouth, MI 48170 as the person to whom the Commissioner shall mail process.

MINNESOTA Service of Process Clause

Upon any cause of action arising in Minnesota under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Commerce of the State of Minnesota by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, Inc., 1010 Dale Street North, Saint Paul, MN 55117 as the person to whom the Commissioner shall mail process.

MISSISSIPPI Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the State of Mississippi as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 645 Lakeland East Drive, Suite 101, Flowood, MS 39232 as the person to whom the Commissioner shall mail process.

MISSOURI Service of Process Clause

Upon any cause of action arising in Missouri under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Director of Insurance of the State of Missouri and his successors in office by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 120 South Central Avenue, Clayton, MO 63105 as the person to whom the Director shall mail process.

MONTANA Service of Process Clause

Upon any cause of action under this policy, the Company may be sued in the district court of the county in which the cause of action arose. The Company appoints the Commissioner of Insurance of the State of Montana as its attorney for acceptance of the service of all legal process issued in this state in any action or proceeding arising out of this policy. Service of process upon the Commissioner shall be lawful service upon the Company. The Company further designates CT Corporation System, 3011 American Way, Missoula, MT 59808 as the person to whom the Commissioner is authorized to mail such process or a true copy thereof.

NEBRASKA Service of Process Clause

Upon any cause of action arising in Nebraska under this policy, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Director of Insurance of the State of Nebraska. The Company further designates CT Corporation System, 5601 South 59th Street, Suite C, Lincoln, NE 68516 as the person to whom the Director shall mail process.

NEVADA Service of Process Clause

Upon any cause of action arising in Nevada under this contract, the Company may be sued in a district court of Nevada. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Nevada or the Commissioner's authorized representative. The Company further designates The Corporation Trust Company of Nevada, 701 South Carson Street, Suite 200, Carson City, NV 89701 as the person to whom the Commissioner shall mail process.

NEW HAMPSHIRE Service of Process Clause

Upon any cause of action arising in New Hampshire under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of New Hampshire by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 21/2 Beacon Street, Concord, NH 03301-4447 as the person to whom the Commissioner shall mail process.

NEW JERSEY Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the State of New Jersey as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 820 Bear Tavern Road, West Trenton, NJ 08628 as the person to whom the Commissioner shall mail process.

NEW MEXICO Service of Process Clause

Upon any cause of action arising in New Mexico under this contract, the Company may be sued in the district court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Superintendent of Insurance of the State of New Mexico by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 206 South Coronado Avenue, Espanola, NM 87532 as the person to whom the Superintendent shall mail process.

NEW YORK Service of Process Clause

The Company hereby designates the Superintendent of Financial Services of the State of New York, and his successors in office, as its true and lawful attorney upon whom all lawful process may be served in any action, suit, or proceeding instituted in this State by or on behalf of the insured or any beneficiary against the Company arising out of this policy of insurance. The Company further designates CT Corporation System, 28 Liberty Street, New York, NY 10005 as the person to whom the Superintendent shall mail process.

NORTH CAROLINA Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the State of North Carolina, and his successor(s) in office, as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 160 Mine Lake Court, Suite 200, Raleigh, NC 27615 as the person to whom the Commissioner shall mail process.

NORTH DAKOTA Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the State of North Dakota as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 120 West Sweet Avenue, Bismarck, ND 58504 as the person to whom the Commissioner shall mail process.

OHIO Service of Process Clause

Upon any cause of action arising in Ohio under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Superintendent of Insurance of the State of Ohio by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 4400 Easton Commons Way, Suite 125, Columbus, OH 43219 as the person to whom the Superintendent shall mail process.

OKLAHOMA Service of Process Clause

Upon any cause of action arising in Oklahoma under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Oklahoma by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 1833 South Morgan Road, Oklahoma City, OK 73128 as the person to whom the Commissioner shall mail process.

OREGON Service of Process Clause

Upon any cause of action arising in Oregon under this contract, the Company may be sued in the circuit court of the county in which the cause of action arose. The Company further designates CT Corporation System, 780 Commercial Street SE, Suite 100, Salem, OR 97301 as the person to whom the process shall be mailed.

PENNSYLVANIA Service of Process Clause

Upon any cause of action arising in Pennsylvania under this contract, the Company may be sued in the court of the county in which the cause of action arose. The Company hereby designates the Commissioner of Insurance of the Commonwealth of Pennsylvania as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. Service of process shall be made pursuant to the procedures provided by 42 Pa.C.S. Ch. 53 Subch. B (relating to interstate and international procedure). The Company further designates CT Corporation System, 600 North Second Street, Suite 401, Harrisburg, PA 17101 as the person to whom the Commissioner shall mail process.

RHODE ISLAND Service of Process Clause

Upon any cause of action arising in Rhode Island under this policy, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Rhode Island by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 450 Veterans Memorial Parkway, Suite 7A, East Providence, RI 02914 as the person to whom the Commissioner shall mail process.

SOUTH CAROLINA Service of Process Clause

The Company hereby designates the Director of Insurance of the State of South Carolina as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 2 Office Park Court, Suite 103, Columbia, SC 29223 as the person to whom the Director shall mail process.

SOUTH DAKOTA Service of Process Clause

Any cause of action against the Company arising in South Dakota under this policy shall be brought in the circuit court for the county in which the cause of action arose. Service of legal process against the Company may be made in any such action by service upon the Director of Insurance of the State of South Dakota and his successors in office. The Company further designates CT Corporation System, 319 South Coteau Street, Pierre, SD 57501 as the person to whom the Director shall mail a copy of the process.

TENNESSEE Service of Process Clause

The Company hereby designates the Commissioner of Commerce and Insurance of the State of Tennessee as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 300 Montvue Road, Knoxville, TN 37919 as the person to whom the Commissioner shall mail process.

TEXAS Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the State of Texas as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary hereunder arising out of this contract of insurance. The Company further designates CT Corporation System, 1999 Bryan Street, Suite 900, Dallas, TX 75201 as the person to whom the Commissioner shall mail process.

UTAH Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the State of Utah as its agent upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary hereunder arising out of this contract of insurance. The Company further designates CT Corporation System, 1108 East South Union Avenue, Midvale, UT 84047 as the person to whom the Commissioner shall mail process.

VERMONT Service of Process Clause

The Company hereby designates the Secretary of State of Vermont as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 95B Main Street, Jeffersonville, VT 05464 as the person to whom the Secretary of State shall mail process.

VIRGINIA Service of Process Clause

The Company hereby designates the Clerk of the Virginia State Corporation Commission as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary hereunder arising out of this contract of insurance. The Company further designates CT Corporation System, 4701 Cox Road, Suite 285, Glen Allen, VA 23060 as the person to whom the Clerk of the Commission shall mail process.

WASHINGTON Service of Process Clause

Upon any cause of action arising in Washington under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Washington by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 711 Capitol Way South, Suite 204, Olympia, WA 98501 as the person to whom the Commissioner shall mail process.

WEST VIRGINIA Service of Process Clause

Upon any cause of action arising in West Virginia under this policy, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Secretary of State of West Virginia by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 5098 Washington Street W, Suite 407, Charleston, WV 25313 as the person to whom the Secretary of State shall mail process.

WISCONSIN Service of Process Clause

Upon any cause of action arising in Wisconsin under this policy the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Wisconsin. The Company further designates CT Corporation System, 301 South Bedford Street, Suite 1, Madison, WI 53703 as the person to whom the Commissioner shall mail process.

WYOMING Service of Process Clause

Upon any cause of action under this policy, the Company may be sued in the district court of the county in which the cause of action arose. The Company appoints the Commissioner of Insurance of the State of Wyoming as its attorney for acceptance of the service of all legal process issued in this state in any action or proceeding arising out of this policy. Service of process upon the Commissioner shall be lawful service upon the Company. The Company further designates CT Corporation System, 2232 Dell Range Blvd, Suite 200, Cheyenne, WY 82009 as the person to whom the Commissioner is authorized to mail such process or a true copy thereof.

All other terms and conditions of this policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein. (The following information is required only when this endorsement is issued subsequent to preparation of the Policy.)

(12:01 A.M.)

(Authorized Representative)

by THE PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY

This Policy is subject to the following:

This endorsement specifies that:

We designate the Superintendent of Insurance, Insurance Commissioner, Director of Insurance, or other officer specified by law, pursuant to the laws of the State where this policy is delivered, as our true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted in the State in which this policy is delivered, by, or on behalf of, the Named Insured or any beneficiary hereunder arising out of this Policy. We designate the General Counsel of The Princeton Excess and Surplus Lines Insurance Company, 555 College Road East, Princeton, New Jersey 08543 as the person to whom the said officer is authorized to mail such process or true copy thereof.

All other terms and conditions remain unchanged.

Notice to Policyholders U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC")

NO COVERAGE IS PROVIDED BY THIS POLICYHOLDER NOTICE NOR CAN IT BE CONSTRUED TO REPLACE ANY PROVISIONS OF YOUR POLICY. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE FOR COMPLETE INFORMATION ON THE COVERAGES YOU ARE PROVIDED.

THIS NOTICE PROVIDES INFORMATION CONCERNING POSSIBLE IMPACT ON YOUR INSURANCE COVERAGE DUE TO DIRECTIVES ISSUED BY OFAC.

PLEASE READ THIS NOTICE CAREFULLY

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

As "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site - <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

Issuing Company: **QBE Specialty Insurance Company**
The Princeton Excess & Surplus Lines Insurance Company



NOTICE TO POLICYHOLDERS - FRAUD WARNING

Fraud Warnings

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Notice to Alabama residents: "Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution, fines, or confinement in prison, or any combination thereof."

Notice to Alaska residents: "A person who knowingly and with intent to injure, defraud, or deceive an insurance company files a claim containing false, incomplete, or misleading information may be prosecuted under state law."

Notice to Arizona residents: "For your protection Arizona law requires the following statement to appear on this form. Any person who knowingly presents a false or fraudulent claim for payment of a loss is subject to criminal and civil penalties."

Notice to Arkansas residents: "Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison."

Notice to California residents: "For your protection California law requires the following to appear on this form. Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison."

Notice to Colorado residents: "It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies."

Notice to Delaware residents: "Any person who knowingly, and with intent to injure, defraud or deceive any insurer, files a statement of claim containing any false, incomplete or misleading information is guilty of a felony."

Notice to District of Columbia residents: "WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant."

Notice to Florida residents: "Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree."

Notice to Idaho residents: "Any person who knowingly, and with intent to defraud or deceive any insurance company, files a statement of claim containing any false, incomplete, or misleading information is guilty of a felony."

Notice to Indiana residents: "A person who knowingly and with intent to defraud an insurer files a statement of claim containing any false, incomplete, or misleading information commits a felony."

Notice to Kansas residents: "Fraud is defined as: 'an act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral or telephonic communication or statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance that such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto.'"

Notice to Kentucky residents: "Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime."

Notice to Louisiana residents: "Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison."

Notice to Maine residents: "It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or denial of insurance benefits."

Notice to Maryland residents: "Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison."

Notice to Minnesota residents: "A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime."

Notice to New Hampshire residents: "Any person who, with a purpose to injure, defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for insurance fraud, as provided in RSA 638:20."

Notice to New Jersey residents: "Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties." "Any person who knowingly files a statement of claim containing any false or misleading information is subject to criminal and civil penalties."

Notice to New Mexico residents: "ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES."

Notice to New York residents: "Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation."

Notice to Ohio residents: "Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud."

Notice to Oklahoma residents: "WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony."

Notice to Pennsylvania residents: "Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties."

Notice to Rhode Island residents: "Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison."

Notice to Tennessee residents: "It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits."

Notice to Texas residents: "Any person who knowingly presents a false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison."

Notice to Utah residents: "Any person who knowingly presents false or fraudulent underwriting information, files or causes to be filed a false or fraudulent claim for disability compensation or medical benefits, or submits a false or fraudulent report or billing for health care fees or other professional services is guilty of a crime and may be subject to fines and confinement in state prison."

Notice to Vermont residents: "Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law."

Notice to Virginia residents: "It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits."

Notice to Washington residents: "It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits."

Notice to West Virginia residents: "Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison."

SIGNATURE ENDORSEMENT

Named Insured Inn Condominium Association	Endorsement Number
Policy Number 1UA3DC000187400	Endorsement Effective November 25, 2024
Countersigned by (Authorized Representative)	

The above is required to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

The Company has caused this policy to be signed by its President and Secretary, but this policy shall not be valid unless countersigned by an authorized representative of the Company, where required.

The Princeton Excess and Surplus Lines Insurance Company



Cathy Smith
President and Chief Executive Officer



Ignacio Rivera,
Deputy General Counsel and
Assistant Secretary

All other terms and conditions of this policy remain unchanged.

This policy consists of:

Declarations

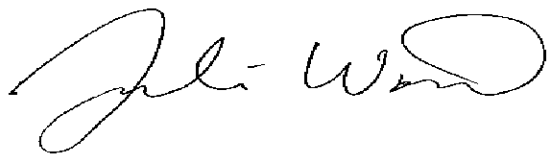
One or more coverage parts.

A coverage part consists of:

- One or more coverage forms
- Applicable forms and endorsements

QBE Specialty Insurance Company

In Witness Whereof, we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by our authorized representative.



Julie Wood
President



Mark Pasko
Secretary