

# Commercial Property Policy

Prepared exclusively for: Countryside HOA

Contract No:	CTE010219
Policies Included:	Catalytic Earthquake Subscription

CAT1132 (03/21)

CHICAGO  
20 North Wacker Drive, Ste. 3121  
Chicago, IL 60606  
00+1 (847) 864-9999  
License No. 100689362

DENVER  
908 Main Street, Ste. 310  
Louisville, CO 80027-1897  
00+1 (303) 551-1549  
License No. 510817

SAN DIEGO  
350 10th Avenue, Ste. 1450  
San Diego, CA 92101  
00+1 (619) 659-7166  
License No. 0167798



# Catalytic Subscription Property Policy



Named Insured:	Countryside HOA
Contract No:	CTE010219
Participating Insurer(s):	GuideOne National Insurance Company (550008048) Summit Specialty Insurance Company (SMQ000985) Trisura Specialty Insurance Company (FDQ000333) Underwriters at Lloyd's, London (LLO22553)

Contract No: CTE010219  
Named Insured: Countryside HOA

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## UTAH SURPLUS LINES NOTICE

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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.

LMA9082

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# U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

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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.

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# U.S. TERRORISM RISK INSURANCE ACT OF 2002 AS AMENDED NOT PURCHASED CLAUSE

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This Clause is issued in accordance with the terms and conditions of the "U.S. Terrorism Risk Insurance Act of 2002" as amended as summarized in the disclosure notice.

It is hereby noted that the Insurer(s) have made available coverage for "insured losses" directly resulting from an "act of terrorism" as defined in the "U.S. Terrorism Risk Insurance Act of 2002", as amended ("TRIA") and the Insured has declined or not confirmed to purchase this coverage.

This Insurance therefore affords no coverage for losses directly resulting from any "act of terrorism" as defined in TRIA except to the extent, if any, otherwise provided by this policy.

All other terms, conditions, insured coverage and exclusions of this Insurance including applicable limits and deductibles remain unchanged and apply in full force and effect to the coverage provided by this Insurance.

## TERRORISM EXCLUSION ENDORSEMENT

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It is hereby understood and agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

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

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

If the Insurer(s) allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

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

## SCHEDULE OF FORMS

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It is hereby understood and agreed that in consideration of the premium charged, the following forms and endorsements are attached and incorporated into the policy:

CAT1131 - Subscription Earthquake Cover  
CAT-UT - Utah Surplus Lines Notice  
CAT-OFAC - U.S. Treasury Notice OFAC  
CAT3023 - U.S. Terrorism Risk Insurance Act of 2002 Not Purchased Clause  
CAT3024 - Terrorism Exclusion Endorsement  
CAT3044 - Schedule of Forms  
CAT3050 - Declarations Page  
CAT3045 - Subscription Participation Page  
CATAMEND - GO - GuideOne National Amendatory Endorsement  
CATAMEND-SUM - Summit Specialty Insurance Company Amendatory Endorsement  
CATAMEND-TS - Trisura Specialty Amendatory Endorsement  
CATAMEND-L - Underwriters at Lloyds Amendatory Endorsement  
CAT1126 - Absolute Fungus, Mold, or Spores Exclusion  
CAT1139 - Asbestos Endorsement  
CAT8002 - Electronic Date Recognition Exclusion (EDRE)  
CAT8003 - Exclusion of Certain Computer Related Losses  
CAT3037 - Exclusion of Loss Due to Virus or Bacteria  
CAT8001 - Nuclear Biological Exclusion  
CAT8000 - Property Cyber and Data Exclusion  
CAT3020 - Toxic Materials Exclusion  
CAT8009 - War and Civil War Exclusion Clause  
CAT1130 - Condominium Policy  
CAT8006 - General Change Endorsement - Non-Premium Bearing  
CAT1010 - Acquisition Clause - Non-Automatic  
CAT1030 - Earthquake Sprinkler Leakage Exclusion  
CAT1051 - Flood Exclusion  
CAT1062 - Occurrence Limit of Liability Endorsement  
CAT3015 - Ordinance or Law Coverage - Sublimits

# DECLARATIONS PAGE

Contract Number: **CTE010219**

1. Name and Address of the Insured:

Countryside HOA  
6880 South 700 East  
Midvale, UT 84047

2. Policy Term:

Effective from: 6/22/2023 to: 6/22/2024

Effective from 12:01 a.m. Standard Time at the Insured's Covered Location

3. Insurance is effective with certain insurer(s) outlined in the Participation Schedule on CAT3045, Participation Page.

4. Amount:	Per Participation Page	\$ 350.00 Broker Fee	Property Premium:	\$25,000.00
Part of	Per Participation Page	\$1,109.25 UT Surplus Lines Tax (4.25%)	TRIA Premium:	N/A
Excess of:	Per Participation Page	\$ 46.98 UT Stamping Fee (.18%)	Equipment Breakdown:	N/A
			State tax: (Producer Responsibility)	
			Stamping fee: (Producer Responsibility)	
Amount is excess of deductibles(s) and is per occurrence and policy term aggregate as applicable			Catastrophe Fee:	\$750.00
Total Insured Value:	\$12,841,000		Inspection Fee:	\$0.00
Perils:	Earthquake only			
Coinsurance:	NIL		Total:	\$25,750.00
Coverage:	This policy consists of commercial property coverage for which a premium is charged. This premium may be subject to adjustment.			

5. Forms attached hereto and special conditions: See schedule of forms attached

Situate: Per Schedule of Values on file with Insurer(s) Monthly Limit of Indemnity: N/A

Property Valuation: Property Values at Replacement Cost Value, Time Element at Actual Loss Sustained

Primary deductible(s) or Underlying Limits: See Section 8. Deductible Clause of the Condominium Policy Form.

6. Service of Suit may be made upon: As per forms attached

7. In the event of a claim, please notify the following:

Catalytic Risk Managers  
Attn: Claims Department  
350 10<sup>th</sup> Avenue, Suite 1450  
San Diego, CA 92101

[claims@catalyticrisk.com](mailto:claims@catalyticrisk.com) – email notification  
(800) 208-1806 – phone notification  
Website: <http://www.catalyticrisk.com/Claims/Home>

8. The following are the authorized signatures for certain Underwriters at Lloyd's of London and other Insurers, all as applicable.



Ian Fitt



Jon Knouse

"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 (UC31A-15-103 {8})".

Worldwide Facilities, LLC - License #412568



# PARTICIPATION PAGE

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It is hereby understood and agreed that in consideration of the premium charged, the subscribers hereto, hereinafter referred to as the Insurer(s), do severally, but not jointly, agree to indemnify the Insured for the amount recoverable in accordance with the terms and conditions of the policy. Provided that:

1. The collective liability of the Insurer(s) shall not exceed the Limit of Insurance or any appropriate Sublimit of Insurance or any annual aggregate limit.
2. The liability of each of the Insurer(s) shall not exceed the Participation Limit set against its name with the exception of loss adjustment expense which cost shall be 100% assumed by the Insurer(s) on each applicable layer of insurance.

## Several Liability Notice

The liability of an Insurer under this contract is several and not joint with other Insurer(s) party to this contract. An Insurer is liable only for the proportion of liability it has underwritten. An Insurer is not jointly liable for the proportion of liability underwritten by any other Insurer. Nor is an Insurer otherwise responsible for any liability of any other Insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by an Insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown in this contract.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an Insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other Insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

- a. If as outlined below, the Participants on this policy are only Lloyd's Syndicates, then the following Several Liability Notice applies:

The subscribing Insurer(s) obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing Insurer(s) are not responsible for the subscription of any co-subscribing Insurer(s) who for any reason does not satisfy all or part of its obligations.

## Application of Underlying Insurance Sublimits

1. Unless specifically shown on or endorsed to this policy, coverage is excluded by this policy for any peril, coverage, or location for which the Underlying Insurance policy(ies) imposes a sublimit less than the total limit over which this policy is excess.
2. For the purpose of attachment of coverage, sublimited peril, coverage, or location excluded by this policy but covered by the Underlying Insurance policy(ies), shall be recognized by this policy as eroding or exhausting the limit of liability of the Underlying Insurance policy(ies). Nothing herein, however, shall be deemed to extend coverage in this policy to include loss, damage, or expense from such sublimited peril, coverage, or location.

Nothing herein contained shall be held to vary, alter, waive or change any of the terms, limits or conditions of the policy except as herein above set forth.

Contract No: CTE010219  
 Named Insured: Countryside HOA

Insurer	Agreement / Policy #	Participation (excess of deductibles per primary layer)			Premium	TRIA Coverage
		Limit	Part of	Excess of		
Summit Specialty Insurance Company (A VIII)	Summit Specialty - SMQ SMQ000985	\$2,500,000	\$12,841,000	\$0	\$4,867.22	Rejected
GuideOne National Insurance Company (A- IX)	550008048	\$3,447,000	\$12,841,000	\$0	\$6,710.93	Rejected
Trisura Specialty Insurance Company (A- IX)	Trisura (FDQ) FDQ000333	\$3,447,000	\$12,841,000	\$0	\$6,710.93	Rejected
Underwriters at Lloyd's, London (A XV)	B0429BA2202280 Section 1 LLO22553	\$3,447,000	\$12,841,000	\$0	\$6,710.92	Rejected
<b>Total Limit:</b>		\$12,841,000		<b>Total Premium:</b>	\$25,000.00	

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# GUIDEONE NATIONAL INSURANCE COMPANY AMENDATORY ENDORSEMENT

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It is hereby agreed and understood that the following carrier-specific policy language applies to this policy:

**1. Notices**

- a. Except as otherwise indicated in this policy, all notices to the Insurer required by this policy from any insured shall be given in writing, delivered, by prepaid express courier, or by certified mail to:

Catalytic Risk Managers  
350 10<sup>th</sup> Avenue, Suite 1450  
San Diego, CA 92101

- b. If the Insurer must give to the Insured any notice under this policy, and the time period or method of delivery provided for such notice is established by controlling law as a different period or method of delivery than that set forth in this policy, then the period or method of delivery set forth in this policy shall be deemed to be amended so as to be equal to the minimum period of limitation or method of delivery established by the controlling law.

**2. Claims Reporting**

Except as otherwise indicated in this policy, all notices to the Insurer required by this policy from any insured shall be given in writing, delivered, by prepaid express courier, or by certified mail to:

Catalytic Risk Managers  
350 10<sup>th</sup> Avenue, Suite 1450  
San Diego, CA 92101  
Office: (800) 208-1806  
Claims@catalyticrisk.com

**3. Notice of Service of Suit**

Pursuant to any statute of any state, territory or District of the United States which makes provision therefore, the Insurer hereby designates the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as the Insurer's 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 Named Insured, arising out of this policy.

Service of Suit may also be delivered to:

CT Corporation System

The most current address for CT Corporation System applicable in the Insured's state may be provided by the Insured's agent or found at the web address below:

<https://ct.wolterskluwer.com/sop-locations>

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# SUMMIT SPECIALTY INSURANCE COMPANY

## AMENDATORY ENDORSEMENT

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It is hereby agreed and understood that the following carrier-specific policy language applies to this policy:

**1. Notices**

- a. Except as otherwise indicated in this policy, all notices to the Insurer required by this policy from any insured shall be given in writing, delivered, by prepaid express courier, or by certified mail to:

Catalytic Risk Managers  
350 10<sup>th</sup> Avenue, Suite 1450  
San Diego, CA 92101

- b. If the Insurer must give to the Insured any notice under this policy, and the time period or method of delivery provided for such notice is established by controlling law as a different period or method of delivery than that set forth in this policy, then the period or method of delivery set forth in this policy shall be deemed to be amended so as to be equal to the minimum period of limitation or method of delivery established by the controlling law.

**2. Claims Reporting**

Except as otherwise indicated in this policy, all notices to the Insurer required by this policy from any insured shall be given in writing, delivered, by prepaid express courier, or by certified mail to:

Catalytic Risk Managers  
350 10<sup>th</sup> Avenue, Suite 1450  
San Diego, CA 92101  
Office: (800) 208-1806  
Claims@catalyticrisk.com

**3. Notice of Service of Suit**

Pursuant to any statute of any state, territory or District of the United States which makes provision therefore, the Insurer hereby designates the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as the Insurer's 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 Named Insured, arising out of this policy.

Service of Suit may also be delivered to:

CT Corporation System

The most current address for CT Corporation System applicable in the Insured's state may be provided by the Insured's agent or found at the web address below:

<https://ct.wolterskluwer.com/sop-locations>

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# TRISURA SPECIALTY INSURANCE COMPANY

## AMENDATORY ENDORSEMENT

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It is hereby agreed and understood that the following carrier-specific policy language applies to this policy:

**1. Notices**

- a. Except as otherwise indicated in this policy, all notices to the Insurer required by this policy from any insured shall be given in writing, delivered, by prepaid express courier, or by certified mail to:

Catalytic Risk Managers  
350 10<sup>th</sup> Avenue, Suite 1450  
San Diego, CA 92101

- b. If the Insurer must give to the Insured any notice under this policy, and the time period or method of delivery provided for such notice is established by controlling law as a different period or method of delivery than that set forth in this policy, then the period or method of delivery set forth in this policy shall be deemed to be amended so as to be equal to the minimum period of limitation or method of delivery established by the controlling law.

**2. Claims Reporting**

Except as otherwise indicated in this policy, all notices to the Insurer required by this policy from any insured shall be given in writing, delivered, by prepaid express courier, or by certified mail to:

Catalytic Risk Managers  
350 10<sup>th</sup> Avenue, Suite 1450  
San Diego, CA 92101  
Office: (800) 208-1806  
Claims@catalyticrisk.com

**3. Notice of Service of Suit**

Pursuant to any statute of any state, territory or District of the United States which makes provision therefore, the Insurer hereby designates the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as the Insurers 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 Named Insured, arising out of this policy.

Service of Suit may also be delivered to:

Trisura Specialty Insurance Company  
210 Park Avenue, Suite 1400  
Oklahoma City, OK, United States, 73102-5636  
Tel: 405-594-4960 Fax: 405-594-4969

**4. Privacy Policy**

Trisura Specialty Insurance Company is committed to treating and using personal information about you and your employees responsibly. We will not disclose nonpublic, personal information about you and your employees to anyone except as permitted or required by law.

**Collecting Information**

We collect nonpublic, personal information from you about you and your employees to properly maintain and service your policy. This nonpublic, personal information may come from the following sources:

- Application information and other forms (example: previous insurance coverage)
- Transaction information (examples: premiums, payment history)
- Third-Party information (example: claims history)

**Disclosing Information**

In the course of conducting business and as permitted by law, we may share nonpublic, personal information about you and your employees with our affiliated companies. We do not disclose any nonpublic, personal information about you and your employees to any nonaffiliated third parties, except for the conduct of our business as permitted or required by law. Information may be supplied to others providing business services for us. Additionally, we may provide information for audit or research purposes or to law enforcement agencies to help us prevent fraud.

**Securing Information**

We restrict access to nonpublic, personal information about you and your employees to our employees who need to know the information necessary to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with applicable regulations to guard the nonpublic personal information of you and your employees.



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# UNDERWRITERS AT LLOYD'S AMENDATORY ENDORSEMENT

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**This Insurance** is effected with certain Underwriters at Lloyd's, London

**This Certificate** is issued in accordance with the limited authorization granted to the Resident Agent by certain Underwriters at Lloyd's, London whose names and the proportions underwritten by them can be ascertained from the office of the said Resident Agent (such Underwriters being hereinafter called "Underwriters") and in consideration of the premium specified herein, Underwriters do hereby bind themselves each for his own part, and not one for another, their heirs, executors and administrators.

**The Assured** is requested to read this Certificate, and if it is not correct, return it immediately to the Correspondent for appropriate alteration.

It is hereby agreed and understood that the following carrier-specific policy language applies to this policy:

## 1. Notices

a. Except as otherwise indicated in this policy, all notices to the Company required by this policy from any Insured shall be given in writing, delivered, by prepaid express courier, or by certified mail to:

Catalytic Risk Managers  
350 10<sup>th</sup> Avenue, Suite 1450  
San Diego, CA 92101

b. If we must give to you any notice under this policy, and the time period or method of delivery provided for such notice is established by controlling law as a different period or method of delivery than that set forth in this policy, then the period or method of delivery set forth in this policy shall be deemed to be amended so as to be equal to the minimum period of limitation or method of delivery established by the controlling law.

## 2. Claims Reporting

Except as otherwise indicated in this policy, all notices to the Company required by this policy from any Insured shall be given in writing, delivered, by prepaid express courier, or by certified mail to:

Catalytic Risk Managers  
350 10<sup>th</sup> Avenue, Suite 1450  
San Diego, CA 92101  
Office: (800) 208-1806  
Claims@catalyticrisk.com

## 3. Notice of Service of Suit

It is agreed that in the event of the failure of the underwriters hereon to pay any amount claimed to be due hereunder, the underwriters hereon, at the request of the Insured, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this clause constitutes or should be understood to constitute a waiver of underwriters' rights to commence an action in any court of competent jurisdiction in the United States, to remove an action to a United States district court, or to seek a transfer of a case to another court as permitted by the laws of the United States or of any state in the United States. It is further agreed that service of process in such suit may be made upon Lloyd's America, Inc., Attention: Legal Department, 280 Park Avenue, East Tower, 25<sup>th</sup> Floor, New York, NY 10017 U.S.A., and that in any suit instituted against any one of them upon this contract. Underwriters will abide by the final decision of such court or of any appellate court in the event of an appeal.

The above-named are authorized and directed to accept service of process on behalf of underwriters in any such suit and/or upon the request of the Insured to give a written undertaking to the Insured that they will enter a general appearance upon underwriters' behalf in the event such a suit shall be instituted.

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Named Insured: Countryside HOA

Further, pursuant to any statute of any state, territory, or district of the United States which makes provision therefore, underwriters hereon hereby designate the superintendent, commissioner or director of insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful procession, any action, suit or proceeding instituted by or on behalf of the Insured or any beneficiary hereunder arising out of this contract of insurance, and hereby designate the above-named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

#### **4. Applicable Law**

This insurance shall be subject to the applicable state law to be determined by the court of competent jurisdiction as determined by the provisions of the service of suit clause (U.S.A.)

#### **5. Sanction Limitation and Exclusion Clause**

No (re) insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment or such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanction, laws or regulations of the European Union, United Kingdom or United States of America.

#### **6. Notice of Information Practices (Privacy)**

The certain underwriters at Lloyd's, London want you to know how we protect the confidentiality of your non-public personal information. We want you to know how and why we use and disclose the information that we have about you. The following describes our policies and practices for securing the privacy of our current and former customers.

The non-public personal information that we collect about you includes, but is not limited to:

- Information contained in applications or other forms that you submit to us, such as name, address, and social security number
- Information about your transactions with our affiliates or other third-parties, such as balances and payment history
- Information we receive from a consumer-reporting agency, such as creditworthiness or credit history

We disclose the information that we have when it is necessary to provide our products and services. We may also disclose information when the law requires or permits us to do so.

Only our employees and others who need the information to service your account have access to your personal information. We have measures in place to secure our paper files and computer systems.

You have a right to request access to or correction of your personal information that is in our possession.

If you have any questions about this privacy notice or would like to learn more about how we protect your privacy, please contact the agent or broker who handled this insurance. We can provide a more detailed statement of our privacy practices upon request.

#### **7. Additional Certificate Provisions**

##### **a. In respect of California Risks:**

This Certificate shall not be valid unless signed by the Correspondent on the attached Declaration Page.

The Correspondent is not an Insurer of the insurance described herein and neither is nor shall be liable for any loss or claim whatsoever. The Insurers of such insurance are those Underwriters at Lloyd's, London, whose names can be ascertained as hereinbefore set forth. As used in this Certificate "Underwriters" shall be deemed to include incorporated as well as unincorporated persons or entities that are Underwriters at Lloyd's, London.

The insurance described herein shall not be assigned either in whole or in part without the written consent of the Correspondent endorsed hereon.

The Certificate is intended for use as evidence of the placement of the insurance described herein, in accordance with Section 1764 of the California Insurance Code.

##### **b. In respect of Illinois Risks:**

This Certificate shall not be valid unless signed by the Correspondent and countersigned by the Lloyd's Illinois, Inc. on the attached Schedule.

Neither the Correspondent nor Lloyd's Illinois, Inc. is an Insurer hereunder and neither is nor shall be liable for any loss or claim whatsoever. The Insurers hereunder are those individual Underwriters at Lloyd's London whose names can be ascertained as set forth herein.



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It is agreed that in the event of failure of the Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Insured, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another court as permitted by the laws of the United States or any State in the United States. In the event of any litigation arising out of insurance assumed hereunder, Lloyd's Illinois, Inc. and the Director of Insurance of the State of Illinois and his successors in office are hereby appointed agents to accept service of process for Underwriters.

The insolvency or bankruptcy of the Insured shall not release Underwriters from their obligations under this insurance.

If you have any complaints concerning your insurance, please contact the Correspondent. If he is unable to resolve the matter, you may contact Lloyd's Illinois, Inc. You may also seek the assistance of the Illinois Department of Financial and Professional Regulation Division of Insurance, 320 W. Washington Street, Springfield, Illinois 62767-0001.

Rules applicable to insurance with terms less than or more than one year:

- A. If insurance has been in force for one year or less, apply the short rate table for annual insurance to the full annual premium determined as for an insurance written for a term of one year.
- B. If insurance has been in force for more than one year:
  - 1. Determine full annual premium as for insurance written for a term of one year.
  - 2. Deduct such premium from the full insurance premium, and on the remainder calculate the pro rata earned premium on the basis of the ratio of the length of time beyond one year the insurance has been in force to the length of time beyond one year for which the insurance was originally written.
  - 3. Add premium produced in accordance with items (1) and (2) to obtain earned premium during full period insurance has been in force.

**8. Cancellation.** If this certificate provides for cancellation and this Certificate is cancelled after the inception date, earned premium must be paid for the time the insurance has been in force.

**9. Short Rate Cancellation Table for Term of One Year.** If the attached provisions provide for cancellation, the table below will be used to calculate the short rate proportion of the premium when applicable under the terms of cancellation.

Days Insurance in Force	Percent of one year Premium	Days Insurance in Force	Percent of one year Premium	Days Insurance in Force	Percent of one year Premium	Days Insurance in Force	Percent of one year Premium
1	5%	66 - 69	29%	154 - 156	53%	256 - 260	77%
2	6%	70 - 73	30%	157 - 160	54%	261 - 264	78%
3 - 4	7%	74 - 76	31%	161 - 164	55%	265 - 269	79%
5 - 6	8%	77 - 80	32%	165 - 167	56%	270 - 273 (9 Mo.)	80%
7 - 8	9%	81 - 83	33%	168 - 171	57%	274 - 278	81%
9 - 10	10%	84 - 87	34%	172 - 175	58%	279 - 282	82%
11 - 12	11%	88 - 91 (3 Mo.)	35%	176 - 178	59%	283 - 287	83%
13 - 14	12%	92 - 94	36%	179 - 182 (6 Mo.)	60%	288 - 291	84%
15 - 16	13%	95 - 98	37%	183 - 187	61%	292 - 296	85%
17 - 18	14%	99 - 102	38%	188 - 191	62%	297 - 301	86%
19 - 20	15%	103 - 105	39%	192 - 196	63%	302 - 305 (10 Mo.)	87%
21 - 22	16%	106 - 109	40%	197 - 200	64%	306 - 310	88%
23 - 25	17%	110 - 113	41%	201 - 205	65%	311 - 314	89%
26 - 29	18%	114 - 116	42%	206 - 209	66%	315 - 319	90%
30 - 32 (1 Mo.)	19%	117 - 120	43%	210 - 214 (7 Mo.)	67%	320 - 323	91%

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33 - 36	20%	121 - 124 (4 Mo.)	44%	215 - 218	68%	324 - 328	92%
37 - 40	21%	125 - 127	45%	219 - 223	69%	329 - 332	93%
41 - 43	22%	128 - 131	46%	224 - 228	70%	333 - 337 (11 Mo.)	94%
44 - 47	23%	132 - 135	47%	229 - 232	71%	338 - 342	95%
48 - 51	24%	136 - 138	48%	233 - 237	72%	343 - 346	96%
52 - 54	25%	139 - 142	49%	238 - 241	73%	347 - 351	97%
55 - 58	26%	143 - 146	50%	242 - 246 (8 mo.)	74%	352 - 355	98%
59 - 62 (2 Mo.)	27%	147 - 149	51%	247 - 250	75%	356 - 360	99%
63 - 65	28%	150 - 153 (5 Mo.)	52%	251 - 255	76%	361 - 365 (12 Mo.)	100%

Rules applicable to insurance with terms less than or more than one year:

- A. If insurance has been in force for one year or less, apply the short rate table for annual insurance to the full annual premium determined as for Insurance written for a term of one year.
- B. If insurance has been in force for more than one year:
  - 1. Determine full annual premium as for insurance written for a term of one year.
  - 2. Deduct such premium from the full insurance premium, and on the remainder calculate the pro rata earned premium on the basis of the ratio of the length of time beyond one year the insurance has been in force to the length of time beyond one year for which the policy was originally written.
  - 3. Add premium produced in accordance with items (1) and (2) to obtain earned premium during full period insurance has been in force

**10. Attached Conditions Incorporated.** This Certificate is made and accepted subject to all the provisions, conditions and warranties set forth herein, attached or endorsed, all of which are to be considered as incorporated herein.

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# ABSOLUTE FUNGUS, MOLD, OR SPORES EXCLUSION

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The following clauses are added to this policy and take precedence over any other wording contained in this policy.

This policy does not apply to:

1. loss or damage caused by or resulting from the actual or threatened existence, growth, release, transmission, migration, dispersal, or exposure to "fungus", "microorganisms", "mold", or "spores";
2. the cost of repair, replacement, removal, clean-up, abatement, restoration, decontamination, disposal, relocation or replacement of Insured property which has been contaminated by "fungus", "microorganisms", "mold", or "spores" and by law or civil authority must be restored, disposed of, or decontaminated; and
3. the cost or expense of testing for, or monitoring, "fungus", "microorganisms", "mold", or "spores".
4. Any such loss, damage, claim, cost or expense described above or other sum directly or indirectly arising out of or relating to:

"Fungus", "microorganisms", "mold", or "spores" means any type or form of fungus, including mold or mildew, any mycotoxins, scents or by-products produced or released by fungi or other microorganism of any type, nature, or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

This exclusion applies regardless whether there is:

1. any physical loss or damage to insured property;
2. any insured peril or cause, whether or not contributing concurrently or in any sequence;
3. any loss of use, occupancy, or functionality; or
4. any action required, including but not limited to repair, replacement, removal, clean-up, abatement, restoration, decontamination, disposal, relocation or replacement of Insured property, or steps taken to address medical or legal concerns.

This exclusion replaced and supersedes any provisions in the policy that provide insurance, in whole or in part, for these matters.

## ASBESTOS ENDORSEMENT

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- A. This Policy only insures asbestos physically incorporated in an insured building or structure, and then only that part of the asbestos which has been physically damaged during the period of insurance by one of these Listed Perils: **NONE**.

This coverage is subject to each of the following specific limitations:

1. The said building or structure must be insured under this Policy for damage by that Listed Peril.
  2. The Listed Peril must be the immediate, sole cause of the damage of the asbestos.
  3. The Assured must report to Underwriters the existence and cost of the damage as soon as practicable after the Listed Peril first Damaged the asbestos. However, this Policy does not insure any such damage first reported to the Underwriters more than 12 (Twelve) months after the expiration, or termination, of the period of insurance.
  4. Insurance under this Policy in respect of asbestos shall not include any sum relating to:
    - (i) Any faults in the design, manufacture or installation of the asbestos;
    - (ii) Asbestos not physically damaged by the Listed Peril including any governmental or regulatory authority direction or Request of whatsoever nature relating to undamaged asbestos.
- B. Except as set forth in the foregoing Section A, this Policy does not insure asbestos or any sum relating thereto.

# ELECTRONIC DATE RECOGNITION EXCLUSION (EDRE)

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It is hereby understood and agreed that this Policy does not cover any loss, damage, cost, claim or expense, whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to:

1. The calculation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other date change, including leap year calculations, by any computer system, hardware, program or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the Insured or not, or
2. Any change, alteration or modification involving the date change to the year 2000, or any other date change, including leap year calculations, to any such computer system, hardware, program or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the Insured or not.

This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to any such loss, damage, cost, claim, or expense.

## EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES

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It is hereby understood and agreed that the following exclusion applies to this policy:

- A. The Insurer will not pay for loss or damage caused directly or indirectly by the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.
1. The failure, malfunction or inadequacy of:
    - a. Any of the following, whether belonging to any insured or to others:
      - 1) Computer hardware, including microprocessors;
      - 2) Computer application software;
      - 3) Computer operating systems and related software;
      - 4) Computer networks;
      - 5) Microprocessors (computer chips) not part of any computer system; or
      - 6) Any other computerized or electronic equipment or components; or
    - b. Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph A.1.a. of this exclusion;  
  
due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.
  2. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by the Insured or for the Insured to determine, rectify or test for, any potential or actual problems described in Paragraph A.1. of this exclusion.

This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to any such loss, damage, cost, claim or expense.

## EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

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It is hereby understood and agreed that the following exclusion applies to this policy:

- A. The exclusion set forth in Paragraph B. applies to all coverage under all forms and endorsements that comprise this policy, including but not limited to forms or endorsements that insure Covered Property and forms or endorsements that insure Business Income Coverages.
- B. The Insurer(s) will not pay for loss, damage, claim, cost, expense or other sum caused by or resulting from any virus, bacterium or other micro-organism that induces or is capable of inducing physical distress, illness or disease.

However, this exclusion does not apply to loss or damage caused by or resulting from **fungus**.

- C. With respect to any loss, damage, claim, cost, expense or other sum subject to the exclusion in Paragraph B., such exclusion supersedes any exclusion relating to **pollutants**.
- D. The terms of the exclusion in Paragraph B., 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.

This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to any such loss, damage, cost, claim, or expense.

# NUCLEAR, BIOLOGICAL, CHEMICAL AND RADIOLOGICAL HAZARDS EXCLUSION

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It is hereby understood and agreed that the following exclusion applies to this policy:

- A. The Insurer(s) 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.

This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to any such loss, damage, cost, claim, or expense.



# PROPERTY CYBER AND DATA EXCLUSION

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It is hereby understood and agreed that any provision to the contrary within this policy or any endorsement thereto this policy excludes any:

1. Cyber Loss;
2. Loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any **data**, including any amount pertaining to the value of such **data**;

Regardless of any other cause or event contributing concurrently or in any other sequence thereto.

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

This endorsement supersedes and, if in conflict with any other wording in the policy or any endorsement thereto having a bearing on **cyber loss** or **data**, replaces that wording.

## Definitions

**Cyber Loss** means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any **cyber act** or **cyber incident** including, but not limited to, any action taken in controlling, preventing, suppressing, or remediating any **cyber act** or **cyber incident**.

**Cyber Act** means an unauthorized, malicious or criminal act or series of related unauthorized, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **computer system**.

**Cyber Incident** means:

1. Any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **computer system**; or
2. Any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **computer system**.

**Computer System** means:

1. Any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility,
2. Owned or operated by the Insured or any other party.

**Data** means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a **computer system**.

This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to any such loss, damage, cost, claim, or expense.

## TOXIC MATERIALS EXCLUSION

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It is hereby understood and agreed that this policy does not cover loss or damage including cost or expense caused by or resulting from the actual, alleged or threatened release or escape of any solid, liquid or gaseous material that is toxic or poisonous to humans or animals, (toxic materials), including but not limited to dioxin, polychlorinated biphenyls and lead.

This exclusion also applies to:

1. The removal of toxic materials from any structure, fixture, item of personal property or product;
2. Any demolition or increased cost of construction, repair, debris removal or loss of use necessitated by the enforcement of any law or ordinance regulating toxic materials;
3. Any governmental direction or request declaring that toxic materials 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; and
4. The testing for or monitoring toxic materials.

This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to any such loss, damage, cost, claim, or expense.

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## WAR AND CIVIL WAR EXCLUSION CLAUSE

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It is hereby understood and agreed that this policy does not cover loss or damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to any such loss, damage, cost, claim, or expense.

# CONDOMINIUM POLICY

**1. INSURING AGREEMENT**

This policy Insures against all risks of direct physical loss or damage occurring during the policy period from any external cause except as hereinafter excluded, while anywhere within the 50 states of the United States of America and the District of Columbia as more fully set forth in Section 7.

**2. PROPERTY COVERED**

This policy covers property described in items **a, b, c** below but no coverage attaches under any item unless an "x" is inserted in the box preceding that item:

X	Item <b>a</b> - building(s) and/or structures in all parts, including additions and/or extensions in contact therewith (regardless of construction) and on all property belonging to and/or constituting a permanent part of said building (s) and/or structures and pertaining to the service, upkeep, maintenance and operation thereof; all which now is or may hereafter during the term of this policy becomes at the risk of the Insured.
	Item <b>b</b> - business personal property, furniture, fixtures, equipment and machinery being property of the Insured, or similar properties of others in the care, custody or control of the Insured and for which the Insured is liable in the event of loss.
X	Item <b>c</b> - unit owner's improvements and betterments to buildings regardless of ownership, being fixtures, alterations, appliances such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping, additions comprising part of a building(s).

**3. OPTIONAL PROPERTY COVERED**

	Coverages marked by an "X" are covered	Individual Sublimits
	Attached Walls, Walks, Patios, Retaining Walls, Drives, Paved Surfaces, Streets for which the HOA is responsible	
X	Garages/Carpports	
	Lights, Mailboxes, Signs, Fences, Gates	
	Tennis /Sports Courts, Playground Equipment	
	Irrigation, Landscaping	
X	Underground Utilities	\$150,000
X	Pools, Spas, Fountains, Monuments	
	Other _____	

If a dollar amount appears under combined sublimit below, the above Optional Property Covered is subject to the combined sublimit except for those items with individual sublimits. Any sublimit whether individual or combined is included in the policy limit and is not in addition to the Limit of Liability shown on the Participation Schedule.

**Combined Sublimit:** \$75,000

**4. TIME ELEMENT COVERED:**

	Business Interruption (Form CAT1053 or CAT1054 applies when coverage is granted)
	Extra Expense (Form CAT1047 applies when coverage is granted)
	Rental Value (Form CAT1116 applies when coverage is granted)

	Maintenance Fees, Association Fees (Form CAT1097 applies when coverage is granted)
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**5. PROPERTY EXCLUDED (Unless Otherwise Included by Endorsement or Included Under Section 3. OPTIONAL PROPERTY COVERED)**

- a. accounts, bills, deeds, evidences of debt, currency, money, notes, securities, stamps, original drawings and specifications, letters of credit, passports, tickets or valuable papers, unless specifically endorsed;
- b. animals, growing plants or shrubs (except when held for sale, or when used for decorative purposes inside buildings), growing crops, motor vehicles licensed or designed principally for highway use, water craft, 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 it leaves the custody of the Insured.
- d. property in transit;
- e. neon signs and automatic or mechanical electric signs;
- f. machines or machinery against loss by rupture, bursting or disintegrating or rotating of 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. personal property owned by, used by or in the care, custody or control of a unit owner unless otherwise included in unit owner's improvement and betterments outlined in Section 2, Item c.
- j. property in the course of construction, including materials and supplies therefore;
- k. power transmission and/or feeder lines not on the Insured's premises;
- l. land, land values or water;
- m. wharfs, piers, docks, pilings, tunnels, or dams;
- n. shafts, mines, wells, ponds, drains, dikes, embankments, bulkheads, man-made property in or under the ground.

**6. LIMIT OF LIABILITY**

- a. The limit of liability of the Insurer(s) outlined in the Participation Schedule, found on the Participation Page (CAT3045), in respect to each and every occurrence and in the annual aggregate shall not exceed the limits outlined on the Participation Schedule.
- b. In respect to loss or damage caused by or resulting from Earthquake, the limit of liability of the Insurer(s) in respect to each and every loss and or series of losses arising out of one occurrence and in the annual aggregate shall not exceed the values outlined on the Participation Schedule.

Earthquake as used in this policy is defined as loss caused by, resulting from, contributed to or aggravated by any of the following:

earth movement, meaning natural faulting of land masses, not including landslide, subsidence, rock slide, mud flow, earth sinking, earth rising, shifting or settling unless as a direct result of an earthquake.

- c. In respect to loss or damage caused by or resulting from Flood (if shown as a covered peril on the Declarations Page), the limit of liability of the Insurer(s) in respect to each and every loss and or series of losses arising out of one occurrence and in the annual aggregate shall not exceed the values outlined on the Participation Schedule.

Flood as used in this policy is defined as a general condition, whether temporary or permanent, of partial or complete inundation of normally dry land areas with water, mud, slurry or other liquid, arising from any of the following:

- 1) the overflow or breaking of natural or artificial boundaries or confines of inland or tidal waters;
- 2) the unusual or rapid accumulation or runoff of surface waters from any source or by their spray;
- 3) waters changing course;
- 4) waters rising;
- 5) mudslide or mudflow;
- 6) waves, tidal water, storm surge, tsunami, tidal waves;

- 7) the release or overtopping of water held by a dam, levee, dike, canal or conduit or by any water or flood control device or system, regardless of location, or from breach or failure, by any cause, of any of the foregoing

If the coverage of the policy includes both property damage and business interruption, the foregoing limits shall be the maximum amounts collectible under this policy for loss or damage resulting from the perils described above regardless of whether the loss involves property damage alone or both property damage and business interruption.

Notwithstanding anything to the contrary contained herein, in no event shall the liability of the Insurer(s) exceed the above limit or amount in any one occurrence, or event irrespective of the number of locations or coverages involved.

**Occurrence for Earthquake**

Occurrence shall mean all individual losses or damage arising out of and directly occasioned by one event. The duration and extent of any occurrence so defined shall be limited to:

168 consecutive hours as regards any occurrence which includes individual loss or losses from an Earthquake as defined in item b. above and no individual loss from whatever insured cause, which occurs outside these periods, shall be included in the occurrence.

The Insured may choose the date and time when any such period of 168 consecutive hours commences and if any events is of greater duration than the above period, the Insured may divide that event into two or more occurrence provided no two periods overlap and provided no period commences earlier than the date and time of the happening of the first recorded individual loss to the Insured in that event during the policy period.

**Occurrence for Flood**

Occurrence shall mean all losses, whenever occurring, which arise between the time of movement of water into, onto, or over the property Insured hereunder and the receding of the same, regardless of the period of time so embraced; EXCEPT, no occurrence shall be deemed to commence earlier than the date and time of the happening of the first recorded individual loss to the Insured in that occurrence during the policy period nor to extend to beyond thirty days after the expiry of this policy.

**7. SCHEDULE OF LOCATIONS COVERED**

This policy covers insured property only at such locations specifically listed below: Per Schedule of Values on file with Insurer(s)

**8. DEDUCTIBLE CLAUSE**

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 the perils insured against by this policy:

10% per Unit for Earthquake Subject to a \$25,000 minimum per occurrence

Only in the event the deductible clause is shown as per unit, the Insurer(s) shall not be liable for loss to any unit of insurance at any one location, unless such loss exceeds the sum of the percentage shown above applied to the total insurable value (defined as the value of covered property, at the premises described in the Declarations, per the valuation clause of this policy), of such unit of insurance at the time and location where the physical damage happened, and then only for its proportion of such excess.

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;
- c. property outside pertaining to the maintenance of the building;
- d. each optional property coverage or group. The deductible for optional property coverage is calculated by applying the percentage deductible shown above as follows:
  - 1) When each covered item provided under Section 3 is listed on the statement of values, deductible applies to the insurable value of each individually damaged optional property coverage as shown on the statement of values on file with the Insurer(s).
  - 2) When individual or combined sublimits are provided under Section 3, deductible applies to the greater of the applicable sublimit or the insurable value of the individually damaged optional property coverage determined at the time of loss.
  - 3) When covered item is not listed on the statement of values with the Insurer(s) and no individual sublimit or total combined sublimit for the optional property coverage is shown under Section 3, deductible applies to 100% of the total insurable building values of the risk.

- e. time element coverage (business income, rents, extra expense, maintenance fees and additional living expenses) applicable at the covered location.

All subject to the minimum per occurrence deductible shown above.

**9. PERILS EXCLUDED (UNLESS OTHERWISE INCLUDED BY ENDORSEMENT)**

- a. Loss or damage caused by or resulting from fire and lightning as set forth in a standard fire insurance policy, extended coverage perils, vandalism and malicious mischief and sprinkler leakage all as more fully defined and limited in the forms approved by the Insurance Services Office having jurisdiction where the property is located; whether or not insurance for such perils is being maintained by the Insured at the time of the loss and whether or not such loss or damage is directly or indirectly caused by or contributed to by a peril insured against under this policy;
- b. Loss or damage caused by or resulting from other perils, to the extent insured under any other policies carried by the Insured or under any other more specific insurance arranged for and in the name of the Insured;
- c. Loss or damage caused by or resulting from water which backs up through sewers or drains; water below the surface of the ground including that which exerts pressure on or flows, seeps, or leaks through sidewalks, driveways, foundations, walls, basement or other floors, or through doors, windows or any other openings in such sidewalks, driveways, foundations, walls or floors;
- d. Loss or damage caused by or resulting from disappearance of property or loss or shortage of property disclosed on taking inventory;
- e. Loss or damage caused by or resulting from wear and tear, mechanical breakdown, derangement, inherent vice, latent defect, gradual deterioration, fungi, mold, wet or dry rot, moth, vermin, rodents, termites or other insects including larvae or pupae thereof;
- f. Loss or damage caused by or resulting from gas or smoke from agricultural smudging, smog, or industrial operations;
- g. Loss or damage caused by or resulting from breakage of glass or similar fragile materials not part of the building (other than lenses of photographic or scientific instruments);
- h. Loss or damage caused by or resulting from dampness of atmosphere, dryness of atmosphere, extremes or changes of temperature, shrinkage, evaporation, loss of weight, leakage of contents, marring, scratching, rust or corrosion, exposure to light, contamination, change in flavor or color or texture or finish;
- i. Loss or damage caused by or resulting from infidelity, dishonesty or malfeasance on the part of the Insured or his employees or others to whom the Insured property may be entrusted;
- j. Loss or damage caused by or resulting from any fraudulent scheme, trick, device or false pretense practiced upon the Insured or upon any person(s) to whom the property may be entrusted;
- k. Loss or damage caused by or resulting from electrical injury or disturbance to electrical appliances, fixtures or wiring caused by electrical currents artificially generated;
- l. Loss or damage caused by or resulting from breakdown of machinery and/or the bursting, or rupture or explosion of steam boilers, steam pipes, steam turbines, or steam engines or flywheels owned or operated by the Insured;
- m. Loss or damage caused by or resulting from interruption of business or other consequential loss extending beyond direct physical loss or damage to the property Insured hereunder, unless endorsed hereon;
- n. With regard to real property if covered hereunder, this policy does not insure against:
  - 1) Loss or damage caused by or resulting from normal settling, shrinkage or expansion in foundation, walls, floors, or ceilings, subsidence;
  - 2) Loss or damage caused by or resulting from landslide unless directly caused by a peril Insured against;
  - 3) Loss or damage occasioned by enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of the real property Insured hereunder, nor any loss, damage, cost, expenses, fine or penalty which is insured, or sustained by or imposed on the Insured at the order of any governmental agency, court or other authority arising from any cause whatsoever.
- o. Loss or damage caused by or resulting from:
  - 1) hostile or warlike action in time of peace or war including action in hindering, combating or defending against an actual, impending or expected attack
    - a) by any government or sovereign power (de jure or de facto), or by any authority maintaining or using military, naval or air forces; or

- b) by military, naval or air forces; or
- c) by any agent of any such government, power, authority or forces;
- 2) any weapon of war employing atomic fission or radioactive force whether in time of peace or war;
- 3) insurrection, rebellion, revolution, civil war, usurped power or action taken by governmental authority in hindering, combating or defending against any such occurrence, seizure or destruction under quarantine or customs regulation, confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade;
- p. Loss or damage caused by or resulting from or arising directly or indirectly from nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, and whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by the peril(s) insured against in this policy;
- q. Loss or damage caused by or resulting from the freezing of plumbing or heating systems;
- r. Loss or damage caused by or resulting from pilferage, burglary, larceny, theft, or attempted theft;
- s. Loss or damage caused by or resulting from errors in design, errors in processing, faulty workmanship, faulty construction or faulty materials;
- t. Loss or damage to property caused by or resulting from processing, renovating, repairing, or working upon;
- u. Loss or damage caused by or resulting from exposure to elements of the weather where any Insured personal property is left in the open or not contained in buildings or on permanent foundations;
- v. Loss or damage caused by or resulting from delay, loss of market, loss of use, interruption of business, consequential loss of any nature; unless specifically Insured under Section 4;
- w. Loss or damage caused by or resulting from earth movement, landslide, subsidence, rock slide, mud flow earth sinking, earth rising, shifting or settling unless as a direct result of an Earthquake;

Additional Perils are excluded within this Policy.

#### 10. AUTHORITIES EXCLUSIONS

This policy does not insure against loss, damage, 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.

#### 11. 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.

#### 12. 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;
    - b) owning or controlling capital stock or other proprietary interest in the named Insured; or
    - 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.



**13. SINGLE LOSS**

Each loss by Earthquake or Flood (if shown as a covered peril on the Declarations page) shall constitute a single claim hereunder; provided, if more than one Earthquake or Flood shall be deemed to be a single Earthquake or Flood within the meaning hereof, the Insurer(s) shall not be liable for any loss by any Earthquake or Flood occurring before the effective date and time of this policy, nor for any loss occurring after the expiration date and time of this policy.

**14. LOSS**

Any loss thereunder shall not reduce the amount of this policy except as respects Earthquake and Flood (if covered) as per Section 6 of this form.

**15. 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.

**16. NOTICE OF LOSS**

The Insured shall as soon as practicable report in writing to the insurer(s) or their agent every loss damage or occurrence which may give rise to a claim under this policy and shall also file with the Insurer(s) or their agent within 30 days from date of damage or occurrence, a detailed sworn proof of loss.

Claims will be filed solely by the HOA and not by individual unit owners.

**17. EXAMINATION UNDER OATH**

The Insured, as often as may be reasonably required, shall exhibit to any person designated by the Insurer(s) 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 Insurer(s) and subscribed 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 Insurer(s) or their 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 Insurer(s) or any of their employees or representatives in connection with the investigation of any loss or claim thereunder, shall be deemed a waiver of any defense which the Insurer(s) might otherwise have with respect to any loss or claim, but all such examinations and acts shall be deemed to have been made or done without prejudice to the Insurer(s) liability.

**18. PRIVILEGE TO ADJUST WITH OWNER**

In the event of loss or damage to property of others held by the Insured for which claim is made upon the Insurer(s), the right to adjust such loss or damage with the owner or owners of the property is reserved to the Insurer(s) 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 Insurer(s) reserves the right at their 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 Insurer(s) in such regard shall increase the liability of the Insurer(s) under this policy nor increase the limits of liability specified in the policy.

**19. SETTLEMENT OF LOSS**

All adjusted claims shall be paid or made good to the HOA within sixty (60) days after presentation and acceptance of satisfactory proof of interest and loss at the office of the Insurer(s). No loss shall be paid or made good if the Insured has collected the same from others. Losses paid under this policy will be paid directly to the HOA and not individual unit owners.

**20. NO BENEFIT TO BAILEE**

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

**21. 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 or 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 Insurer(s) shall only be liable for the value of the part lost or damaged.

**22. 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 thereunder shall be maintained and physical inventory shall be taken periodically at intervals not more than twelve months apart.

**23. EXAMINATION OF RECORDS**

The Insured shall, as often as may be reasonably required during the term of this policy and for one year thereafter, produce for examination by the Insurer(s) or their duly authorized representative all the books and records, inventories and accounts relating to the property covered thereunder.

**24. 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 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 within the shortest limit of time permitted by the laws of such state.

Unit owners are restricted from any suit, action or proceeding for the recovery of any claims under this policy as the losses and claims handling will be directly with the HOA.

**25. THE INSURER(S) OPTIONS**

It shall be optional with the Insurer(s) 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, on giving notice of its intention to do so within sixty (60) days after the receipt of the proof of loss herein required.

**26. APPRAISAL**

If the Insured and the Insurer(s) 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 Insurer(s), 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, then, on the request of the Insured or the Insurer(s), such 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 Insurer(s) shall each pay his or its chosen appraiser and shall bear equally the other expenses of the appraisal and umpire. The Insurer(s) shall not be held to have waived any of its rights by any act relating to appraisal.

**27. ABANDONMENT**

There can be no abandonment to the Insurer(s) of any property.

**28. 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.

**29. ASSISTANCE AND COOPERATION OF THE INSURED**

In the event this policy covers the Insured's liability, the Insured shall cooperate with the Insurer(s) and, upon the Insurer(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 payment, assume any obligation or incur any expense without the written consent of the Insurer(s).

**30. ALL OTHER MATTERS**

All matters not provided for herein or by endorsement hereon shall be governed by the terms and conditions of the Insurer(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.

**31. STATUTORY REQUIREMENTS**

It is agreed that if property covered under this policy is located in a state that 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 the provisions of such required policy or form(s).

**32. DEFINITION OF A BUILDING**

A building shall constitute a free standing structure not physically adjoining, nor directly communicating with another structure, i.e. no common walls/community walls, foundations, nor basements. A building connected by fully enclosed walkways, tunnels or passages not including outside sidewalks shall be considered one building. Foundations shall be considered part of the building.

**33. VALUATION**

In case of loss the basis of adjustment unless otherwise endorsed hereon shall be as follows:

- a. Improvements and betterments at replacement cost at the time and place of loss if actually replaced. If not so replaced, at actual cash value on date of loss.
- b. Real and personal property at replacement cost value if actually replaced otherwise at actual cash value.
- c. Accounts, manuscripts, mechanical drawings and other records and documents not specifically excluded, at value blank plus cost of transcribing.

In respects of Items a. and b. above, replacement cost, the following provisions applies:

This Insurer(s) liability for loss on a replacement cost basis shall not exceed the smallest of the following amounts:

- a. The amount of this policy applicable to the loss or damaged property;
- b. The replacement cost of the property or any part thereof identical for the same occupancy and use; or
- c. The amount actually and necessarily expended in repairing or replacing said property or any part thereof.

**34. REPLACEMENT COST**

With respect to insurance provided by this policy, it is agreed that this policy shall provide:

- a. Replacement Cost (without deduction for depreciation). Replacement cost coverage replaces actual cash value provisions in Section 33 above.
- b. This coverage does not apply to:
  - 1) Property of others;
  - 2) Contents of a residence;
  - 3) Manuscripts;
  - 4) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac;
- c. 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 Insurer(s) the intent to do so within 180 days after the loss or damage.
- d. The Insurer(s) will not pay on a replacement cost basis for any loss or damage:
  - 1) Until the loss or damaged property is actually repaired or replaced; and
  - 2) Unless the repairs or replacement(s) are made as soon as reasonably possible after the loss or damage.
- e. The Insurer(s) will not pay more for loss or damage on a replacement cost basis than the least of:
  - 1) The Limit of Insurance applicable to the loss or damaged property;
  - 2) The cost to replace, on the same premises, the lost or damaged property with other property:
    - a.) Of comparable material and quality; or
    - b.) Used for the same purpose; or
  - 3) The amount the Insured actually spends that is necessary to repair or replace the lost or damaged property

**35. SALVAGE AND RECOVERIES**

When, in connection with any loss hereunder, any salvage or recovery is received subsequent to the payment of such loss, the loss shall be figured on the basis on which it would have been settled had the amount of salvage or recovery been known at the time the loss was originally determined.

**36. ASSIGNMENT**

Assignment or transfer of this policy shall not be valid except with the written consent of the Insurer(s).

**37. UNDERLYING PERILS**

It is agreed that it is a condition of coverage under this difference in conditions contract that the Insured shall maintain underlying coverage for perils of all risk including theft during the term of this policy.

**38. ENSUING LOSS EXCLUSION**

In no event shall the Insurer(s) be liable for any loss or damage caused directly or indirectly by fire, explosion or other excluded perils whether the same be caused by or attributable to any peril insured under this policy or otherwise.

**39. CANCELLATION CLAUSE**

This insurance may be canceled by the Insured at any time by written notice or by surrender of this contract of insurance. This insurance may also be canceled by or on behalf of the Insurer(s) by delivering to the Insured or by mailing to the Insured, by registered, certified or other first class mail, at the Insured's address as shown in this insurance, written notice stating when, not less than 30 days thereafter, the cancellation shall be effective. However, cancellation due to non-payment of premium shall require 10 days written notice of cancellation. The mailing of such notice as aforesaid shall be sufficient proof of notice and this insurance shall terminate at the date and hour specified in such notice.

If this insurance shall be canceled by the Insured the Insurer(s) shall retain the customary short rate proportion of the premium hereon, except that if this insurance is on an adjustable basis the Insurer(s) shall receive the earned premium hereon or the customary short rate proportion of any minimum premium stipulated herein whichever is the greater.

If this insurance shall be canceled by or on behalf of the Insurer(s) the Insurer(s) shall retain the pro rata proportion of the premium hereon, except that if this insurance is on an adjustable basis the Insurer(s) shall receive the earned premium hereon or the pro rata proportion of any minimum premium stipulated herein whichever is the greater.

Payment or tender of any unearned premium by the Insurer(s) shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practicable. If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period limitation permitted by such law.

**40. 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 nonpayment of premium the minimum earned 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.

**41. MAINTENANCE OF UNDERLYING LIMITS AND UNCOLLECTIBILITY OF OTHER INSURANCE**

**a. Maintenance of Primary and Underlying Excess Policy(ies) and Limits:**

It is a condition precedent to recovery under this policy that the policy(ies) and limit(s) of the primary and all underlying excess Insurer(s) be maintained in full force and effect, except for any reduction or exhaustion of any underlying aggregate limits of liability contained therein, solely by the amount of loss(es) paid or admitted during the policy year. Only losses which, except for the amount thereof, would have been payable under this policy may contribute to the satisfaction, reduction or exhaustion of underlying amounts and/or deductibles.

In the event of such reduction of the aggregate limits of liability of the primary and underlying excess insurance's this policy shall pay excess over the reduced aggregate limit. In the event of exhaustion of aggregate limits of liability of the primary and underlying excess insurance's this policy, subject to all its provisions, shall continue in force as primary insurance in respect of

the peril for which the aggregate limit of liability has been so exhausted and the deductible or self-insured amount applicable to that peril shall apply to this policy.

**b. Uncollectibility of Other Insurance:**

Notwithstanding any of the terms of this policy that might be construed otherwise, the insurance provided by this policy shall always be excess over the maximum monetary limits of the primary and underlying excess insurance (reduced only by reduction of any underlying aggregate limits as provided for in clause a. herein) regardless of the Uncollectibility (in whole or in part) of any underlying insured amounts for any reason, including, but not limited to, the financial impairment or insolvency of an underlying Insurer(s).

The risk of uncollectibility (in whole or in part) of other insurance, whether because of financial impairment or insolvency of an underlying or other Insurer(s) or for any other reason, is expressly retained by the Insured and is not in any way or under any circumstances insured or assumed by the Insurer(s).

**42. SEEPAGE AND POLLUTION EXCLUSION**

Notwithstanding any provision to the contrary within the policy of which this exclusion forms part (or within any other endorsement which forms part of this policy), this policy does not insure land (including but not limited to land on which the insured property is located), water or air, howsoever and wherever occurring, or any interest or right therein.

**Seepage and/or Pollution and/or Contamination Exclusion**

Notwithstanding any provision to the contrary within the policy of which this exclusion forms part (or within any other endorsement which forms part of this policy), this policy does not insure:

- a. any loss, damage, cost or expense, or
- b. any increase in insured loss, damage, cost or expense, or
- c. any loss, damage, cost, expense, fine or penalty, which is incurred, sustained or imposed by order, direction instruction or request of, or by any agreement with, any 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 or any kind of pollution and/or contamination, or threat thereof, 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 or pollution and/or contamination or threat thereof.

The term "any kind of seepage or any kind of pollution and/or contamination" as used in this exclusion includes (but is not limited to):

- a. Seepage of, or pollution and/or contamination by anything, including but not limited to, any material designated as a "hazardous substance" by the United States Environmental Protection Agency or a "hazardous material" by the United States Department of Transportation, or defined as a "toxic substance" by the Canadian Environmental Protection Act for the purposes of part II of that act, or any substance designated or defined as toxic, dangerous, hazardous or deleterious to persons or the environment under any other federal, state, provincial, municipal or other law ordinance or regulation; and
- b. the presence, existence, or release of anything which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

**43. DEBRIS REMOVAL CLAUSE**

This clause contains provisions, which may limit or prevent recovery under this policy for loss where costs or expenses for debris removal are incurred. Nothing contained in this clause shall override any seepage and/or pollution and/or contamination exclusion or any radioactive contamination exclusion or any other exclusion applicable to this policy.

Any provision within this policy (or within any other endorsement which forms part of this policy) which insures debris removal is canceled and replaced by the following:

- a. In the event of direct physical damage to or destruction of property, for which Insurer(s) hereon agree to pay, or which but for the application of a deductible or underlying amount they would agree to pay (herein referred to as "damage or destruction"), this policy also insures, within the sum Insured, subject to the limitations and method of calculation below, and to all the other terms and conditions of the policy, costs or expenses;
  - 1) which are reasonably and necessarily incurred by the Insured in the removal, from the premises of the Insured at which the damage or destruction occurred, of debris which results from the damage or destruction; and
  - 2) of which the Insured becomes aware and advises the amount thereof to Insurer(s) hereon within one year of the commencement of such damage or destruction.
- b. In calculating the amount, if any, payable under this policy for loss where costs or expenses for removal of debris are incurred by the Insured (subject to the limitations in item a. above):

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- 1) the maximum amount of such costs or expenses that can be included in the method of calculation set out in **2)** below shall be the greater of \$250,000 or 25% of the amount of the damage or destruction from which such costs or expenses result; and
- 2) the amount of such costs or expenses as limited in **1)** above shall be added to:
  - a) the amount of the damage or destruction and
  - b) all other amounts of loss, which arise as a result of the same occurrence, and for which Insurer(s) hereon also agree to pay, or which but for the application of a deductible or underlying amount they would agree to pay; and the resulting sum shall be the amount to which any deductible or underlying amount to which this policy is subject and the limit (or applicable sub-limit) of this policy, shall be applied.

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# GENERAL CHANGE ENDORSEMENT NON-PREMIUM BEARING

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Endorsement Effective Date:	6/22/2023	Policy No.	As outlined in the Participation Schedule, on CAT3045	Endorsement No.	
Named Insured:	Countryside HOA			Countersigned by:	

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated above.

Premium Changes: None

Endorsement for the following reason:

<input checked="" type="checkbox"/>	Inception Change
<input type="checkbox"/>	Expiration Change
<input type="checkbox"/>	Mid-Term Change
<input type="checkbox"/>	Coverage Cancelled

It is hereby understood and agreed the policy is amended as follows:

1. It is hereby understood and agreed this policy is amended to exclude all Difference In Conditions perils, Difference In Conditions coverages, Difference In Conditions deductibles and Difference In Conditions references. This policy only insures the named peril(s) as outlined on the Declarations Page.
2. Coverage for Plants, Trees, Shrubs, Landscaping & Irrigation Systems is excluded under this policy.

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## ACQUISITION CLAUSE – NON-AUTOMATIC

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It is hereby understood and agreed that:

1. This policy is not automatically extended to cover additional property of the type (re)insured hereunder, purchased, leased, acquired or otherwise become at the risk of the (re)insured during the policy period hereon at locations not specified in this policy and which are within the territorial scope of this policy.
2. Such locations will be reported to the insurer(s) prior to the date on which it becomes at the risk of the (re)insured, failing which, this policy shall be relieved of all liability, as assumed hereunder of such property or properties.
3. Subject to all the terms and conditions of this policy to which this endorsement attaches and subsequent to the agreement by the insurer(s), this policy shall assume the (re)insurance on such property and/or properties provided, however, that if there is any other (re)insurance covering such additional property this policy shall not attach or become (re)insurance thereon until liability of all such other (re)insurance is exhausted and will then attach and cover only for its proportion of the excess of loss, if any, over and above the amount due from such other (re)insurance, whether valid or invalid or by solvent or insolvent (re)insurers.
4. An additional premium shall be charged from the date any property was purchased, leased, acquired, or otherwise become at the risk of the (re)insured.



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# EARTHQUAKE SPRINKLER LEAKAGE EXCLUSION

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It is hereby understood and agreed that coverage for the peril of earthquake sprinkler leakage is excluded from this policy. Earthquake Sprinkler Leakage means leakage or discharge of any substance from an Automatic Sprinkler System, including collapse of a tank that is part of the system.

If the building or structure containing the Automatic Sprinkler System is covered property, we will pay the cost to:

1. Repair or replace damaged parts of the Automatic Sprinkler System if the damage results in sprinkler leakage; or
2. Tear out and replace any part of the building or structure to repair damage to the Automatic Sprinkler System that has resulted in sprinkler leakage.

Automatic Sprinkler System means:

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

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# FLOOD EXCLUSION

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This Policy will not pay for loss or damage caused directly or indirectly by Flood. Such loss or damage is excluded regardless of:

- a) the cause of the flood;
- b) any other cause or event that contributes concurrently or in any sequence to the loss;
- c) other causes of the loss; or
- d) whether such loss or damage arises from an event that occurs suddenly or gradually, or involves isolated or widespread damage.

The definition of "Flood" as defined in the policy is deleted and replaced by the following:

1. A general condition, whether temporary or permanent, of partial or complete inundation of normally dry land areas with water, mud, slurry or other liquid, arising from any of the following:
  - 1) the overflow or breaking of natural or artificial boundaries or confines of inland or tidal waters;
  - 2) the unusual or rapid accumulation or runoff of surface waters from any source or by their spray;
  - 3) waters changing course;
  - 4) waters rising;
  - 5) mudslide or mudflow;
  - 6) waves, tidal water, storm surge, tsunami, tidal waves;
  - 7) the release or overtopping of water held by a dam, levee, dike, canal or conduit or by any water or flood control device or system, regardless of location, or from breach or failure, by any cause, of any of the foregoing
  - 8) the intentional or negligent act, or error, omission, or professional negligence of any party;

Including loss resulting from water borne material involved in any of the above; all whether driven by wind or not; all whether caused by natural, external, or manmade forces. This exclusion applies even though the loss or damage is contributed to in any manner by perils which are insured against in this policy.

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# OCCURRENCE LIMIT OF LIABILITY ENDORSEMENT

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It is understood and agreed that the following special terms and conditions apply to this policy:

1. The limit of liability or Amount of Insurance shown on the face of this policy, or endorsed onto this policy, is the total limit of the Company's liability applicable to each occurrence, as hereafter defined. Notwithstanding any other terms and conditions of this policy to the contrary, in no event shall the liability of the Company exceed this limit or amount irrespective of the number of locations involved.

The term "occurrence" shall mean any one loss, disaster, casualty or series of losses, disasters, or casualties, arising out of one event first occurring in the policy period. When the term applies to loss or losses from the perils of tornado, cyclone, hurricane, windstorm, tropical storm, named storm, hail, flood, earthquake, volcanic eruption, riot, riot attending a strike, civil commotion, and vandalism and malicious mischief one event shall be construed to be all losses arising during a continuous period of 168 hours. When filing proof of loss, the Insured may elect the moment at which the 168 hour period shall be deemed to have commenced, which shall not be earlier than the first loss to the covered property occurs.

2. 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, subject to the terms of paragraph one (1) above, shall be limited to the least of the following:
  - a. The actual adjusted amount of loss, less applicable deductible(s).
  - b. 100 percent of the individually stated value for each scheduled item of property insured, as shown on the latest Statement of Values on file with the 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.

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# ORDINANCE OR LAW COVERAGE AND SUBLIMITS

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**SCHEDULE\***

<b>Building No./ Premises No.</b>	<b>Coverage A</b>	<b>Coverage B Limit Of Insurance</b>	<b>Coverage C Limit Of Insurance</b>	<b>Coverage B And C Combined Limit Of Insurance</b>
All / All	X	\$0	\$0	\$1,284,100**

\*Information required to complete the Schedule, if not shown on this endorsement, will be shown in the Declarations Page.  
\*\*Do not enter a Combined Limit of Insurance if individual Limits of Insurance are selected for Coverages B and C, or if one of these Coverages is not applicable.

It is hereby understood and agreed that the following coverage is provided by this policy:

A. Each Coverage – Coverage A, Coverage B and Coverage C – is provided under this endorsement only if that Coverage(s) is chosen by entry in the above Schedule and then only with respect to the building identified for that Coverage(s) in the Schedule.

B. Application Of Coverage(s)

The Coverage(s) provided by this endorsement apply only if both B.1. and B.2. are satisfied and are then subject to the qualifications set forth in B.3.

1. The ordinance or law:

- a. Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described **premises**; and
- b. Is in force at the time of loss.

But coverage under this endorsement applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this endorsement.

- 2. a. The building sustains direct physical damage that is covered under this policy and such damage results in enforcement of the ordinance or law; or
- b. The building sustains both direct physical damage that is covered under this policy and direct physical damage that is not covered under this policy, and the building damage in its entirety results in enforcement of the ordinance or law.
- c. However if the building sustains direct physical damage that is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this endorsement even if the building has also sustained covered direct physical damage.

3. In the situation described in B.2.b. above, the Insurer(s) will not pay the full amount of loss otherwise payable under the terms of Coverages A, B, and/or C of this endorsement. Instead, the Insurer(s) will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

However, if the covered direct physical damage, alone, would have resulted in enforcement of the ordinance or law, then the Insurer(s) will pay the full amount of loss otherwise payable under the terms of Coverages A, B and/or C of this endorsement.

C. The Insurer(s) will not pay under Coverage A, B or C of this endorsement for:

1. Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by **pollutants** or due to the presence, growth, proliferation, spread or any activity of **fungus**, wet or dry rot or bacteria; or
2. The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**, **fungus**, wet or dry rot or bacteria.
3. Any loss in value or any cost incurred due to an ordinance or law the Insured was required to comply with before the time of the current loss, even in the absence of building damage, and the Insured has failed to comply.

D. Coverage

1. Coverage A – Coverage For Loss To The Undamaged Portion Of The Building

With respect to the building that has sustained covered direct physical damage, the Insurer(s) will pay under Coverage A for the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building.

Coverage A is included within the limit of insurance shown on the Declarations Page as applicable to the **covered building**. Coverage A does not increase the limit of insurance.

2. Coverage B – Demolition Cost Coverage

With respect to the building that has sustained covered direct physical damage, the Insurer(s) will pay the cost to demolish and clear the site of undamaged parts of the same building, as a consequence of enforcement of an ordinance or law that requires demolition of such undamaged property.

Coverage B is included within the limit of insurance per occurrence for the policy shown on the Declarations Page. Coverage B does not increase the limit of insurance.

The additional condition Coinsurance does not apply to Demolition Cost of Coverage.

3. Coverage C – Increased Cost Of Construction Coverage

- a. With respect to the building that has sustained covered direct physical damage, the Insurer(s) will pay the increased cost to:

- 1) Repair or reconstruct damaged portions of that building; and/or
- 2) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

However:

- 1) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
- 2) The Insurer(s) will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.

Coverage C is included within the limit of insurance per occurrence for the policy shown on the Declarations Page. Coverage C does not increase the limit of insurance.

The additional condition Coinsurance does not apply to Increased Cost Of Construction Coverage.

- b. When a building is damaged or destroyed and Coverage C applies to that building in accordance with 3.a. above, coverage for the increased cost of construction also applies to repair or reconstruction of the following, subject to the same conditions stated in 3.a.:

- 1) The cost of excavations, grading, backfilling and filling;
- 2) Foundation of the building;
- 3) Pilings; and
- 4) Underground pipes, flues and drains.

The items listed in b.(1) through b.(4) above are deleted from Excluded Property, but only with respect to the coverage described in this Provision, 3.b.

E. Loss Payment

1. All following loss payment Provisions, E.2. through E.5., are subject to the apportionment procedures set forth in Section B.3. of this endorsement.
2. When there is a loss in value of an undamaged portion of a building to which Coverage A applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:
  - a. If the Replacement Cost valuation applies and the property is being repaired or replaced, on the same or another location, the Insurer(s) will not pay more than the lesser of:
    - 1) The amount the Insured would actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same location and to the same height, floor area, style and comparable quality of the original property insured; or
    - 2) The limit of insurance shown on the Declarations Page as applicable to the **covered building**. However Coverage A is not additional insurance and the amount payable may be lower than the limit of insurance for a **covered building** after the application of any applicable sublimit of insurance for a **covered cause of loss** and the limit of insurance for the policy shown on the Declarations Page.
  - b. If the Replacement Cost valuation applies and the property is not repaired or replaced, or if the Replacement Cost valuation does not apply, the Insurer(s) will not pay more than the lesser of:
    - 1) The actual cash value of the building at the time of loss; or
    - 2) The limit of insurance shown on the Declarations Page as applicable to the **covered building**. However Coverage A is not additional insurance and the amount payable may be lower than the limit of insurance for a **covered building** after the application of any applicable sublimit of insurance for a **covered cause of loss** and the limit of insurance for the policy shown on the Declarations Page.
3. Unless Paragraph E.5. applies, loss payment under Coverage B – Demolition Cost Coverage will be determined as follows:

The Insurer(s) will not pay more than the lesser of the following:

  - a. The amount the Insured actually spends to demolish and clear the site of the described **premises**; or
  - b. The applicable limit of insurance shown for Coverage B in the Schedule above. However Coverage B is not additional insurance and the amount payable may be lower than the limit of insurance for a **covered building** after the application of any applicable sublimit of insurance for a **covered cause of loss** and the limit of insurance for the policy shown on the Declarations Page.
4. Unless Paragraph E.5. applies, loss payment under Coverage C – Increased Cost Of Construction Coverage will be determined as follows:
  - a. The Insurer(s) will not pay under Coverage C:
    - 1) Until the property is actually repaired or replaced, at the same or another **premises**; and
    - 2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. The Insurer(s) may extend this period in writing during the two years.
  - b. If the building is repaired or replaced at the same location, or if the Insured elects to rebuild at another location, the most the Insurer(s) will pay under Coverage C is the lesser of:
    - 1) The increased cost of construction at the same **premises**; or

- 2) The applicable limit of insurance shown for Coverage C in the Schedule above. However Coverage C is not additional insurance and the amount payable may be lower than the limit of insurance for a **covered building** after the application of any applicable sublimit of insurance for a **covered cause of loss** and the limit of insurance for the policy shown on the Declarations Page.
- c. If the ordinance or law requires relocation to another **premises**, the most the Insurer(s) will pay under Coverage C is the lesser of:
  - 1) The increased cost of construction at the new location; or
  - 2) The applicable limit of insurance shown for Coverage C in the Schedule above. However Coverage C is not additional insurance and the amount payable may be lower than the limit of insurance for a **covered building** after the application of any applicable sublimit of insurance for a **covered cause of loss** and the limit of insurance for the policy shown on the Declarations Page.
5. If a combined limit of insurance is shown for Coverages B and C in the Schedule above, Paragraphs E.3. and E.4. of this endorsement do not apply with respect to the building that is subject to the combined limit, and the following loss payment provisions apply instead:

The most the Insurer(s) will pay, for the total of all covered losses for Demolition Cost and Increased Cost Of Construction, is the combined limit of insurance shown for Coverages B and C in the Schedule above. However the combined limit of insurance for Coverage B and C is not additional insurance and the amount payable may be lower than the limit of insurance for a **covered building** after the application of any applicable sublimit of insurance for a **covered cause of loss** and the limit of insurance for the policy shown on the Declarations Page.

Subject to this combined limit of insurance or applicable sublimit of insurance for a **covered cause of loss**, the following loss payment provisions apply:

- a. For Demolition Cost, the Insurer(s) will not pay more than the amount the Insured actually spends to demolish and clear the site of the described **premises**.
- b. With respect to the Increased Cost of Construction:
  - 1) The Insurer(s) will not pay for the increased cost of construction:
    - (a) Until the property is actually repaired or replaced, at the same or another **premises**; and
    - (b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. The Insurer(s) may extend this period in writing during the two years.
  - 2) If the building is repaired or replaced at the same **premises** or if the Insured elects to rebuild at another **premises**, the most the Insurer(s) will pay for the increased cost of construction is the increased cost of construction at the same **premises**.
  - 3) If the ordinance or law requires relocation to another **premises**, the most the Insurer(s) will pay for the increased cost of construction is the increased cost of construction at the new **premises**.