

POULTON ASSOCIATES, INC.

LOCAL – NATIONAL – INTERNATIONAL RISK AND INSURANCE MANAGEMENT

**Broker: CA Flood Insurance
(855) 225-3566**

Commercial Property Insurance Binder Confirmation dated 11th January 2017

We are pleased to confirm the following insurance terms. This binder is being offered on the basis indicated. Please review the binder carefully to ensure the coverage, terms and conditions are as ordered. Any changes are subject to carrier approval by endorsement as your office holds no binding authority. Please ensure that you are familiar with the following wordings and endorsements. It is essential that the applicant is made aware of all terms and conditions of the coverage.

Policy Number(s): B1180D160003/048 - 50%
B1180D170371/001 - 50%

Type: Flood Insurance as more fully described in the policy wording.

Form: Private Flood Insurance Program – Residential Condominium Building Association Form

Name of Insured: Laguna Nueva Condo Association

Mailing Address of Insured: PO Box 21436, Bullhead City, AZ 86439

Period of Insurance: Effective from 17 January 2017 to 17 January 2018
Both days at 12.01 a.m. Local Standard Time at the location of the Insured Premises

Interest/Sum Insured: \$11,253,200 each and every occurrence and in the annual aggregate, split as follows:

Buildings	\$11,253,200 As per schedule attached
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Location of property insured: 1675 Highway 95, Bullhead City, AZ, United States

Conditions: Includes but is not limited to the following terms, conditions and exclusions:

Basis of Valuation: Replacement Cost Value	
45 days Cancellation	
LMA 3100	Sanction Limitation and Exclusion Clause
LMA 5219	US Terrorism Risk Insurance Act of 2000 as amended – Not purchased clause
LMA 9027	Arizona Surplus Lines Notice
LSW 1001	Several Liability Notice
LSW 1135B	Lloyds Privacy Policy Statement
NMA 1191	Radioactive Contamination Exclusion Clause – Physical Damage – Direct
NMA 2340	Land, Water and Air Exclusion – Seepage and/or Pollution and/or Contamination Exclusion – Debris Removal Endorsement
NMA 2918	War and Terrorism Exclusion Endorsement
NMA 2962	Biological or Chemical Materials Exclusion

Broker Initial

LEADING
UNDERWRITER
Initial

Policy Number: B1180D160003/048(50%)
 B1180D170371/001(50%)
 Insured: Laguna Nueva Condo Association

Service of Suit – naming: Mendes and Mount, LLP, 750 Seventh Avenue, New York,
 New York 10019-6829, USA
 Applicable Law naming: Arizona

Claim Notification Clause naming: Poulton Associates, Inc., 3785 South 700 East, Salt
 Lake City, Utah 84106
 Conformity Clause

Deductible: \$25,000 any one occurrence in respect of flood per building

Premium: \$40,512 Annual
 Broker Fee: \$2,000
 AZ SL Tax: \$1,275.36
 AZ SL Stamp Fee: \$81.02
 25% Minimum Earned Premium, Fees fully earned

TRIA Premium: DECLINED

US Classification: Surplus Lines Poulton Associates
 naming: 3785 South 700 East, Salt Lake City, UT, United States
 Arizona License #: 3088
 US Surplus lines broker is responsible for collecting and paying all surplus lines taxes and fees.

Claim Notification: Poulton
 3785 700 East, Salt Lake City, Salt Lake County, Utah 84106, United States

Service of Suit: MENDES & MOUNT,
 750 Seventh Ave,
 New York,
 NY 10019 6829
 U.S.A.

Insurer: Lloyd's of London, AM Best Rating A XV (Non-Admitted)

Subjectivities: None

Order Hereon: 100% of 100%

Security: Authority Ref. D160003 – Order: 50%

100.0000%	33	HIS
100.0000%		

Authority Ref. D170371 – Order: 50%

18.7900%	4020	ARK
18.7900%	2121	ARG
18.7900%	2987	BRT
18.7900%	1886	QBE
11.2700%	1206	SAL
7.5100%	780	ADV
6.0100%	2003	XLC
100.0000%		

Broker Initial

LEADING
 UNDERWRITER
 Initial

Policy Number: B1180D160003/048(50%)
B1180D170371/001(50%)
Insured: Laguna Nueva Condo Association

Information:	Occupancy:	As per Schedule attached
	Construction:	As per Schedule attached
	Stories:	As per Schedule attached
	Flood Zone:	As per Schedule attached
	Firm:	As per Schedule attached
	Elevation:	As per Schedule attached
	Building Diagram:	As per Schedule attached
	Grandfathered:	As per Schedule attached
	Losses:	No known losses 5 years
	Sq. Foot:	120,000
	Value/Sq. Foot:	USD 93.78
	Distance to Ocean:	212.2
	Year built:	As per Schedule attached
	Updates:	As per Schedule attached
	Occupied or Vacant:	Occupied

Broker Initial

LEADING
UNDERWRITER
Initial

Policy Number: B1180D160003/048(50%)
B1180D170371/001(50%)
Insured: Laguna Nueva Condo Association

This contract of insurance is based upon the information and representations you provided in your application.

Depending on the type of information and representations that you provided, the proposed contract of insurance includes certain conditions and / or warranties. Kindly review all the contract of insurance documentation, including any binder, declarations page, policy forms and endorsements to familiarize yourself with any conditions and / or warranties included in the contract of insurance. These conditions and / or warranties may require you to take specific actions, to refrain from taking specific actions, to fulfil certain requirements and / or to verify specific facts.

Please be advised that strict compliance with the conditions and / or warranties contained in the contract of insurance is required. If you do not strictly comply with the conditions and / or warranties contained within the contract of insurance, then the insurer may deny or limit coverage for any claim submitted by you under the contract of insurance.

This risk may have been obtained from utilising one or more of a number of underwriting facilities granted to Poulton Associates Inc. under which a profit commission may or may not become payable to Poulton Associates Inc.

MATERIAL FACTS

Since an insurance contract is based upon duty of utmost good faith, it is important that those seeking insurance should provide full disclosure of all material facts to insurers and that this information should be kept updated. The courts will find a fact to be 'material' where it would affect the judgment of a prudent Underwriter as to whether or not to accept the risk at the particular terms offered.

The practical advice, which we give to client or producers, is this: If you are in doubt we recommend that you advise the information to insurers.

INFORMATION

These insurance terms have been obtained under a Binding Authority arranged specifically for this type of insurance, and we have not sought alternative quotations in the open market.

Broker Initial

LEADING
UNDERWRITER
Initial



Insured: **Laguna Nueva Condo Association**

Loc#	Bldg #	Address	City	County	State	Zip	DTW (mi)	Yr. Built	Sq. Foot	Floors	No. Units	Construct.	Occ.	Flood	Updates	Bldg Interest	TIV
1	1	1675 Arizona 95	Bullhead City	Mohave	Arizona	86442	212.2	1992	12,000	3	8	Frame	Habitational - Condominium >80% owner occupancy	Zone: AO Firm: Post-firm Elevation: 3.00		1,119,300	1,119,300
1	2	1675 Arizona 95	Bullhead City	Mohave	Arizona	86442	212.2	1992	12,000	3	8	Frame	Habitational - Condominium >80% owner occupancy	Zone: AO Firm: Post-firm Elevation: 3.00		1,119,300	1,119,300
1	3	1675 Arizona 95	Bullhead City	Mohave	Arizona	86442	212.2	1992	18,000	3	12	Frame	Habitational - Condominium >80% owner occupancy	Zone: AO Firm: Post-firm Elevation: 3.00		1,694,000	1,694,000
1	4	1675 Arizona 95	Bullhead City	Mohave	Arizona	86442	212.2	1992	18,000	3	12	Frame	Habitational - Condominium >80% owner occupancy	Zone: AO Firm: Post-firm Elevation: 3.00		1,694,000	1,694,000
1	5	1675 Arizona 95	Bullhead City	Mohave	Arizona	86442	212.2	1992	12,000	3	8	Frame	Habitational - Condominium >80% owner occupancy	Zone: AO Firm: Post-firm Elevation: 3.00		1,119,300	1,119,300
1	6	1675 Arizona 95	Bullhead City	Mohave	Arizona	86442	212.2	1992	12,000	3	8	Frame	Habitational - Condominium >80% owner occupancy	Zone: AO Firm: Post-firm Elevation: 3.00		1,119,300	1,119,300
1	7	1675 Arizona 95	Bullhead City	Mohave	Arizona	86442	212.2	1992	18,000	3	12	Frame	Habitational - Condominium >80% owner occupancy	Zone: AO Firm: Post-firm Elevation: 3.00		1,694,000	1,694,000
1	8	1675 Arizona 95	Bullhead City	Mohave	Arizona	86442	212.2	1992	18,000	3	12	Frame	Habitational - Condominium >80% owner occupancy	Zone: AO Firm: Post-firm Elevation: 3.00		1,694,000	1,694,000
									120,000	24						11,253,200	11,253,200

Average value per square foot: USD 93.78

5 Year Loss Record

No known losses in the last 5 years

Policy Number: B1180D160003/048
B1180D170371/001
Insured: Laguna Nueva Condo Association

ENDORSEMENT No. 1

Notwithstanding anything to the contrary contained herein it is understood and agreed that this Policy is subject to the following clause:-

U.S. TERRORISM RISK INSURANCE ACT OF 2002 AS AMENDED

NOT PURCHASED CLAUSE

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 Underwriters 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.

LMA5219

12 January 2015

Policy Number: B1180D160003/048
B1180D170371/001
Insured: Laguna Nueva Condo Association

ENDORSEMENT No. 2

Notwithstanding anything to the contrary contained herein it is understood and agreed that this Policy is subject to the following clause:-

CLAIM NOTIFICATION CLAUSE (U.S.A.)

The Assured upon knowledge of any occurrence likely to give rise to a claim hereunder shall give immediate advice thereof to the Underwriters through Poulton, 3785 700 East, Salt Lake City, Salt Lake County, Utah 84106, United States.

All other terms and conditions remain unaltered.

Policy Number: B1180D160003/048
B1180D170371/001
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ENDORSEMENT No. 3

Notwithstanding anything to the contrary contained herein it is understood and agreed that this Policy is subject to the following clause:-

CONFORMITY CLAUSE

Notwithstanding anything to the contrary contained herein it is hereby noted and agreed the following Proviso's are applicable hereto:

Wherever the term "Company" appears herein the same shall be deemed to mean "Underwriters".

Wherever the term "Policy" appears herein the same shall be deemed to mean "Certificate".

Wherever the term "Named Insured" or "Assured" appear, these shall be deemed to mean and read the same.

Wherever "US\$", "\$" or "USD" appear herein the same shall be deemed to mean United States Dollars.

All other terms and conditions remain unaltered.