

POULTON ASSOCIATES, INC.

LOCAL – NATIONAL – INTERNATIONAL RISK AND INSURANCE MANAGEMENT

Broker: B & A Insurance
(800) 692-6326

Commercial Property Insurance Binder Confirmation dated January 18th, 2019

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. The policy dictates the actual terms of coverage, and in the event of a difference the policy prevails.

Policy Number(s): B1180D180371/025 - 50%
B1180D180764/031 - 10%
B1180D181025/008 - 40%

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

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

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

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 2019 to 17 January 2020
Both days at 12.01 a.m. Local Standard Time at the location of the Insured Premises

Interest/Sum Insured: As per schedule attached and not exceeding:
\$11,253,200 each and every occurrence and in the annual aggregate, split as follows:
Buildings \$11,253,200 split as per schedule attached

Location of property insured: As per schedule attached

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

Premium: \$44,663 Annual
Broker Fee: \$1,000
AZ SL Tax: \$1,369.89
AZ SL Stamp Fee: \$91.33
Total Due: \$47,124.22
25% Minimum Earned Premium Fees Fully Earned

TRIA Premium: DECLINED

Broker Initial

LEADING
UNDERWRITER
Initial

Policy Number: B1180D180371/025(50%)
 B1180D180764/031(10%)
 B1180D181025/008(40%)
 Insured: Laguna Nueva Condo Association

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 2002 as amended – Not purchased clause
 LMA 9027 Arizona Surplus Lines Notice
 LSW 1001 Several Liability Notice
 LSW 1135B Lloyd's Privacy Policy Statement
 NMA 1191 Radioactive Contamination Exclusion Clause – Physical Damage - Direct
 NMA 2340 Land, Water and Air Exclusion Clause - 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
 Applicable Law naming: Arizona
 Conformity Clause

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

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

Brokerage: As per contract

Order Hereon: 100% of 100%

Security: Authority Ref. D180371 – Order: 50%

18.4000%	4020	ARK
18.4000%	2121	ARG
18.4000%	2987	BRT
18.4000%	1886	QBE
11.0400%	1206	SAL
8.0000%	2003	XLC
7.3600%	780	ADV
100.0000%		

Authority Ref. D180764 – Order: 10%

100.0000%	2488	CGM
100.0000%		

Broker Initial

LEADING UNDERWRITER Initial

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 Insured: Laguna Nueva Condo Association

Authority Ref. D181025 – Order: 40%

100.0000%	Consortium 9762	HIS
100.0000%		

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:	As per Schedule attached
Value/Sq. Foot:	As per Schedule attached
Distance to Ocean:	212.2
Year built:	As per Schedule attached
Updates:	As per Schedule attached
Occupied or Vacant:	Occupied

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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, LLC under which a profit commission may or may not become payable to Poulton Associates, LLC.

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

Loc#	Bldg #	Address	City	County	State	Zip	DTW (mi)	Yr. Built	Sq. Foot	Floors	No. Units	Construct.	Occ.	Flood	Updates	Bldg Interest	TIV
1	A	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	B	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	G	1675 Arizona 95	Bullhead City	Mohave	Arizona	86442	212.2	1992	18,000	3	8	Frame	Habitational - Condominium >80% owner occupancy	Zone: AO Firm: Post-firm Elevation: 3.00		1,694,000	1,694,000
1	H	1675 Arizona 95	Bullhead City	Mohave	Arizona	86442	212.2	1992	18,000	3	8	Frame	Habitational - Condominium >80% owner occupancy	Zone: AO Firm: Post-firm Elevation: 3.00		1,694,000	1,694,000
1	E	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	F	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	C	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	D	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

Broker Initial

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Policy Number: B1180D180371/025
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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

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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 - Poulton, 3785 700 East, Salt Lake City, Salt Lake County, Utah 84106, United States.

All other terms and conditions remain unaltered.

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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.