

# Agent Alliance Insurance Company

## Commercial Lines Policy

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**Administrative Office:**

5630 University Parkway  
Winston Salem, NC 27105

**This insurance has been placed with an insurer that is not licensed by the state of Michigan. In case of insolvency, payment of claims is not guaranteed.**

**Richard E Pedack  
Seattle Specialty Insurance Services, Inc.**

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**This policy consists of:**

Declarations  
Common Policy Conditions  
One or more coverage parts.  
A coverage part consists of:  
- One or more coverage forms  
- Applicable forms and endorsements

**Agent Alliance Insurance Company**

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

Barry S. Karfunkel  
President



Jeffrey Weissmann  
Secretary





AGENT ALLIANCE INSURANCE COMPANY
Winston Salem, North Carolina
BLANKET MORTGAGE SECURITY POLICY
DECLARATIONS

Master Policy Number: AAM0003480

1. Named Insured Mortgagee:
Stateside APM
6445 Citation DR. Suite F
Clarkston, MI 48346

2. Agent/Administrator:
Seattle Specialty Insurance Services, Inc.
PO Box 1108
Everett, Washington 98206

3. Policy Period: From December 1, 2017 To December 1, 2018
(12:01 am. Standard Time at the Address of the insured property)

4. Property Insured: Coverage applies only to real property upon which you have requested we provide coverage, for which you have paid a premium and in which you have an insurable interest as owner, mortgagee, trustee or as the servicing agent by written agreement. This insurance does not cover land.

5. Coverages Provided: All coverages, terms and conditions for residential property are as set forth in this Blanket Mortgage Security Policy and the attached Dwelling Property 3A Amended Form. All coverages, terms and conditions for commercial property are as set forth in this Blanket Mortgage Security Policy and the attached General Property 11A Amended Form.

6. Maximum Amount of Insurance: The Maximum Amount of Insurance shall be the lesser of the amount shown on your request for insurance reflected on the monthly reports described in General Provision M. of this Policy, or \$ 1,000,000 for residential property and \$ 1,000,000 for commercial property.

7. Premium Rate: The premium for each insured property shall be computed by applying the following rate per hundred per year to the Amount of Insurance applicable to each insured property.

Table with 2 columns: Property Type and Rate. Includes Residential Property - Occupied (\$0.90 per \$100), Residential Property - Vacant (\$1.65 per \$100), Commercial Property - Occupied (\$1.50 per \$100), Commercial Property - Vacant (\$3.00 per \$100), Commercial Business Property (\$ N/A), and Contingent Mortgagor's Coverage (\$ N/A).

ADDITIONAL RATES APPLY. SEE CGI05 FOR DETAILS

8. Endorsements Attached to and Forming a Part of Policy At Time of Issue:

CGI01(10/10), CGI02(10/10), CGI03(10/10), CGI05(10/10), CGI08(10/10), CGI10A(10/10), CGI11A(10/10), CGI12A(10/10), CGI13A(10/10), CGI17A(10/10), CGI25A(10/10), CGI26A(10/10), CGI27A(10/10), LMA5018, LMA5019, LMA5092.

Date Countersigned: December 19, 2017

By: [Signature]
Authorized Representative

CGI 00 (10/10)

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# AGENT ALLIANCE INSURANCE COMPANY

Winston Salem, North Carolina

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## BLANKET MORTGAGE SECURITY POLICY INSURING AGREEMENT

We will provide the insurance described in this Policy in return for the premium and compliance with all applicable provisions of this Policy. Coverage shall apply to all residential and commercial property for which a specific request for coverage is received from you in accordance with procedures herein defined.

### DEFINITIONS

Throughout this Policy:

- A. "You" and "yours" refer to the financial institution shown in item 1. of the Policy Declarations as the Named Insured Mortgagee.
- B. "We," "us" and "our" refer to the Company providing this insurance.
- C. "Policy" shall include the Blanket Mortgage Security Policy and all coverage forms and endorsements attached.

### GENERAL PROVISIONS

- A. **Term:** Coverage shall apply to each insured property from the effective date requested by you upon payment of premium. If the property afforded insurance by this Policy is also covered by other insurance, insurance under this Policy shall not become effective until such other insurance has terminated. This insurance does not cover land.
- B. **Insured Property:** Coverage applies only to real property upon which you have requested we provide coverage, for which you have paid a premium and in which you have an insurable interest as mortgagee, or as the servicing agent by written agreement. This insurance does not cover land.
- C. **Coverage Provided:** This Policy insures against direct physical loss or damage to insured property. All coverages, terms and conditions for residential property are as set forth in this Blanket Mortgage Security Policy and the attached Dwelling Property 3A Amended Form. All coverages, terms and conditions for commercial property are as set forth in this Blanket Mortgage Security Policy and the attached General Property 11A Amended Form.
- D. **Limits of Recovery:** Our liability shall not exceed the least of the following after application of the deductible stated in this Policy:
  - 1. The amount stated on the Policy Declarations for each location of mortgaged residential and mortgaged commercial property insured by this Policy.
  - 2. The amount of insurance specifically requested in your application for coverage under this Policy.
  - 3. The settlement options stated in Dwelling Property 3A Amended Form applicable to residential property and General Property 11A Amended Form applicable to commercial property and attached to this Policy.
- E. **Deductible:** For each loss covered under this Policy, we shall be liable for loss only in excess of the appropriate deductible specified below which shall not be recoverable under this Policy:
  - 1. Residential Property:  
A deductible of \$250 shall apply to each covered peril or occurrence, except for the peril of Vandalism and Malicious Mischief to a vacant property for which a deductible of \$500 shall apply.
  - 2. Commercial Property:  
A deductible of \$500 shall apply to each covered peril or occurrence, except for the peril of Vandalism and Malicious Mischief to a vacant property for which a deductible of \$1,000 shall apply.
- F. **Other Insurance:** THIS INSURANCE IS EXCESS INSURANCE. If there is any other valid and collectible insurance which would attach if the insurance provided under this Policy had not been effected, this insurance shall apply only as excess insurance and in no event as contributing insurance, and then only after all other insurance has been exhausted.

- G. **Loss Payable:** Loss, if any, shall be made payable to you as your interest appears. You hereby direct that any benefits payable in excess of your interest shall be paid to the mortgagor.
- H. **Salvage and Recoveries:** When, in connection with any loss covered by this Policy, any salvage or recovery is received subsequent to the payment of such loss, the loss shall be refigured on the basis on which such loss would have been settled had the amount of salvage or recovery been known at the time the amount of loss was originally determined. Any amounts thus found to be due any party shall be promptly paid.
- I. **Inspection and Audit:** We shall be permitted at all reasonable times to inspect the insured property and to examine your and/or the mortgagors books and records at any time during the currency of this Policy. Within one year after final settlement of any claim we shall be permitted at all reasonable times to examine your and/or the mortgagor's books and records so far as the books and records relate to any payments made because of losses happening during the term of this Policy. We waive no rights and undertake no responsibility by reason of such inspection or examination or the omission thereof.
- We shall also be permitted at all reasonable times to audit your records to verify the number of existing loans for which renewal policies have not been received.
- J. **Reinstatement:** A loss to the insured property reduces the limits of recovery by the amount of the loss, upon repair or replacement of the property, the limits of recovery will return to their original amount.
- K. **Request for Coverage:** When you desire coverage on any real property in which you have an insurable interest, you will request insurance by providing us with the following information: loan number, name and address of mortgagor, address of property to be insured, class of property, effective date and amount of insurance requested. Coverage shall automatically become effective upon receipt of request for coverage and payment of premium and shall remain in force until terminated by either you or us.
- L. **Cancellation:** You may cancel coverage on any individual location by notifying us of the desired effective date of cancellation but not prior to the effective date of the mortgagor's insurance which meets the requirements of your loan agreement. But no more than 120 days prior to the date of notification to us, without our approval.

You may cancel this Policy at any time by returning it to us or by notifying us in writing of the date cancellation is to take effect, but no more than 120 days prior to the date of notification to us, without the approval of the Company.

We may cancel this Policy or coverage on any individual location by giving you at least 30 days advance written notice of the date cancellation is to take effect, with the exception of cancellation for nonpayment of premium which shall be a minimum of 10 days advance written notice.

Cancellation shall be processed immediately and any return premiums shall be reflected in the next monthly report and premium billing.

- M. **Reports and Premium Billings:** Within 10 days of the last day of each month, you will provide a complete listing of all properties upon which coverage is requested. The report shall contain loan number, name and address of mortgagor, insured property address, class of property, coverage effective date, amount of insurance requested, cancellation date (if applicable). If you are required to calculate premium, payment of total net premium is due and payable with this report.

In Witness Whereof, the Company has caused this Policy to be executed and attested by their Authorized Representative.



Barry S. Karfunkel  
President



Jeffrey Weissmann  
Secretary

**DWELLING PROPERTY 3A  
AMENDED FORM (10/06)**

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**AGREEMENT**

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We will provide the insurance described in this Policy in return for the premium and compliance with all applicable provisions of this Policy.

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**DEFINITIONS**

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Throughout this Policy, "you" and "your" refer to the Named Insured Mortgagee shown in the Declarations. "We", "us" and "our" refer to the Company providing this insurance.

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**COVERAGES**

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This insurance applies to the insured property. This insurance does not cover land.

**COVERAGE A - DWELLING**

We cover:

- a) the dwelling, used principally for dwelling purposes;
- b) structures attached to the dwelling;
- c) materials and supplies on or adjacent to the requested location for use in the construction, alteration or repair of the dwelling or Other Structures on this location; and
- d) building equipment and outdoor equipment used for the service of and located on the requested location.

**COVERAGE B - OTHER STRUCTURES**

We cover Other Structures on the requested location, separated from the dwelling by clear space. Structures connected to the dwelling by only a fence, utility line or similar connections are considered to be Other Structures. You may use up to 10% of the Coverage A Limit of Recovery for loss by a Peril Insured Against to Other Structures described in this Coverage B. Payment under this coverage reduces the Coverage A Limit of Recovery.

We do not cover structures:

- a) used in whole or in part for commercial, manufacturing or farming purposes; or
- b) rented to or held for rental for any person not a tenant of the dwelling, unless used solely as a private garage; or
- c) such as fences, satellite dishes, antennas, or radio and television towers separated from the dwelling.

**OTHER COVERAGES**

- 1. Debris Removal-** We will pay the reasonable expenses incurred for the removal of debris from a property loss covered by this Policy. Payment under this coverage reduces the Limit of Recovery applying to the damaged property.
- 2. Reasonable Repairs-** We will pay the reasonable cost incurred for necessary repairs made solely to protect the property covered by this Policy from further damage if there is coverage for the peril causing the loss. Payment under this coverage reduces the Limit of Recovery that applies to the property being repaired.

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## PERILS INSURED AGAINST

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### COVERAGE A- DWELLING & COVERAGE B- OTHER STRUCTURES

We insure for risk of direct physical loss to the insured property described in Coverages A and B except:

1. losses excluded under GENERAL EXCLUSIONS;
2. freezing of a plumbing, heating, air conditioning system, automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within such system or appliance caused by freezing, while the dwelling is vacant, unoccupied or being constructed unless reasonable care has been taken to:
  - a) maintain heat in the building, or
  - b) shut off the water supply and drain the system and appliances of water;
3. freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to Other Structures;
4. theft of any property which is not actually part of any dwelling or other structure covered;
5. theft in or to a dwelling or other structure under construction;
6. wind, hail, ice, snow or sleet to outdoor radio and television antennas and aerials including their lead-in wiring, masts or towers;
7. continuous or repeated seepage or leakage of water or steam over a period of time from within a plumbing, heating or air conditioning system or from within a household appliance;
8.
  - a) wear and tear, marring, deterioration;
  - b) inherent vice, latent defect, mechanical breakdown;
  - c) smog, rust or corrosion, mold, wet or dry rot;
  - d) smoke from agricultural smudging or industrial operations;
  - e) discharge of, dispersal, seepage, migration, release or escape of pollutants.  
Pollutants means solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed;
  - f) settling, shrinking, bulging or expansion, including resultant cracking, of pavements, patios, foundations, walls, floors, roofs or ceilings; or
  - g) birds, vermin, rodents, insects or domestic animals.

If any of these cause water damage not otherwise excluded, from a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance, we cover loss caused by the water including the cost of tearing out and replacing any part of a building necessary to repair the system or appliance. We do not cover loss to the system or appliance from which this water escaped.
9. Vandalism and malicious mischief if you have failed to secure the property and conduct periodic inspections of the interior and exterior.

Under items 2 through 9, any ensuing loss not excluded is covered.

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## GENERAL EXCLUSIONS

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- A. We do not cover loss resulting directly or indirectly by any of the following, whether or not any other cause or happening contributes concurrently or in any sequence to the loss:
- 1) **Ordinance or Law**, meaning the enforcement of any ordinance, regulation or law regulating the construction, repair, demolition, occupancy, sale or relocation of the dwelling or Other Structure unless specifically provided under this Policy.
  - 2) **Earth Movement**, including but not limited to earthquake, land shock waves or tremors before, during or after a volcanic eruption, volcanic ash, landslide, rockslide, mine subsidence, mud flow, earth sinking, rising or shifting. We do cover direct loss that follows caused by fire or explosion.
  - 3) **Water**, meaning:
    - a) flood, surface water, waves, tidal wave or overflow of a body of water. We do not cover spray from any of these, whether or not driven by wind;
    - b) water which backs up through sewers or drains or which overflows from a sump; or
    - c) water below the surface of the ground. This includes water which exerts pressure on or flows, seeps or leaks through any part of a dwelling or Other Structure, or sidewalk, driveway, foundation, swimming pool or Other Structure.

We do cover direct loss that follows caused by fire or explosion.

- 4) **Power Interruption**, meaning the interruption of power or other utility service if the interruption takes place away from the requested location, we will pay only for loss caused by the ensuing peril.
  - 5) **Neglect**, meaning neglect to use all reasonable means to save and preserve property at and after the time of a loss, or when property is endangered by a Peril Insured Against.
  - 6) **War**, including undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, destruction or seizure or use for a military purpose, and including any consequence of any of these. Discharge of a nuclear weapon shall be deemed a warlike act even if accidental.
  - 7) **Nuclear Hazard**, to the extent set forth in the Nuclear Hazard Clause of the Conditions.
  - 8) **Intentional Act**, meaning an action by or at the direction of you or any borrower committed with the intent to cause a loss or damage. This exclusion applies even if the person committing the act is insane, intoxicated or otherwise impaired if a person without that impairment would have committed such an act with the intent to cause loss or damage.
- B. We do not insure for loss to property caused by any of the following. However, any ensuing loss to property not - excluded or excepted in this Policy is covered:
- 1) **Weather conditions**. However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph A. above to produce the loss;
  - 2) **Acts or decisions**, including the failure to act or decide, of any person, group, organization or governmental body.
  - 3) **Faulty**, Inadequate or defective:
    - a) planning, zoning, development, surveying, siting;
    - b) design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
    - c) materials used in repair, construction, and renovation or remodeling; or
    - d) maintenance; of part or all of any property whether on or off the insured property.



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## CONDITIONS

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1. **Policy Period.** This Policy applies only to loss or damage which occurs while the coverage is in effect.
2. **Insurable Interest and Limit of Liability.** Even if more than one person has an insurable interest in the property covered, we shall not be liable:
  - (a) for an amount greater than your and the mortgagor's interest in the property covered; or
  - (b) for more than the Limit of Recovery that applies.
3. **Concealment or Fraud.** This entire Policy is void if you or the mortgagor has intentionally concealed or misrepresented any material fact or circumstance relating to any aspect of this insurance or acted fraudulently or make false statements relating to any aspect of this insurance, whether before or after a loss. Such acts or act by the mortgagor will bar recovery by any person except as provided in this Policy with respect to your interest.
4. **Your and the Mortgagor's Duties After Loss.** In case of a loss to which this insurance may apply, you and the mortgagor shall see that the following duties are performed:
  - (a) give us immediate written notice;
  - (b) protect the property from further damage, making necessary and reasonable repairs to protect the property, and keep an accurate record of repair expenditures. If you or the mortgagor fail to do so, we will not pay for any further damage. We will not reimburse for the costs of repairs unless records and receipts are provided;
  - (c) make a list of all damaged or destroyed property showing in detail quantities, costs, actual cash value, amount of loss claimed and any other information we may require. Attach all bills, receipts and related documents that substantiate the figures in the list;
  - (d) send to us within 60 days after loss the above list and a proof of loss signed and sworn to by you and the mortgagor, including:
    - 1) the time and cause of loss;
    - 2) the interest of you, the mortgagor and all others in the property;
    - 3) all encumbrances on the property;
    - 4) other insurance which may cover the loss;
    - 5) changes in title, use occupancy or possession of the property, and
    - 6) if required, any plans and specifications of the damaged buildings.
  - (e) exhibit the damaged property to us or our representative as often as may be required;
  - (f) as often as we may require, submit to examinations under oath by any person named by us and sign the transcript of the examinations;
  - (g) produce for examination, with permission to copy, all records and documents that we may require;
  - (h) in the event of a loss by theft, vandalism or malicious mischief, report the occurrence to the police immediately.
5. **Loss Settlement.** Covered property losses are settled as follows:
  - a) Other Structures that are not buildings are settled at actual cash value at the time of loss but not exceeding the amount necessary to repair or replace;
  - b) Roofs (except for fire peril), carpeting, domestic appliances, awnings, outdoor equipment, whether or not attached to buildings, and outdoor antennas, at actual cash value at the time of loss but not exceeding the amount necessary to repair or replace;
  - c) Buildings under Coverage A or B:
    - 1) at repair or replacement cost without deduction for depreciation, but not exceeding the smaller of the following amounts:
      - a. the repair or replacement cost of that part of the building damaged using commonly used building materials to place the property in a habitable condition for use on the same premises; or
      - b. the amount actually and necessarily spent to repair or replace the damaged building.
    - 2) If you decide not to repair or replace the damaged property, at our option, we may make settlement on an

actual cash value basis. You may make claim within 180 days after the loss for any additional payment on a repair or replacement cost basis.

We may at our option replace the property with property of similar kind, quality and value. If as the result of your loss we pay in cash or by replacement an amount equal to the actual cash value of the property before the loss, at our option, we have the right to take legal title to the property.

6. **Loss to a Pair, Set, Series of Objects or Interior or Exterior Panels.** In case of loss to a part of a pair, set, series of objects, pieces or panels, either interior or exterior, we may, at our option:

- a) repair or replace any part to restore the property to actual cash value before the loss; or
- b) pay the difference between the actual cash value of the property before and after the loss; or
- c) pay the reasonable cost of providing a substitute to match the remainder of the property as closely as possible.

We cannot guarantee the availability of parts or of replacements. We will not be obligated to repair or replace the entire pair, set of series of objects, piece or panel when a part is lost or damaged.

7. **Glass Replacement.** Covered loss to glass shall be settled on the basis of replacement with safety glazing materials when required by ordinance or law.

8. **Appraisal.** If you and we fail to agree on the amount of loss, either can demand that the amount of the loss be set by appraisal. If either makes a written demand for appraisal, each shall select a competent independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers shall then select a competent, impartial umpire. The appraisers shall then set the amount of the loss. If the appraisers submit a written report of agreement to us, the amount agreed upon shall be the amount of the loss. If the appraisers fail to agree within a reasonable time, they shall submit their differences to the umpire. Written agreement signed by any two of these three shall set the amount of the loss. Each appraiser shall be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire shall be paid equally by you and us.

9. **Subrogation.** You or the mortgagor may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us. If an assignment is sought, you and the mortgagor shall sign and deliver all related papers and cooperate with us in any reasonable manner.

10. **Suit Against Us.** No action shall be brought unless there has been compliance with the Policy provisions and the action is started within one year after the loss.

11. **Loss Payment.** We will adjust any loss with you and the mortgagor. We will pay you to the extent of your interest in the property. You hereby direct that any benefits due which are in excess of your interest in the property be paid to the mortgagor. Payment for loss will be made within 60 days after we receive a proper proof of loss and

- a) we reach an agreement with you; or
- b) there is an entry of final judgment; or
- b) there is a filing of an appraisal award with us.

12. **Abandonment of Property.** We need not accept any property abandoned by you or the mortgagor.

13. **No Benefit to Bailee.** Regardless of any other provision of this Policy, we will not honor an assignment nor extend coverage to a bailee. A bailee is a person or entity to whom you or the mortgagor has given possession of insured property.

14. **Cancellation.**

- a) You may cancel this Policy at any time by returning it to us or by notifying us in writing of the date cancellation is to take effect. The date of cancellation may be no more than 120 days prior to the date of notification to us, without our approval.
- b) We may cancel this Policy by giving you 30 days notice in writing of the date cancellation takes effect, with the exception of cancellation for nonpayment of premium which shall be a minimum of 10 days advance written notice. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing shall be sufficient proof of notice.

- c) When this Policy is cancelled, the premium paid for coverages beyond the date of cancellation will be refunded. The return premium will be pro rata.
- d) If the return premium is not refunded with the notice of cancellation or when this Policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

15. **Non- Renewal.** We may elect not to renew this Policy. We may do so by delivery to you or mailing to you at your mailing address shown in the Declarations, written notice at least 10 days before the expiration date of this Policy. Proof of mailing shall be sufficient proof of notice. Our failure to send such a notice within the time prescribed obligates us to renew coverages if you pay the premium before the expiration date.

16. **Liberalization Clause.** If we adopt any revision which would broaden the coverage under this Policy without additional premium within 60 days prior to or during the Policy period, the broadened coverage will immediately apply to this Policy.

17. **Waiver or Change of Policy Provisions.** A waiver or change of any provision of this Policy must be in writing by us to be valid.

18. **Assignment.** Assignment of this Policy shall not be valid unless we give our written consent.

19. **Your Interest.**

- a) Your interest will not be impaired by any act or neglect of the mortgagor, provided you:
  - 1) notify us of any change in occupancy, ownership, or substantial change in risk as soon as you become aware of such change; and
  - 2) pay any premium when due under this Policy.
- b) if we pay you for any loss and do not pay the mortgagor,
  - 1) we are subrogated to all of your rights granted under the mortgage on the property and may require a partial assignment of the mortgage to the extent of payment made: or
  - 2) at our option, we may pay you the whole principal on the mortgage.  
In this event, we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the debt.

Subrogation will not impair your right to recover the full amount of your claim.

20. **Nuclear Hazard Clause.**

- a) "Nuclear Hazard" means any nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
- b) Loss caused by the nuclear hazard shall not be considered loss caused by fire, explosion or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against.
- c) This Policy does not apply to loss caused directly or indirectly by nuclear hazard, except that direct loss by fire resulting from the nuclear hazard is covered.

21. **Other Insurance.** THIS INSURANCE IS EXCESS INSURANCE. If there is any other valid and collectible insurance which would attach had the insurance provided under this Policy had not been effected, this insurance shall apply only as excess insurance and in no event as contributing insurance, and then only after all other insurance has been exhausted.

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# AGENT ALLIANCE INSURANCE COMPANY

Winston Salem, North Carolina

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## GENERAL PROPERTY AMENDED FORM AGREEMENT

We will provide the insurance described in this Policy in return for the premium and compliance with all applicable provisions of this Policy.

### DEFINITIONS

Throughout this Policy, "you" and "your" refer to the Named Insured Mortgagee shown in the Declarations. "I", "We", "us" and "our" refer to Company providing this insurance.

### SECTION I - PROPERTY COVERED

The insurance under this Policy covers "Building (s)" in accordance with the following description. This insurance does not cover land:

Coverage A -Building(s): Building(s) or structure(s) shall include attached additions and extensions; fixtures, machinery and equipment constituting a permanent part of and pertaining to the service of the building; yard fixtures; personal property of the mortgagor used for the maintenance or service of the described building (s), including fire extinguishing apparatus, outdoor furniture, floor coverings and appliances for refrigerating, ventilating, cooking, dishwashing and laundering (but not including other personal property in apartments or rooms furnished by the mortgagor as landlord); all while at the described location(s).

**Debris Removal:** This insurance covers expense incurred in the removal of debris of the property covered, which may be occasioned by loss caused by any of the perils insured against in this Policy.

The total liability under this Policy for both loss to property and debris removal expense shall not exceed the amount of insurance applying under this Policy to the property covered.

### SECTION II- PROPERTY NOT COVERED

This Policy does not cover:

- 1) outdoor signs, whether or not attached to a building or structure;
- 2) outdoor trees, shrubs and plants;
- 3) outdoor swimming pools; fences; piers, wharves and docks, beach or diving platforms or appurtenant retaining walls not constituting a part of buildings; walks, roadways and other paved surfaces.

### SECTION III - DEDUCTIBLE CLAUSE

A deductible of \$500 shall apply to each covered peril or occurrence, except for the peril of Vandalism and Malicious Mischief to a vacant property for which a deductible of \$1,000 shall apply.

### SECTION IV- PERILS INSURED AGAINST

This Policy insures against all direct loss caused by:

- 1) **Fire or Lightning.**
- 2) **Removal**, meaning loss to the property covered hereunder while being removed or removed from the premises endangered by the perils insured against. The insurance is in effect for only 5 days at each proper place to which such property shall necessarily be removed for preservation from the perils insured against. The amount of insurance provided shall be the same proportion as the property removed bears to all property covered by this insurance.
- 3) **Windstorm or Hail**, excluding loss caused directly or indirectly by frost or cold weather, or ice (other than hail, snow or sleet, whether driven by wind or not.
  - a) We shall not be liable for loss to the Interior of the building(s) or the property covered therein caused:

- (1) by rain, snow, sand or dust, whether driven by wind or not unless the building (s) covered or containing the property covered shall first sustain an actual damage to roof or walls by the direct action of wind or hail and then shall be liable for loss to the interior of the building(s) or the property covered therein as may be caused by rain, snow, sand or dust entering the building (s) through openings in the roof or walls made by direct action of wind or hail; or
- (2) by water from sprinkler equipment or from other piping, unless such equipment or piping is damaged as a direct result of wind or hail.
  - a) We shall not be liable for hailstorm or hail damage to the following property:
    - 1) windmills, wind pumps or their towers;
    - 2) crop silos;
    - 3) metal smokestacks; or
    - 4) when outside of buildings,
      - (a) awnings of fabric or slat construction, canopies of fabric or slat construction, including their supports,
      - (b) radio or television antennas, including their lead-in wiring, masts or towers.
4. **Smoke**, meaning sudden and accidental damage from smoke, other than smoke from agricultural smudging or industrial operations.
5. **Explosion**, including direct loss resulting from the explosion of accumulated gases or unconsumed fuel within the firebox (or combustion chamber) of any fired vessel or within the flues or passages which conduct the gases of combustion therefrom.
  - a) We shall not be liable for loss by explosion of steamboilers, steam pipes, steam turbines or steam engines, if owned by, leased by or operated under the control of the mortgagor.
  - b) The following are not explosions within the intent or meaning of these provisions:
    - (1) shock waves caused by aircraft; generally known as "sonic boom",
    - (2) electric arcing,
    - (3) rupture or bursting of rotating or moving parts of machinery caused by centrifugal force or mechanical breakdown,
    - (4) water hammer,
    - (5) rupture or bursting of water pipes,
    - (6) rupture or bursting due to expansion or swelling of the contents of any building or structure, caused by or resulting from water,
    - (7) rupture, bursting or operation of pressure relief devices.
6. **Riot, Riot Attending A Strike or Civil Commotion**, including direct loss by acts of striking employees of the owner or tenant(s) of the described building (s) while occupied by said striking employees and shall also include direct loss from pillage and looting occurring during and at the immediate place of a riot, riot attending a strike or civil commotion.
7. **Aircraft or Vehicles**, meaning only direct loss resulting from actual physical contact of an aircraft or a vehicle with the property covered, except that loss by aircraft includes direct loss by objects falling therefrom. Company shall not be liable for loss:
  - a) by any vehicle owned or operated by a mortgagor or by any tenant of the described premises;
  - b) by any vehicle to fences, driveways, walks; of
  - c) to any aircraft or vehicle including its contents other than stocks of aircraft or vehicles in process of manufacture or for sale,
8. **Vandalism or Malicious Mischief, meaning only the** willful and malicious damage to or destruction of the property covered. Company shall not be liable for loss:
  - a) to glass (other than glass building blocks) constituting part of a building, structure or an outside sign;
  - b) by pilferage, theft, burglary or larceny, except Company shall be liable for willful damage to the building(s) covered caused by burglars in gaining entrance to or exit from the building(s) or any part of the building(s);
  - c) if the described building (s) had been vacant beyond a period of 30 consecutive days immediately preceding the loss, unless Company has been notified of such vacancy, the appropriate premium has been paid therefor and you have secured the property and conducted periodic inspections of the interior and exterior. ("Vacant" means containing no contents or only minimal contents pertaining to operations or activities customary to occupancy of the building).

## SECTION V - EXCLUSIONS

- 1) **Electrical Apparatus:** Company shall not be liable for any loss resulting from any electrical injury or disturbance to electrical appliances, devices, fixtures or wiring caused by electrical currents artificially generated unless fire as insured against ensues.
- 2) **Nuclear Clause (Not applicable in New York):** The word "fire" in this Policy or endorsements attached hereto is not intended to and does not embrace nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, and loss by nuclear reaction or nuclear radiation or radioactive contamination is not intended to be and is not insured against by this Policy or said endorsements, whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by "fire" and other perils insured against by this Policy or said endorsements; however, subject to the foregoing and all provisions of this Policy, direct loss by "fire" resulting from nuclear reaction or nuclear radiation or radioactive contamination is insured against by this Policy.
- 3) **Nuclear Clause (Applicable in New York):** This Policy does not cover loss or damage caused by nuclear reaction or nuclear radiation or radioactive contamination, all whether directly or indirectly resulting from an insured peril under this Policy.
- 4) **Nuclear Exclusion (Not applicable in New York):** (this clause applies to all perils insured against hereunder except the perils of fire and lightning, which are otherwise provided for in the Nuclear clause above): Loss by nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, or due to any act or condition incident to any of the foregoing is not insured against by this Policy, whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by any of the perils insured against by this Policy; and nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, is not "explosion" or "smoke".
- 5) **Ordinance or Law**, meaning the enforcement of any ordinance, regulation or law regarding the construction, repair, demolition, occupancy, sale or relocation of the property unless specifically provided under this Policy.
- 6) **Power Failure:** We shall not be liable for loss caused directly or indirectly by the interruption of power or other utility service furnished to the described premises if the interruption takes place away from the described premises. If a Peril Insured Against ensues on the described premises, we shall be liable for only its proportion of loss caused by the ensuing peril.
- 7) **War Risk:** War, including undeclared war, civil war, insurrection, rebellion, revolution, warlike act of a military force or military personnel, destruction or seizure or use for a military purpose, and including any consequence of any of these. Discharge of a nuclear weapon shall be deemed a warlike act even if accidental.
- 8) **Water**, meaning:
  - a) **Flood**, surface water, waves, tidal wave or overflow of a body of water we do not cover spray from any of these, whether or not driven by wind;
  - b) **Water** which backs up through sewers or drains; or
  - c) **Water** below the surface of the ground. This includes water which exerts pressure on or flows, seeps or leaks through any part of a building. We do cover direct loss that follows caused by fire or explosion.
- 9) **Earth Movement**, including but not limited to earthquake, land shock waves or tremors before, during or after a volcanic eruption, volcanic ash, landslide, rockslide, mud flow, earth sinking, rising or shifting. We do cover direct loss that follows caused by fire or explosion.
- 10) **Neglect**, meaning neglect to use all reasonable means to save and preserve property at and after the time of a loss, or when property is endangered by a Peril Insured Against.
- 11) **Intentional Act**, meaning an action by or at the direction of you or any borrower committed with the intent to cause a

loss or damage, This exclusion applies even if the person committing the act is insane, intoxicated or otherwise impaired if a person without that impairment would have committed such an act with the intent to cause loss or damage.

#### SECTION VI - CONDITIONS

- 1) **Policy Period.** This Policy applies only to loss which occurs while the coverage is in effect.
- 2) **Insurable Interest and Limit of Liability.** Even if more than one person has an insurable interest in the property covered, we shall not be liable:
  - a) for an amount greater than your and the mortgagors interest in the property covered; or
  - b) for more than the Limit of Recovery that applies.
- 3) **Concealment of Fraud.** This entire Policy is void if you or the mortgagor has intentionally concealed or misrepresented any material fact or circumstance relating to any aspect of this insurance or acted fraudulently or made false statements relating to any aspect of this insurance, whether before or after a loss. Such acts or act by the mortgagor will bar recovery by any person except as provided in this Policy with respect to your interest.
- 4) **Your and the Mortgagor's Duties After Loss.** In case of a loss to which this insurance may apply, you and the mortgagor shall see that the following duties are performed:
  - a) give us immediate written notice;
  - b) protect the property from further damage, making necessary and reasonable repairs to protect the property, and keep an accurate record of repair expenditures. If you or the mortgagor fail to do so, we will not pay for any further damage. We will not reimburse for the costs of repairs unless records and receipts are provided;
  - c) make a list of all damaged or destroyed properly showing in detail quantities, costs, actual cash value, amount of loss claimed and any other information we may require. Attach all bills, receipts and related documents that substantiates the figures in the list;
  - d) send to us within 60 days after loss the above list and a proof of loss signed and sworn to by you and the
  - e) mortgagor, including:
    - 1) the time and cause of loss;
    - 2) the interest of you, the mortgagor and all others in the property;
    - 3) all encumbrances on the property;
    - 4) other insurance which may cover the loss;
    - 5) changes in title, use, occupancy or possession of the property; and
    - 6) if required, any plans and specifications of the damaged buildings.
  - f) exhibit the damaged property to us or our representative as often as may be required; as often as we may require, submit to examinations under oath by any person named by us and sign the transcript of the examinations;
  - g) produce for examination, with permission to copy, any records and documents that we may require;
  - h) in the event of a vandalism or malicious mischief loss, report the occurrence to the police immediately.
- 5) **Loss Settlement.** Covered properly losses are settled as follows:
  - a) All property except Tenant's Improvements and Betterments at actual cash value except as provided below or by endorsement.
  - b) Tenant's Improvements and Betterments:
    - (1) If repaired or replaced at the expense of you or the mortgagor within a reasonable time after loss, the actual cash value of the damaged or destroyed improvements and betterments limit.
    - (2) If not repaired or replaced at the expense of you or the mortgagor within a reasonable time after loss, that proportion of the original cost at the time of installation of the damaged or destroyed property which the unexpired term of the lease or rental agreement, whether written or oral, in effect at the time of loss bears to the periods from the date such improvements or betterments were made to the expiration of the lease.
- 6) **Other Insurance.** THIS INSURANCE IS EXCESS INSURANCE. If there is any other valid and collectible insurance which would attach if the insurance provided under this Policy had not been effected, this insurance shall apply only as excess insurance and in no event as contributing insurance, and then only after all other insurance has been exhausted.

- 7) **Appraisal.** If you and we fail to agree on the amount of loss, either can demand that the amount of the loss be set by appraisal. If either makes a written demand for appraisal, each shall select a competent, independent appraiser and notify the other of the appraiser's identity within **20** days of receipt of the written demand. The two appraisers shall then select a competent, impartial umpire. The appraisers shall then set the amount of the loss. If the appraisers submit a written report of agreement to us, the amount agreed upon shall be the amount of the loss. If the appraisers fail to agree within a reasonable time, they shall submit their differences to the umpire. Written agreement signed by any two of these three shall set the amount of the loss. Each appraiser shall be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire shall be paid equally by you and us.
- 8) **Subrogation.** You or the mortgagor may waive in writing before a loss all rights of recovery against any person. If not waived; we may require an assignment of rights of recovery for a loss to the extent that payment is made by us. If an assignment is sought, you and the mortgagor shall sign and deliver all related papers and cooperate with us in any reasonable manner.
- 9) **Suit Against Us.** No action shall be brought unless there has been compliance with the Policy provisions and the action is started within one year after the loss.
- 10) **Loss Payment.** We will adjust any loss with you and the mortgagor. We will pay you to the extent of your interest in the property. You hereby direct that any benefits due which are in excess of your interest in the property be paid to the mortgagor. Payment for loss will be made within 60 days after we receive a proper proof of loss and
- a) we reach an agreement with you; or
  - b) there is an entry of final judgment; or
  - c) there is a filing of an appraisal award with us.
- 11) **Abandonment of Property.** We need not accept any property abandoned by you or the mortgagor.
- 12) **No Benefit to Bailee.** Regardless of any other provision of this Policy, we will not honor an assignment nor extend coverage to a bailee. A bailee is a person or entity to whom you or the mortgagor have given possession of insured property.
- 13) **Cancellation.**  
You may cancel this Policy at any time by returning it to us or by notifying us in writing of the date cancellation is to take effect. The date of cancellation may be no more than 120 days prior to the date of notification to us, without the approval of Company.
- a) We may cancel this Policy by giving you 30 days notice in writing of the date cancellation takes effect, with the exception of cancellation for nonpayment of premium which shall be a minimum of 10 days advance written notice. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing shall be sufficient proof of notice.
  - b) When this Policy is cancelled, the premium paid for coverages beyond the date of cancellation will be refunded. The return premium will be pro rata.
  - c) If the return premium is not refunded with the notice of cancellation or when this Policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.
- 14) **Non-Renewal.** We may elect not to renew this Policy. We may do so by delivering to you or mailing to you at your mailing address shown in the Declarations, written notice at least 10 days before the expiration date of this Policy. Proof of mailing shall be sufficient proof of notice. Our failure to send such a notice within the time prescribed obligates us to renew coverages if you pay the premium before the expiration date.
- 15) **Liberalization Clause.** If we adopt any revision which would broaden the coverage under this Policy without additional premium within 60 days prior to or during the Policy period, the broadened coverage will immediately apply to this Policy.
- 16) **Waiver or Change of Policy Provisions.** A waiver or change of any provision of this Policy must be in writing by us to be valid.
- 17) **Assignment.** Assignment of this Policy shall not be valid unless we give our written consent.



18) **Your Interest.**

- a) Your interest will not be impaired by any act or neglect of the mortgagor, provided you:
- 1) notify us of any change in occupancy, ownership, or substantial change in risk as soon as you become aware of such change; and
  - 2) pay any premium when due under this Policy.
- b) If we pay you for any loss and do not pay the mortgagor, we are subrogated to all of your rights granted under the mortgage on the property and may require a partial assignment of the mortgage to the extent of payment made.
- c) At our option, we may pay you the whole principal on the mortgage. In this event, we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the debt.

Subrogation will not impair your right to recover the full amount of your claim.

**SECTION VII - OTHER PROVISIONS**

1. **Inspection of Property and Operations:** We and any person or organization making inspections on our benefit shall be permitted but not obligated to inspect the mortgagor's property and operations at any time. Neither our right and the right of any person or organization to make such inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the named insured or others, to determine or warrant that such property or operations are safe or healthful, or are in compliance with any law, rule or regulations.
2. **Protective Safeguards:** It is a condition of this insurance that you and the mortgagor shall maintain so far as is within your or the mortgagor's control such protective safeguards as are set forth by endorsement hereto. Failure to maintain such protective safeguards shall suspend this insurance, only as respects the location or situation affected, for the time of such discontinuance.

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# AGENT ALLIANCE INSURANCE COMPANY

Winston Salem, North Carolina

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## BLANKET MORTGAGE SECURITY POLICY GENERAL CHANGE ENDORSEMENT

(To be attached to Master Policy)

Endorsement # 1

This endorsement, effective December 1, 2017 forms a part of Master Policy No. AAM0003480

issued to Stateside APM by the Company.

In consideration of the basis upon which this Policy has been issued it is agreed between the Named Insured and the Company that the following will apply to the Master Policy.

### MANDATORY CLAUSES

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#### EXCLUSION - ASBESTOS AND RADON GAS

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This insurance does not apply to liability arising out of:

- (1) Inhaling, ingesting or prolonged physical exposure to asbestos or goods or products containing asbestos; or
- (2) The use of asbestos in construction or manufacturing any goods, product or structure; or
- (3) The removal of or containment of asbestos from or within any goods, product or structure; or
- (4) The installation, manufacture, transportation, storage or disposal of asbestos or goods or products containing asbestos.
- (5) The presence of or causing to be exposed, any Radon Gas by the named insured or the insured's failure to detect, disclose or identify such presence of Radon Gas.

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#### EXCLUSION - ASSAULT AND BATTERY

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This insurance does not apply to liability:

- (1) Expected or intended from the standpoint of any insured; or
- (2) Arising out of an assault or battery, provoked or unprovoked, or out of any act or omission in connection with prevention or suppression of an assault or battery, committed by any Insured or an employee or agent of the insured.

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#### EXCLUSION - COMMUNICABLE DISEASE

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Notwithstanding anything contained in this insurance to the contrary, this insurance does not apply to liability arising out of claims, accusations or charges brought by or against any insured(s) for actual or alleged damages arising out of a communicable disease no matter how transmitted including, but not limited to, Acquired Immune Deficiency Syndrome (AIDS).

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#### EXCLUSION - ABSOLUTE ELECTROMAGNETISM

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Regardless of any other provision of this insurance, this insurance does not apply to liability directly or indirectly caused by electromagnetism.

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**EXCLUSION - LEAD CONTAMINATION**

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This insurance does not apply to:

- (1) Liability arising out of the ingestion, inhalation or absorption of lead in any form;
- (2) Any loss, cost or expense arising out of any request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of lead; or
- (3) Any loss, cost or expense arising out of any claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of lead.

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**EXCLUSION - PUNITIVE OR EXEMPLARY DAMAGES**

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Regardless of any other provision of this insurance, this insurance does not apply to punitive or exemplary damages.

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**EXCLUSION - VOLUNTARY LABOUR**

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This insurance does not apply to liability to any member, associate, affiliated member, or to any person or persons loaned to or volunteering services to you, whether or not paid by you, arising out of or in the course of work performed for you or on your behalf.

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**EXCLUSION – VICIOUS/DANGEROUS ANIMAL**

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This insurance does not apply to liability to caused by or originating from a dangerous or vicious animal, including but not limited to reptiles, insects or vermin owned by or in the care, custody or control of you or any member of your household.

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**EXCLUSION – ABSOLUTE POLLUTION**

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This insurance does not apply to liability which would have or has arisen or occurred in whole or in part arising out of the actual, alleged, or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time; or any loss, cost or expense arising out of any

- (1) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of pollutants

Pollutants means any solid, liquid, gaseous, or thermal irritant or contaminant including smoke, vapor, soot, fumes, acid, alkalis, chemicals, and waste. Waste includes material to be recycled, reconditioned or reclaimed.

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**WAR AND CIVIL WAR EXCLUSION CLAUSE**

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Notwithstanding anything to the contrary contained herein 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.

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**RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE -  
PHYSICAL DAMAGE - DIRECT**

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This Policy does not cover any loss or damage arising directly or indirectly from nuclear reaction nuclear radiation or radioactive contamination however such nuclear reaction nuclear radiation or radioactive contamination may have been caused \* NEVERTHELESS if Fire is an insured peril and a Fire arises directly or indirectly from nuclear reaction nuclear radiation or radioactive contamination any loss or damage arising directly from that Fire shall (subject to the provisions of this Policy) be covered EXCLUDING however all loss or damage caused by nuclear reaction nuclear radiation or radioactive contamination arising directly or indirectly from that Fire.

\* Note - If Fire is not an insured peril under this Policy the words from "NEVERTHELESS" to the end of the clause do not apply and should be disregarded.

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**CANCELLATION CLAUSE**

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NOTWITHSTANDING anything contained in this Insurance to the contrary this Insurance may be cancelled by the Assured at any time by written notice or by surrendering of this contract of insurance. This insurance may also be cancelled by or on behalf of the Company by delivering to the Assured or by mailing to the Assured, by registered, certified or other first class mail, at the Assured's address as shown in this Insurance, written notice stating when, not less than 10 days thereafter, the cancellation shall be effective. The mailing of 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 cancelled by the Assured the Company shall retain the customary short rate proportion of the premium hereon, except that if this Insurance is on an adjustable basis the Company 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 cancelled by or on behalf of the Company the Company shall retain the pro rata proportion of the premium hereon, except that if this Insurance is on an adjustable basis the Company 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 Company 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 of limitation permitted by such law.

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**SEEPAGE AND/OR POLLUTION AND/OR CONTAMINATION (COMBINED CLAUSE)**

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**LAND, WATER AND AIR EXCLUSION**

Notwithstanding any provision to the contrary within the Policy of which this Endorsement 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, however 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 Endorsement 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 Endorsement 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 as 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.

#### DEBRIS REMOVAL ENDORSEMENT

THIS ENDORSEMENT 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 Endorsement 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 cancelled and replaced by the following:

- 1. In the event of direct physical damage to or destruction of property, for which Company hereon agree to pay, or which but for the application of a deductible or underlying amount they would agree to pay (hereinafter 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:
  - a) which are reasonably and necessarily incurred by the Assured in the removal, from the premises of the Assured at which the Damage or Destruction occurred, of debris which results from the Damage or Destruction; and
  - b) of which the Assured becomes aware and advises the amount thereof to Underwriters hereon within one year of the commencement of such Damage or Destruction.
- 2. In calculating the amount, if any, payable under this Policy for loss where costs or expenses for removal of debris are incurred by the Assured (subject to the limitations in paragraph 1 above):
  - a) the maximum amount of such costs or expenses that can be included in the method of calculation set out in (b) below shall be the greater of U.S. \$25,000 (twenty-five thousand dollars) or 10% (ten percent) of the amount of the Damage or Destruction from which such costs or expenses result; and
  - b) the amount of such costs or expenses as limited in (a) above shall be added to:
    - i. the amount of the Damage or Destruction; and
    - ii. all other amounts of loss, which arise as a result of the same occurrence, and for which Company 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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### SEVERAL LIABILITY NOTICE

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The subscribing insurers' 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 insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

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### BIOLOGICAL OR CHEMICAL MATERIALS EXCLUSION CLAUSE

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It is agreed that this Insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

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### ELECTRONIC DATE RECONITION EXCLUSION CLAUSE

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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:

- a) 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
- b) 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 clause applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss, damage, cost, claim or expense.

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### ELECTRONIC DATA CLAUSE

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#### 1) Electronic Data Exclusion

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:-

- a) This Policy does not insure loss, damage, destruction, distortion, erasure, corruption or alteration of ELECTRONIC DATA from any cause whatsoever (including but not limited to COMPUTER VIRUS) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

ELECTRONIC DATA means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other

coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

COMPUTER VIRUS means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. COMPUTER VIRUS includes but is not limited to 'Trojan Horses', 'worms' and 'time or logic bombs'.

- b) However, in the event that a peril listed below results from any of the matters described in paragraph (a) above, this Policy, subject to all its terms, conditions and exclusions, will cover physical damage occurring during the Policy period to property insured by this Policy directly caused by such listed peril.

**Listed Perils**

Fire  
Explosion

**2) Electronic Data Processing Media Valuation**

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:-

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the ELECTRONIC DATA from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such ELECTRONIC DATA. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However this Policy does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Assured or any other party, even if such ELECTRONIC DATA cannot be recreated, gathered or assembled.

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**TERRORISM EXCLUSION CLAUSE**

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Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is 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 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 governments(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 Company 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 Assured.

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

All other terms and conditions of this Policy shall remain in full force and effect.

In witness whereof, the Company have caused this endorsement to be executed by a duly authorized representative.

  
Authorized Representative



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# AGENT ALLIANCE INSURANCE COMPANY

Winston Salem, North Carolina

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## BLANKET MORTGAGE SECURITY POLICY GENERAL CHANGE ENDORSEMENT

(To be attached to Master Policy)

Endorsement # 2

This endorsement, effective December 1, 2017 forms a part of Master Policy No. AAM0003480

issued to Stateside APM by the Company.

In consideration of the basis upon which this Policy has been issued it is agreed between the Named Insured Mortgagee and Company that the following will apply to the Master Policy.

This policy is subject to Michigan Surplus Lines Tax of 2% and a Surcharge Fee of 0.50%

*Due to changes required since the enactment of the NRRRA, if any of your risks are located in a state other than the home state of this policy additional taxes may apply.*

The prevailing rate for coverage shall be \$1.25 per \$100 for Properties, in all 1<sup>st</sup>, 2<sup>nd</sup> and Exception Tier Counties in Coastal States of TX, LA, AL, MS, GA, SC & NC. (See Defined Counties)

The prevailing rate for coverage shall be \$2.00 per \$100 for all Florida Properties other than in the Following Counties: Broward, Charlotte, Collier, Glades, Hendry, Lee, Miami-Dade, Monroe and Palm Beach, of which the rate shall be \$4.00 per \$100.

**\*\*\*The prevailing rate for coverage shall be the greater of the rates outlined above or the base rates as outlined on the Declarations Page CGI 00\*\*\***

All other terms and conditions of this Policy shall remain in full force and effect.

In witness whereof, Company have caused this endorsement to be executed by a duly authorized representative.



Authorized Representative

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# AGENT ALLIANCE INSURANCE COMPANY

Winston Salem, North Carolina

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## BLANKET MORTGAGE SECURITY POLICY GENERAL CHANGE ENDORSEMENT

(To be attached to Master Policy)

Endorsement # 3

This endorsement, effective December 1, 2017 forms a part of Master Policy No. AAM0003480

issued to Stateside APM by the Company.

In consideration of the basis upon which this Policy has been issued it is agreed between the Named Insured Mortgagee and Company that the following will apply to the Master Policy.

### DEDUCTIBLE ENDORSEMENT

In consideration of the basis on which this Policy has been issued and premiums collected, it is agreed between the Named Insured and the Company that the deductible provision of the Blanket Mortgage Security Policy is amended as follows:

E. 1. Residential Property:

A deductible of \$7,500.00 shall apply to each peril or occurrence, except for Windstorm, Hurricane and Hail and Vandalism and Malicious Mischief.

A deductible for Vandalism and Malicious Mischief shall be \$10,000.00

For Windstorm, Hurricane and Hail the deductible is as described in the subsequent State specific Windstorm, Hurricane and Hail deductible endorsements.

2. Commercial Property:

A deductible of \$7,500.00 shall apply to each peril or occurrence, except for vandalism and malicious mischief for which a deductible of \$10,000.00 shall apply.

All other terms and conditions of this Policy shall remain in full force and effect.

In witness whereof, Company have caused this endorsement to be executed by a duly authorized representative.

  
Authorized Representative

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# AGENT ALLIANCE INSURANCE COMPANY

Winston Salem, North Carolina

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## BLANKET MORTGAGE SECURITY POLICY GENERAL CHANGE ENDORSEMENT

(To be attached to Master Policy)

Endorsement # 4

This endorsement, effective December 1, 2017 forms a part of Master Policy No. AAM0003480

issued to Stateside APM by the Company.

In consideration of the basis upon which this Policy has been issued it is agreed between the Named Insured Mortgagee and Company that the following will apply to the Master Policy.

DWELLING PROPERTY 3A AMENDED FORM CGI 02(10/10) is amended as follows:

The following PERILS INSURED AGAINST are hereby deleted:

4. theft of any property which is not actually part of any dwelling or other structure covered
5. theft in or to a dwelling or other structure under construction

The following EXCLUSION is hereby added:

GENERAL EXCLUSIONS:

- A. 9) **THEFT**

All other terms and conditions of this Policy shall remain in full force and effect.

In witness whereof, Company have caused this endorsement to be executed by a duly authorized representative.



Authorized Representative

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# AGENT ALLIANCE INSURANCE COMPANY

Winston Salem, North Carolina

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## BLANKET MORTGAGE SECURITY POLICY DEMOLITION AND FORECLOSURE EXPENSE ENDORSEMENT

(To be attached to Master Policy)

This endorsement, effective December 1, 2017 forms a part of Master Policy No. AAM0003480

issued to Stateside APM by the Company.

In consideration of the basis upon which this Policy has been issued it is agreed between the Named Insured Mortgagee and Company that the following will apply to the Master Policy

If there is a total loss to a building covered by this Policy and resulting from a Peril Insured Against, we will provide an additional amount of insurance to cover loss due to demolition and foreclosure expenses incurred.

The additional amount of insurance will be the lesser of:

- a) \$5,000 per occurrence, or
- b) Ten percent (10%) of the amount of insurance applicable to the insured property.

All other terms and conditions of this Policy shall remain in full force and effect

In witness whereof, the Company have caused this endorsement to be executed by a duly authorized representative.



Authorized Representative

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# AGENT ALLIANCE INSURANCE COMPANY

Winston Salem, North Carolina

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## BLANKET MORTGAGE SECURITY POLICY TEXAS WINDSTORM, HURRICANE AND HAIL DEDUCTIBLE ENDORSEMENT

(To be attached to Master Policy)

This endorsement, effective December 1, 2017 forms a part of Master Policy No. AAM0003480

issued to Stateside APM by the Company.

In consideration of the basis upon which this Policy has been issued it is agreed between the Named Insured Mortgagee and Company that the following will apply to the Master Policy.

This Policy insures against loss caused by, resulting from, or contributed to by windstorm, hurricane, or hail in the following Texas counties:

Aransas	Chambers	Kenedy
Orange	Brazoria	Galveston
Kleberg	Refugio	Calhoun
Jackson	Matagorda	San Patricio
Cameron	Jefferson	Nueces
Willacy	Fort Bend	Hardin
Harris	Liberty	Montgomery
San Jacinto	Jasper	

This Windstorm, Hurricane, or Hail Deductible Endorsement shall have a deductible which is the greater of \$ 10,000 or 5 % of the Insured Amount and does not exclude coverage for the following provided the Policy to which this endorsement is attached affords these coverages:

- A. Loss resulting from rain or wind-driven rain, which does not enter the insured building or structure through an opening, created by the force of wind or hail.
- B. Consequential Loss -(Off Premises).

All other terms and conditions of this Policy shall remain in full force and effect.

In witness whereof, the Company have caused this endorsement to be executed by a duly authorized representative.

  
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Authorized Representative

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# AGENT ALLIANCE INSURANCE COMPANY

Winston Salem, North Carolina

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## BLANKET MORTGAGE SECURITY POLICY MISSISSIPPI WINDSTORM, HURRICANE AND HAIL DEDUCTIBLE ENDORSEMENT

(To be attached to Master Policy)

This endorsement, effective December 1, 2017 forms a part of Master Policy No. AAM0003480

issued to Stateside APM by the Company.

In consideration of the basis upon which this Policy has been issued it is agreed between the Named Insured Mortgagee and Company that the following will apply to the Master Policy.

This Policy insures against loss caused by, resulting from, or contributed to by windstorm, hurricane, or hail in the following Mississippi counties:

Jackson  
Harrison  
Hancock  
Pearle River

This Windstorm, Hurricane, or Hail Deductible Endorsement shall have a deductible which is the greater of \$ 10,000 or 5 % of the Insured Amount and does not exclude coverage for the following provided the Policy to which this endorsement is attached affords these coverages:

- A. Loss resulting from rain or wind-driven rain, which does not enter the insured building or structure through an opening, created by the force of wind or hail.
- B. Consequential Loss - (Off Premises)

All other terms and conditions of this Policy shall remain in full force and effect

In witness whereof, Company have caused this endorsement to be executed by a duly authorized representative.

  
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Authorized Representative

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# AGENT ALLIANCE INSURANCE COMPANY

Winston Salem, North Carolina

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## BLANKET MORTGAGE SECURITY POLICY LOUISIANA WINDSTORM, HURRICANE AND HAIL DEDUCTIBLE ENDORSEMENT (To be attached to Master Policy)

This endorsement, effective December 1, 2017 forms a part of Master Policy No. AAM0003480  
issued to Stateside APM by the Company.

In consideration of the basis upon which this Policy has been issued it is agreed between the Named Insured Mortgagee and Company that the following will apply to the Master Policy.

This Policy insures against loss caused by, resulting from, or contributed to by windstorm, hurricane, or hail in the following Louisiana parishes:

Acadia	Iberville	Orleans	St. Martin
Ascension	Jefferson	Plaquemines	St. Mary
Assumption	Jefferson Davis	St. Bernard	St. Tammany
Calcasieu	Lafayette	St. Charles	Tangipahoa
Cameron	Lafourche	St. James	Terrebonne
Iberia	Livingston	St. John the Baptist	Vermilion
			West Baton Rouge

This Windstorm, Hurricane, or Hail Deductible Endorsement shall have a deductible which is the greater of \$ 10,000 or 5 % of the Insured Amount and does not exclude coverage for the following provided the Policy to which this endorsement is attached affords these coverages:

- A. Loss resulting from rain or wind-driven rain, which does not enter the insured building or structure through an opening, created by the force of wind or hail.
- B. Consequential Loss - (Off Premises).

All other terms and conditions of this Policy shall remain in full force and effect.

In witness whereof, Company have caused this endorsement to be executed by a duly authorized representative.

  
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Authorized Representative

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# AGENT ALLIANCE INSURANCE COMPANY

Winston Salem, North Carolina

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## BLANKET MORTGAGE SECURITY POLICY FLORIDA WINDSTORM, HURRICANE AND HAIL DEDUCTIBLE ENDORSEMENT

(To be attached to Master Policy)

This endorsement, effective December 1, 2017 forms a part of Master Policy No. AAM0003480

issued to Stateside APM by the Company.

In consideration of the basis upon which this Policy has been issued it is agreed between the Named Insured Mortgagee and the Company that the following will apply to the Master Policy.

This Policy insures against loss caused by, resulting from, or contributed to by windstorm, hurricane, or hail in the following Florida counties:

Bay	Franklin	Miami-Dade	St. Lucie
Brevard	Gulf	Monroe	Taylor
Broward	Hernando	Nassau	Volusia
Collier	Indian River	Oklaosoa	Wakulla
Citrus	Jefferson	Palm Beach	Duval
Dixie	Lee	Santa Rosa	Levy
Escambia	Manatee	Sarasota	Pasco
Flagler	Martin	St. John's	Walton

The following municipalities in **Pinellas County**:

Clearwater Beach  
Dunedin Beach  
St. Petersburg Beach

This Windstorm, Hurricane, or Hail Deductible Endorsement shall have a deductible which is the greater of \$ 10,000 or 5 % of the Insured Amount and does not exclude coverage for the following provided the Policy to which this endorsement is attached affords these coverages:

- A. Loss resulting from rain or wind-driven rain, which does not enter the insured building or structure through an opening, created by the force of wind or hail.
- B. Consequential Loss - (Off Premises).

All other terms and conditions of this Policy shall remain in full force and effect.

In witness whereof, Company have caused this endorsement to be executed by a duly authorized representative.



Authorized Representative



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# AGENT ALLIANCE INSURANCE COMPANY

Winston Salem, North Carolina

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## BLANKET MORTGAGE SECURITY POLICY ALABAMA WINDSTORM, HURRICANE AND HAIL DEDUCTIBLE ENDORSEMENT

(To be attached to Master Policy)

This endorsement, effective December 1, 2017 forms a part of Master Policy No. AAM0003480

issued to Stateside APM by the Company.

In consideration of the basis upon which this Policy has been issued it is agreed between the Named Insured Mortgagee and the Company that the following will apply to the Master Policy.

This Policy insures against loss caused by, resulting from, or contributed to by windstorm, hurricane, or hail in the following Alabama counties:

Baldwin


Mobile

This Windstorm, Hurricane, or Hail Deductible Endorsement shall have a deductible which is the greater of \$ 10,000 or 5 % of the Insured Amount and does not exclude coverage for the following provided the Policy to which this endorsement is attached affords these coverages:

- A. Loss resulting from rain or wind-driven rain, which does not enter the insured building or structure through an opening, created by the force of wind or hail.
- B. Consequential Loss - (Off Premises)

All other terms and conditions of this Policy shall remain in full force and effect.

In witness whereof, Company have caused this endorsement to be executed by a duly authorized representative.

  
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Authorized Representative

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# AGENT ALLIANCE INSURANCE COMPANY

Winston Salem, North Carolina

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## BLANKET MORTGAGE SECURITY POLICY NORTH CAROLINA WINDSTORM, HURRICANE AND HAIL DEDUCTIBLE ENDORSEMENT

(To be attached to Master Policy)

This endorsement, effective December 1, 2017 forms a part of Master Policy No. AAM0003480

issued to Stateside APM by the Company.

In consideration of the basis upon which this Policy has been issued it is agreed between the Named Insured Mortgagee and Company that the following will apply to the Master Policy.

This Policy insures against loss caused by, resulting from, or contributed to by windstorm, hurricane, or hail in the following North Carolina counties:

Beaufort	Jones
Brunswick	New Hanover
Camden	Onslow
Carteret	Pamlico
Chowan	Pasquotank
Craven	Pender
Currituck	Perquimans
Dare	Tyrrell
Hyde	Washington

This Windstorm, Hurricane, or Hail Deductible Endorsement shall have a deductible which is the greater of \$ 10,000 or 5 % of the Insured Amount and does not exclude coverage for the following provided the Policy to which this endorsement is attached affords these coverages:

- A. Loss resulting from rain or wind-driven rain, which does not enter the insured building or structure through an opening, created by the force of wind or hail.
- B. Consequential Loss - (Off Premises).

All other terms and conditions of this Policy shall remain in full force and effect

In witness whereof, the Company have caused this endorsement to be executed by a duly authorized representative.

  
Authorized Representative

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# AGENT ALLIANCE INSURANCE COMPANY

Winston Salem, North Carolina

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## BLANKET MORTGAGE SECURITY POLICY GEORGIA WINDSTORM, HURRICANE AND HAIL DEDUCTIBLE ENDORSEMENT

(To be attached to Master Policy)

This endorsement, effective December 1, 2017 forms a part of Master Policy No. AAM0003480

issued to Stateside APM by the Company.

In consideration of the basis upon which this Policy has been issued it is agreed between the Named Insured Mortgagee and Company that the following will apply to the Master Policy.

This Policy insures against loss caused by, resulting from, or contributed to by windstorm, hurricane, or hail in the following Georgia counties:

Camden  
Chatham  
Glynn  
Liberty  
McIntosh

This Windstorm, Hurricane, or Hail Deductible Endorsement shall have a deductible which is the greater of \$ 10,000 or 5 % of the Insured Amount and does not exclude coverage for the following provided the Policy to which this endorsement is attached affords these coverages:

- A. Loss resulting from rain or wind-driven rain, which does not enter the insured building or structure through an opening, created by the force of wind or hail.
- B. Consequential Loss - (Off Premises).

All other terms and conditions of this Policy shall remain in full force and effect

In witness whereof, the Company have caused this endorsement to be executed by a duly authorized representative.

  
Authorized Representative

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# AGENT ALLIANCE INSURANCE COMPANY

Winston Salem, North Carolina

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## BLANKET MORTGAGE SECURITY POLICY SOUTH CAROLINA WINDSTORM, HURRICANE AND HAIL DEDUCTIBLE ENDORSEMENT

(To be attached to Master Policy)

This endorsement, effective December 1, 2017 forms a part of Master Policy No. AAM0003480

issued to Stateside APM by the Company.

In consideration of the basis upon which this Policy has been issued it is agreed between the Named Insured Mortgagee and Company that the following will apply to the Master Policy.

This Policy insures against loss caused by, resulting from, or contributed to by windstorm, hurricane, or hail in the following South Carolina counties:


Beaufort  
Charleston  
Colleton  
Georgetown  
Horry

This Windstorm, Hurricane, or Hail Deductible Endorsement shall have a deductible which is the greater of \$ 10,000 or 5 % of the Insured Amount and does not exclude coverage for the following provided the Policy to which this endorsement is attached affords these coverages:

- A. Loss resulting from rain or wind-driven rain, which does not enter the insured building or structure through an opening, created by the force of wind or hail.
- B. Consequential Loss - (Off Premises).

All other terms and conditions of this Policy shall remain in full force and effect

In witness whereof, the Company have caused this endorsement to be executed by a duly authorized representative.

  
Authorized Representative

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# AGENT ALLIANCE INSURANCE COMPANY

Winston Salem, North Carolina

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## ABSOLUTE MICROORGANISM EXCLUSION

This policy does not insure any loss, damage, claim, cost, expense or other sum directly or indirectly arising out of or relating to:

mold, mildew, fungus, spores 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 (i) any physical loss or damage to insured property; (ii) any insured peril or cause, whether or not contributing concurrently or in any sequence; (iii) any loss of use, occupancy, or functionality; or (iv) any action required, including but not limited to repair, replacement, removal, cleanup, abatement, disposal, relocation, or steps taken to address medical or legal concerns.

This exclusion replaces and supersedes any provision in the policy that provides insurance, in whole or in part, for these matters.

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.

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# AGENT ALLIANCE INSURANCE COMPANY

Winston Salem, North Carolina

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## ASBESTOS ENDORSEMENT

For and in consideration of the premium charged, it is understood and agreed that this policy does not extend to or provide coverage or indemnity for any claims, directly or indirectly, based upon, arising out of or related to:

- A) Asbestos or any asbestos related injury or damage; or
- B) Any alleged act, error, omission or duty involving asbestos, its use, exposure, presence, existence, detection, removal, elimination or avoidance of asbestos in any environment, building or structure.
- C) The use, exposure, presence, existence, detection, removal, elimination or avoidance of asbestos in any environment, building or structure.

All other terms and conditions of the policy remain unchanged.

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# AGENT ALLIANCE INSURANCE COMPANY

Winston Salem, North Carolina

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## 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 Company has 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.