

16-0036-00
ANDERSON INSURANCE ASSOCIATES INC
PO BOX 30667
CHARLESTON SC 29417-0667

Auto-Owners INSURANCE

LIFE • HOME • CAR • BUSINESS

PO BOX 30660 • LANSING, MI 48909-8160

Agency phone: 843-763-7525

05-16-2024

Owners Insurance Company

MARSH POINTE CONDIMINIUM &
HOMEOWNERS ASSOCIATION INC
PO BOX 2193
MOUNT PLEASANT SC 29465-2193

You can view your policy, pay your bill, or change your paperless options at any time online at www.auto-owners.com.

ADDITIONAL WAYS TO PAY YOUR BILL

Pay Online
www.auto-owners.com
Pay My Bill

Pay by Mail
AUTO-OWNERS INSURANCE
PO BOX 740312
CINCINNATI, OH 45274-0312

Pay by Phone
1-800-288-8740

RE: Policy 194716-36385688-24

Billing Account 017647251

Thank you for selecting Auto-Owners Insurance Group to serve your insurance needs! Feel free to contact your independent Auto-Owners agent with questions you may have. If you have questions your agent is unable to answer, please contact us at 517.323.1200.

Auto-Owners and its affiliate companies offer a full complement of policies, each of which has its own eligibility requirements, coverages and rates. In addition, Auto-Owners also offers many billing options. Please take this opportunity to review your insurance needs with your Auto-Owners agent, and discuss which company, program, and billing option may be most appropriate for you.

Auto-Owners Insurance Company was formed in 1916. Our A++ (Superior) rating by A.M. Best Company signifies that we have the financial strength to provide the insurance protection you need. The Auto-Owners Insurance Group is comprised of six property and casualty companies and a life insurance company.

Serving Our Policyholders and Agents Since 1916

NOTICE OF PRIVACY PRACTICES

What We Do To Protect Your Privacy

At Auto-Owners Insurance Group*, we value your business and we want to retain your trust. In the course of providing products and services, we may obtain nonpublic personal information about you. We assure you that such information is used only for the purpose of providing our products and services to you.

Protecting Confidentiality

Our agents and Company associates may have access to nonpublic personal information only for the purpose of providing our products or services to you. We maintain physical, electronic and procedural safeguards against unauthorized use of your nonpublic personal information.

Information We Obtain

To assist in underwriting and servicing your policy, we may obtain nonpublic personal information about you. For example, we routinely obtain information through applications, forms related to our products or services, from visiting www.auto-owners.com, and your transactions with us. We may obtain such information from our affiliates, independent insurance agents, governmental agencies, third parties, or consumer reporting agencies.

The type of information that we collect depends on the product or service requested, but may include your name, address, contact information, social security number, credit history, claims history, information to properly investigate and resolve any claims, or billing information. We may obtain your medical history with your permission. The nature and extent of the information we obtain varies based on the nature of the products and services you receive.

The Internet and Your Information

If you would like to learn about how we gather and protect your information over the Internet, please see our online privacy statement at www.auto-owners.com/privacy.

Generally, Auto-Owners may use cookies, analytics, and other technologies to help us provide users with better service and a more customized web experience. Our business partners may use tracking services, analytics, and other technologies to monitor visits to www.auto-owners.com. The website may use web beacons in addition to cookies. You may choose to not accept cookies by changing the settings in your web browser.

Information obtained on our websites may include IP address, browser and platform types, domain names, access times, referral data, and your activity while using our site; who should use our web site; the security of information over the Internet; and links and co-branded sites.

Limited Disclosure

Auto-Owners Insurance Group companies do not disclose any nonpublic personal information about their customers or former customers except as permitted by law. We do not sell your personal information to anyone. We do not offer an opportunity for you to prevent or "opt out of" information sharing since we only share personal information with others as allowed by law.

When sharing information with third parties to help us conduct our business, we require them to protect your personal information. We do not permit them to use or share your personal information for any purpose other than the work they are doing on our behalf or as required by law.

The types of information disclosed may include personal information we collect as necessary to service your policy or account, investigate and pay claims, comply with state and federal regulatory requests or demands, and process other transactions that you request. Third parties that receive disclosures may include your independent agent, regulators, reinsurance companies, fraud prevention agencies, or insurance adjusters.

How Long We Retain Your Information

We generally retain your information as long as reasonably necessary to provide you services or to comply with applicable law and in accordance with our document retention policy. We may retain copies of information about you and any transactions or services you have used for a period of time that is consistent with applicable law, applicable statute of limitations or as we believe is reasonably necessary to comply with applicable law, regulation, legal process or governmental request, to detect or prevent fraud, to collect fees owed, to resolve disputes, to address problems with our services, to assist with investigations, to enforce other applicable agreements or policies or to take any other actions consistent with applicable law.

In some circumstances we may anonymize your personal information (so that it can no longer be associated with you) for research or statistical purposes, in which case we may use this information indefinitely without further notice to you. This allows the specific information collected (name, email, address, phone number, etc.) to become anonymous, but allows Auto-Owners to keep the transaction or engagement data.

Changes to the Privacy Policy

We will provide a notice of our privacy policy as required by law. This policy may change from time to time, but you can always review our current policy by visiting our website at www.auto-owners.com/privacy or by contacting us.

Contact Us

Auto-Owners Insurance Company
Phone: 844-359-4595 (toll free)
Email: privacyrequest@aoins.com

*Auto-Owners Insurance Group includes, Auto-Owners Insurance Company, Auto-Owners Life Insurance Company, Home-Owners Insurance Company, Owners Insurance Company, Property-Owners Insurance Company and Southern-Owners Insurance Company.

SOUTH CAROLINA - IMPORTANT NOTICE OF PREMIUM DISCOUNTS

COMMERCIAL PROPERTY COVERAGE PART BUSINESSOWNERS POLICY

This notice provides information on the availability of premium discounts for properties on which fixtures or construction techniques demonstrated to reduce the amount of loss in a windstorm have been installed or implemented. Listed below is a brief description of the mitigation measures that must be taken in order to receive a discount. The amount of the discounts, if any, may vary depending on specific features and conditions of the insured property. Please contact your agent for more specific information.

Description Of Mitigation Measure
<p>Roof Covering and Roof Covering Attachment</p> <ul style="list-style-type: none"> ● South Carolina Building Code (SCBC) Equivalent: Roof covering and attachments in compliance with the SCBC.
<p>Roof Deck and Roof Deck Attachment</p> <ul style="list-style-type: none"> ● Plywood/Oriented Strand Board with nails 2 1/2-inches long spaced at 6 inches from the edge of the plywood and 12 inches in the field on 24-inch truss spacing; ● Plywood/Oriented Strand Board with nails 2 1/2-inches long spaced at 6 inches from the edge of the plywood and 6 inches in the field on 24-inch truss spacing; ● Dimensional Lumber and Tongue and Groove Decks composed of 3/4-inch thick boards with nominal widths of 4 inches or more; or ● Reinforced Concrete Roof Deck.
<p>Roof-To-Wall Connection (Roof Anchorage)</p> <ul style="list-style-type: none"> ● Clips: Pieces of metal are nailed into the side of the rafter/truss and into the side of the top plate or wall stud. The metal does not wrap around the top of the rafter/truss, and the clip is only located on one side of the connection; ● Hurricane Ties - Single Wraps: A single strap that is attached to the side and/or bottom of the top plate and is nailed to the rafter/truss; or ● Hurricane Ties - Double Wraps: Straps that are wrapped on both sides, are attached to the side and/or bottom of the top plate, and are nailed to the rafter/truss.

Roof Shapes

- Gable: Roof has vertical walls that extend all the way to the top of the inverted V. Gable roof must be braced to qualify for a discount; or
- Hip: Roof has sloping ends and sloping sides down to the roof eaves line.

Secondary Water Resistance

- Self-adhering modified bitumen tape to the plywood joints of the roof; or
- Foamed polyurethane structural adhesive from inside the attic to the joints between all plywood sheets of the roof.

Door Strength

- Reinforced Single-Width Doors.

Opening Protection

- Tempered, Heat-Strengthened or Laminated Glass or Insulating Glass Units with no Engineered Shutters; or
- Hurricane Engineered Shutters: All openings protected to meet the requirements of the SCBC.

NOTIFICATION OF POSSIBLE CHANGES IN COVERAGE FOR TERRORISM

Dear Policyholder:

The Terrorism Risk Insurance Act (including ensuing Congressional actions pursuant to the Act) will expire on December 31, 2027 unless the Federal government extends the Act. What this means to you is the following:

1. Subject to policy terms and conditions, the enclosed policy will provide insurance coverage for certified acts of terrorism as defined in the Act only until December 31, 2027.
2. A conditional endorsement entitled, Conditional Exclusion Of Terrorism Involving Nuclear, Biological Or Chemical Terrorism (Relating To Disposition Of Federal Terrorism Risk Insurance Act) is enclosed. This conditional endorsement will only apply if the Act is not extended or if the Act is revised to increase statutory deductibles, decrease the federal government's share in potential losses above the statutory deductibles, change the levels, terms or conditions of coverage and we are no longer required to make terrorism coverage available and elect not to do so. It will not apply if the Act is simply extended.
3. The conditional endorsement will provide coverage for an incident of terrorism pursuant to the terms and conditions of the policy only if the incident does not involve nuclear, biological or chemical material.
4. A premium charge for the conditional endorsement will be applied effective January 1, 2028. The premium will be pro rated for the remainder of the policy term and is one-half of the current premium charge appearing in the Declarations for TERRORISM - CERTIFIED ACTS. However, it will only be made if the Terrorism Risk Insurance Act (including ensuing Congressional actions pursuant to the Act) is not extend. Revised Declarations will be mailed to you after January 1, 2028.
5. If the Act is extended without any revision, the enclosed policy will continue to provide coverage for certified acts of terrorism. The conditional endorsement will not be activated and the changes in coverage or premium referenced above will not apply.
6. If the Act is extended with revisions or is replaced, and we are required or elect to continue to offer coverage for certified acts of terrorism, we may amend this policy in accordance with the provisions of the revised Act or its replacement.

This notice is for informational purposes only.

If you have any questions concerning your policy or this notice, please contact your Auto-Owners agency.

NOTICE OF CHANGE IN POLICY TERMS SOUTH CAROLINA CHANGES - CANCELLATION AND NONRENEWAL

Dear Policyholder:

Effective with this renewal, form IL 02 49 (12-21) South Carolina Changes - Cancellation and Nonrenewal has replaced form IL 02 49 (7-19) South Carolina Changes - Cancellation and Nonrenewal. Form language has been updated to clarify a nonrenewal notice must be mailed to the policyholder and agent sixty days prior to the nonrenewal effective date of all policies.

This notice is for informational purposes only. This notice provides no coverage and it must not be construed to replace or modify any provisions of your policy or endorsements. Your policy contains the specific terms, limits and conditions of coverage, and supersedes this notice.

Please review your policy carefully. If you have any questions, please contact your Auto-Owners agency.

INSURANCE COMPANY
6101 ANACAPRI BLVD., LANSING, MI 48917-3999

TAILORED PROTECTION POLICY DECLARATIONS

AGENCY ANDERSON INSURANCE ASSOCIATES INC
16-0036-00 MKT TERR 106 843-763-7525

Renewal Effective 06-28-2024

POLICY NUMBER 194716-36385688-24

INSURED MARSH POINTE CONDIMINIUM &
HOMEOWNERS ASSOCIATION INC

Company Use 36-47-SC-1906

ADDRESS PO BOX 2193
MOUNT PLEASANT SC 29465-2193

Company
Bill

Policy Term	
12:01 a.m.	12:01 a.m.
06-28-2024	06-28-2025

In consideration of payment of the premium shown below, this policy is renewed. Please attach this Declarations and attachments to your policy. If you have any questions, please consult with your agent.

55039 (11-87)

COMMON POLICY INFORMATION

Business Description: Hoa - 9 Buildings Wi

Entity: Nonprofit Organizati

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PART(S):	PREMIUM
COMMERCIAL GENERAL LIABILITY COVERAGE	\$903.00
COMMERCIAL CRIME COVERAGE	\$550.00
TOTAL	\$1,453.00
PAID IN FULL DISCOUNT	\$146.00
TOTAL POLICY PREMIUM IF PAID IN FULL	\$1,307.00
THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.	
The Paid in Full Discount does not apply to fixed fees, statutory charges or minimum premiums.	

Forms that apply to all coverage part(s) shown above (except garage liability, dealer's blanket, commercial automobile, if applicable):

IL0017 (11-85) 55003 (07-12) 59390 (11-20)

A 02% Cumulative Multi-Policy Discount applies. Supporting policies are marked with an (X):
Comm Umb(X) Comm Auto() WC() Life() Personal() Farm().

A merit rating plan factor of 0.95 applies.

Countersigned By: COMPANY ISSUED

Owners Ins. Co.

Issued 05-16-2024

AGENCY ANDERSON INSURANCE ASSOCIATES INC
16-0036-00 MKT TERR 106

Company POLICY NUMBER 194716-36385688-24
Bill 36-47-SC-1906

INSURED MARSH POINTE CONDIMINIUM &

Term 06-28-2024 to 06-28-2025

55040 (11-87)

COMMERCIAL GENERAL LIABILITY COVERAGE

COVERAGE	LIMITS OF INSURANCE
General Aggregate (Other Than Products-Completed Operations)	\$2,000,000
Products-Completed Operations Aggregate	\$2,000,000
Personal And Advertising Injury Each Occurrence	\$1,000,000
Assn Directors/Officers Errors and Omissions Agg	\$1,000,000
Assn Directors/Officers Errors and Omissions Occ	\$1,000,000
COMMERCIAL GENERAL LIABILITY PLUS ENDORSEMENT	
Damage to Premises Rented to You (Fire, Lightning, Explosion, Smoke or Water Damage)	\$300,000 Any One Premises
Medical Payments	\$10,000 Any One Person
Hired Auto & Non-Owned Auto	\$1,000,000 Each Occurrence
Expanded Coverage Details See Form:	
Extended Watercraft	
Personal Injury Extension	
Broadened Supplementary Payments	
Broadened Knowledge Of Occurrence	
Additional Products-Completed Operations Aggregate	
Blanket Additional Insured - Lessor of Leased Equipment	
Blanket Additional Insured - Managers or Lessors of Premises	
Newly Formed or Acquired Organizations Extension	
Blanket Waiver of Subrogation	

Twice the "General Aggregate Limit", shown above, is provided at no additional charge for each 12 month period in accordance with form 55885.

AUDIT TYPE: Non-Audited

Forms that apply to this coverage:

59350 (01-15)	55405 (07-08)	55146 (06-04)	CG2106 (05-14)	55091 (05-17)
55448 (05-17)	55447 (05-17)	CG2017 (10-93)	CG2167 (12-04)	IL0021 (07-02)
CG0001 (04-13)	55526 (07-11)	IL0017 (11-85)	55513 (05-17)	CG2109 (06-15)
55029 (05-17)	CG2196 (03-05)	CG2132 (05-09)	CG2147 (12-07)	55885 (05-17)
59325 (12-19)	IL0249 (12-21)	59390 (11-20)		

Owners Ins. Co.

Issued 05-16-2024

AGENCY ANDERSON INSURANCE ASSOCIATES INC
16-0036-00 MKT TERR 106

Company Bill POLICY NUMBER 194716-36385688-24
36-47-SC-1906

INSURED MARSH POINTE CONDIMINIUM &

Term 06-28-2024 to 06-28-2025

LOCATION 0001 - BUILDING 0001

Location: 1031 Marsh Court Ln # 1094, Mount Pleasant, SC 29464-3335

Territory: 002

County: Charleston

CLASSIFICATION	CODE	SUBLINE	PREMIUM BASIS	RATE	PREMIUM
Commercial General Liability Plus Endorsement Included At 7.5% Of The Premises Operation Premium	00501	Prem/Op	Prem/Op Prem Included	Included	Included
Assn Directors/Officers Errors And Omissions	00811	Professional	Flat Charge 50		\$326.00
Townhouse Or Similar Associations (Association Risk Only)	68500	Prem/Op Prod/Comp Op	Units 50 50	Each 1 10.535 .819	\$527.00 \$41.00

COMMERCIAL GENERAL LIABILITY COVERAGE - LOCATION 0001 SUMMARY	PREMIUM
TERRORISM - CERTIFIED ACTS SEE FORM: 59350, 55405, 59390	\$9.00
LOCATION 0001	\$903.00

55041 (02-88)

COMMERCIAL CRIME COVERAGE

THIS DECLARATIONS PAGE SHOWS THE COVERAGE FORM(S) AND SECTION(S) WHICH APPLY AND FOR WHICH YOU HAVE PAID A PREMIUM.

Plan: 01 Combination Crime-Separate Limits Option

Location: All Premises

COVERAGE	BY PERSON/ POSITION	SECTION	LIMIT	DEDUCTIBLE	PREMIUM
A-Blanket Employee Dishonesty			\$250,000	\$0	\$379.00
A-Specific Excess	Property Manager		\$250,000	\$0	\$57.00
A-Specific Excess	Association Pres		\$250,000	\$0	\$57.00
A-Specific Excess	Secretary		\$250,000	\$0	\$57.00

Cancellation of prior insurance: By acceptance of this fidelity bond you give us notice cancelling prior fidelity bond with the cancellation to be effective at the time this policy becomes effective.

Forms that apply to all premises:

IL0017 (11-85) IL0003 (07-02) 29415 (01-16) CR1015 (01-89) 59325 (12-19)
IL0249 (12-21) CR0001 (10-90) CR1000 (06-95) CC175 (01-86) 25053 (07-16)
CR1024 (10-90)

COMMERCIAL CRIME COVERAGE - ALL PREMISES PREMIUM SUMMARY	PREMIUM
ALL PREMISES PREMIUM	\$550.00

CR 10 24 10 90
COMMERCIAL CRIME

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INCLUDE DESIGNATED AGENTS AS EMPLOYEES COVERED FOR "EMPLOYEE DISHONESTY" ONLY

This endorsement applies to the CRIME GENERAL PROVISIONS FORM and all Crime Coverage Forms forming part of the Policy.

A. SCHEDULE

Capacity of Agent

Limit of Insurance

\$250,000

B. PROVISIONS

1. "Employee" also includes each natural person, partnership or corporation you appoint in writing to act as your agent in the capacity shown in the SCHEDULE while acting on your behalf or while in possession of Covered Property. These natural persons, partnerships or corporations are not covered for faithful performance of duty, even in the event that this Policy may have been amended by endorsement to provide such coverage on "employees" as they are defined in the Crime General Provisions. The only covered cause of loss for the Agents scheduled above is "employee dishonesty" as defined in the EMPLOYEE DISHONESTY COVERAGE FORM.

Each such agent and the partners, officers and employees of that agent are considered to be, collectively, one "employee" for the purposes of this insurance. However, the Cancellation As To Any Employee Additional Condition in the EMPLOYEE DISHONESTY COVERAGE FORM applies individually to each of them.

2. The most we will pay under this Policy for loss caused by an agent included as an "employee" by this endorsement is the Limit of Insurance shown in the SCHEDULE. That Limit of Insurance is part of, not in addition to, the Limit of Insurance shown in the Declarations as applicable to the EMPLOYEE DISHONESTY COVERAGE FORM.

55405 (7-08)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDITIONAL EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

A. Applicability Of This Endorsement

1. The provisions of this endorsement will apply if and when one of the following situations occurs:

a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act), terminates; or

b. The Program is renewed, extended or otherwise continued in effect:

(1) With revisions that increase insurers' statutory percentage deductible or decrease the federal government's statutory percentage share in potential terrorism losses above such deductible, or that results in a change in the level or terms or conditions of coverage; and

(2) We are not required by the Program to make terrorism coverage available to you and elect not to do so.

2. When this endorsement becomes applicable in accordance with the terms of A.1.a. or A.1.b., above, it supersedes any terrorism

endorsement already endorsed to this policy that addresses "certified acts of terrorism".

3. If this endorsement does NOT become applicable, then any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism", will remain in effect. However, if the Program is renewed, extended or otherwise continued in effect with revisions that change the level or terms or conditions of coverage, and we are required to offer you the revised coverage or to provide revised coverage to those who previously accepted coverage under the Program, then we will take the appropriate steps in response to the federal requirements.

B. The following definition is added and applies under this endorsement wherever the term terrorism is enclosed in quotation marks.

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

- 1. That involve the following or preparation for the following:**
 - a. Use or threat of force or violence; or**
 - b. Commission or threat of a dangerous act; or**

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

Exclusion Of "Terrorism"

We will not pay for "bodily injury", "property damage", "personal injury" or "advertising injury" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". All "bodily injury", "property damage", "personal injury" or "advertising injury" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such

injury or damage. This exclusion applies only when one or more of the following are attributed to an incident of "terrorism":

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination;
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material;
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, regardless of whether this endorsement was in effect during the entirety of that time period or not.

**CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
AND
IMPORTANT INFORMATION REGARDING TERRORISM RISK
INSURANCE COVERAGE**

It is agreed:

1. With respect to any one or more certified acts of terrorism, we will not pay any amounts for which we are not responsible because of the application of any provision which results in a cap on our liability for payments for terrorism losses in accordance with the terms of the federal Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act).
2. Certified act of terrorism means any act certified by the Secretary of the Treasury, in consultation with:
 - a. the Secretary of Homeland Security; and
 - b. the Attorney General of the United Statesto be an act of terrorism as defined and in accordance with the federal Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act).
3. Under the federal Terrorism Risk Act of 2002 (including ensuing Congressional actions pursuant to the Act) a terrorist act may be certified:
 - a. if the aggregate covered commercial property and casualty insurance losses resulting from the terrorist act exceed \$5 million; and
 - b. (1) if the act of terrorism is:
 - a) a violent act; or
 - b) an act that is dangerous to human life, property or infrastructure; and(2) if the act is committed:
 - a) by an individual or individuals as part of an effort to coerce the civilian population of the United States; or
 - b) to influence the policy or affect the conduct of the United States government by coercion.

All other policy terms and conditions apply.

IMPORTANT INFORMATION REGARDING TERRORISM RISK INSURANCE COVERAGE

The Terrorism Risk Insurance Act of 2002 was signed into law on November 26, 2002. The Act (including ensuing Congressional actions pursuant to the Act) defines an act of terrorism, to mean any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States to be (i) an act of terrorism; (ii) to be a violent act or an act that is dangerous to human life, property or infrastructure; (iii) to have resulted in damage within the United States or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and (iv) to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States government by coercion.

Subject to the policy terms and conditions, this policy provides insurance coverage for acts of terrorism as defined in the Act.

Any coverage for certain commercial lines of property and casualty insurance provided by your policy for losses caused by certified acts of terrorism are partially paid by the federal government under a formula established by federal law. Under this formula, the government will reimburse us for 85% of such covered losses that exceed the statutory deductible paid by us. However, beginning January 1, 2016 the share will decrease 1% per calendar year until it equals 80%. **You should also know that in the event aggregate insured losses exceed \$100 billion during any year the Act is in effect, then the federal government and participating United States insurers that have met their insurer deductible shall not be liable for the payment of any portion of that amount of the loss that exceeds \$100 billion. In the event that aggregate insured losses exceed \$100 billion annually, no additional claims will be paid by the federal government or insurers.** This formula is currently effective through December 31, 2020 unless extended.

The premium charge, if any, for this coverage is shown separately on the attached Declarations page. In the event of a certified act of terrorism, future policies also may include a government assessed terrorism loss risk-spreading premium in accordance with the provisions of the Act.

Please contact us if you would like to reject coverage for certified acts of terrorism.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOUTH CAROLINA CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
 COMMERCIAL GENERAL LIABILITY COVERAGE PART
 COMMERCIAL INLAND MARINE COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 CRIME AND FIDELITY COVERAGE PART
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
 EQUIPMENT BREAKDOWN COVERAGE PART
 FARM COVERAGE PART
 LIQUOR LIABILITY COVERAGE PART
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
 POLLUTION LIABILITY COVERAGE PART
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

- A. Paragraphs 2. and 3. of Cancellation Common Policy Condition are replaced by the following:**
- 2.** We may cancel this policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:
 - a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b.** 30 days before the effective date of cancellation if we cancel for any other reason.
 - 3.** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.
- B. The following is added to the Cancellation Common Policy Condition:**
- 7. Cancellation Of Policies In Effect for 120 Days Or More**
 If this policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this policy only for one or more of the following reasons:
 - a.** Nonpayment of premium;
 - b.** Material misrepresentation of fact which, if known to us, would have caused us not to issue the policy;
 - c.** Substantial change in the risk assumed, except to the extent that:
 - (1)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
 - (2)** We should reasonably have foreseen the change or contemplated the risk in writing the policy;
- d.** Substantial breaches of contractual duties, conditions or warranties; or
- e.** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.
- Prior to cancellation for reasons permitted in this item **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.
- Any notice of cancellation will state the precise reason for cancellation.
- C. The following is added and supersedes any provisions to the contrary:**
- Nonrenewal**
- 1.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its

full term, if anniversary renewal has been guaranteed by additional premium consideration.

2. If we decide not to renew this policy, we will:

- a.** Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:
 - (1)** The expiration date of this policy, if the policy is written for a term of one year or less; or
 - (2)** An anniversary date of this policy, if the policy is written for a term of more than one year or for an indefinite term; and

b. Provide at least 60 days' notice of nonrenewal.

- 3.** Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
- 4.** Any notice of nonrenewal will state the precise reason for nonrenewal.