

Continuous and Annual Premium Payment Policies

The Company will refund 90% of the pro rata unearned premium for the year in which the policy is cancelled.

The Company will retain the minimum premium, except if the policy is cancelled as of the inception date.

However, if this policy is financed by a premium finance company and the Company or the premium finance company or the **First Named Insured** cancels the policy, the refund will consist of the gross unearned premium computed pro rata, excluding any expense constant, administrative fee or nonrefundable charge filed with and approved by the insurance commissioner.

The cancellation will be effective even if the Company has not made or offered a refund.

The Company will send notice of cancellation to the **First Named Insured** by certificate of mail if:

The Company cancel for nonpayment of premium; or

This policy is not a renewal of a policy the Company issued and has been in effect for 45 days or less.

The Company will send notice to the **First Named Insured** by certificate of mail or by commercial mail delivery service if the Company cancels for a reason other than nonpayment of premium and this policy:

Is a renewal of a policy we issued; or

Has been in effect for more than 45 days.

The Company will maintain proof of mailing in a form authorized or accepted by the United States Postal Service or by other commercial mail delivery service when such service is used. Proof of mailing will be sufficient proof of notice.

2. SECTION VI – GENERAL POLICY CONDITIONS, CONCEALMENT, MISREPRESENTATION OR FRAUD, is deleted in its entirety.
3. SECTION VI – GENERAL POLICY CONDITIONS, LOSS CONDITIONS, SUIT AGAINST THE COMPANY, is deleted in its entirety and replaced by the following:

No suit, action or proceeding for the recovery of any claim will be sustained in any court of law or equity unless the Insured has fully complied with all the provisions of this Policy. Legal action must be started within three (3) years after the date of direct physical loss or damage to Covered Property or to other property as set forth herein.

4. SECTION VI – GENERAL POLICY CONDITIONS, SUSPENDED PROPERTY, is deleted in its entirety.
5. The following is added to 3.02. PROPERTY NOT COVERED:

Any property, prior to a loss, found to be in, or exposed to, a dangerous condition, by any of the Company's representatives, and the Insured is put on notice for such condition, until the dangerous condition has been corrected.

All other terms, conditions and limitations of this Policy remain unchanged.

Amendatory Endorsement - Massachusetts



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

A. The following is added to SECTION VI –GENERAL POLICY CONDITIONS:

MASSACHUSETTS CONDITION

1. In spite of any provision of any general or special law:

- a) The Company will not pay for loss or damage to buildings or structures caused by any **Covered Cause of Loss** if the amount of loss is \$5,000 or more unless the Insured first submits a certificate of municipal liens from the collector of taxes of the city or town where the property is located.
- b) The Company will pay to the city or town any amount outstanding on the certificate of municipal liens arising from the provisions of Massachusetts General Law Chapters 40, 59, 60, 80, 83, and 164, Sections 58B through 58F.

The payment will not exceed the amount of loss payable under this Policy.

We will send the Insured and the mortgage holder proof of payment to the city or town.

- c) The claim of the city or town will have priority over the claim of any mortgage holder, assignee, Insured or any other interested party, except where otherwise provided by the laws of the United States.
- d) The Company will not be liable to any city, town, mortgage holder, assignee, Insured or any other interested party for:
 - 1) Amounts paid to a city or town; or
 - 2) Amounts not paid to a city or town based upon a certificate showing that no municipal liens exist.

This section 1. above does not apply to any owner-occupied one to four-family dwelling if the owner of the dwelling lived there when the claim for loss or damage arose.

2. The Company will not pay any claim for:

- a). Loss, damage, or destruction of \$1,000 or more to a building or structure; or
- b). Loss, damage or destruction, of any amount, that causes a building or structure to become:
 - 1). Dangerous to life or limb; or
 - 2). Unused, uninhabited or abandoned and open to the weather; as provided under Massachusetts General Law, Section 6 of Chapter 143;
- c). Without giving at least ten (10) days written notice before such payment to:
 - 1). The Building Commissioner or the appointed Inspector of Buildings; and
 - 2). The Board of Health or the Board of Selectmen of the city or town where the property is located

3. If at any time before the Company's payment, the city or town notifies the Company by certified mail of its intent to begin proceedings designed to perfect a lien under Massachusetts General Law:

- a). Chapter 143, Section 3A or 9; or

b). Chapter 111, Section 127B;

The Company will not pay while the proceedings are pending. The proceedings must be started within thirty (30) days after the Company receives the notice.

Any lien perfected under the Massachusetts General Laws referred to above, will extend to the city or town and may be enforced by it against the proceeds of this Policy.

4. The Company will not be liable to any city, town, mortgage holder, assignee, Insured or any other interested party for:
 - a) Amounts paid to a city or town; or
 - b) Amounts not paid to a city or town under sections 2. and 3. above.

A. The following is added to SECTION VI –GENERAL POLICY CONDITIONS:

STANDARD FIRE POLICY PROVISIONS

Your Policy contains LEGAL ACTION AGAINST US, APPRAISAL and CANCELLATION provisions. Massachusetts law requires that the Suit, Appraisal and Cancellation provisions of the Massachusetts Standard Fire Policy supersede any similar provisions contained in your Policy. Therefore, all LEGAL ACTION AGAINST US, APPRAISAL and CANCELLATION provisions contained in your policy are void. The Suit, Appraisal and Cancellation provisions of the Massachusetts Standard Fire Policy shall apply instead

In consideration of the Provisions and Stipulations Herein or Added Hereto and of the Premium Specified in the Declarations, this Company, for the term of years specified in the Declarations from inception date (At 12:01 A.M. Standard Time) to expiration date (At 12:01 A.M. Standard Time) at location of property involved, to an amount not exceeding the amount(s) specified in the Declarations, does insure the Insured named in the Declarations and legal representatives, to the extent of the actual cash value of the property at the time of loss or the valuation terms of the policy, but in no event for more than the interest of the Insured, against all LOSS BY FIRE, LIGHTNING AND BY REMOVAL FROM PREMISES ENDANGERED BY THE PERILS INSURED AGAINST IN THIS POLICY, EXCEPT AS HEREINAFTER PROVIDED, to the property described in the Declarations while located or contained as described in this Policy or pro rata for five (5) days at each proper place to which any of the property shall necessarily be removed for preservation from the perils insured against in this Policy, but not elsewhere.

Assignment of this Policy shall not be valid except with the written consent of this Company.

This Policy is made and accepted subject to the foregoing provisions and stipulations and those hereinafter stated, which are hereby made a part of this Policy together with such other provisions, stipulations and agreements as may be added hereto, as provided in this Policy.

Concealment fraud.

This entire Policy shall be void if, whether before or after a loss, the Insured has willfully concealed or misrepresented any material fact or circumstance concerning this insurance or the subject thereof, or the interest of the Insured therein, or in case of any fraud or false swearing by the Insured relating thereto.

Uninsurable and excepted property.

This Policy shall not cover accounts, bills, currency, deeds, evidences of debt, money or securities; nor, unless specifically named herein in writing, bullion or manuscripts.

Perils not included.

This Company shall not be liable for loss by fire or other perils insured against in this Policy caused, directly or indirectly, by (a) enemy attack by armed forces, including action taken by military, naval or air forces in resisting an actual or an immediately impending enemy attack; (b) invasion; (c) insurrection; (d) rebellion; (e) revolution; (f) civil war; (g) usurped power; (h) order of any civil authority except acts of destruction at the time of and for the purpose of preventing the spread of fire, provided that such fire did not originate from any of the perils excluded by this Policy; (i) neglect of the Insured to use all

reasonable means to save and to preserve the property at and after a loss, or when the property is endangered by fire in the neighboring premises; (j) nor shall this company be liable for loss by theft.

Other Insurance.

Other insurance may be prohibited or the amount of insurance may be limited by endorsement attached hereto.

Conditions suspending or restricting insurance.

Unless otherwise provided in writing added hereto this Company shall not be liable for loss occurring (a) while the hazard is increased by any means within the control or knowledge of the Insured; or (b) while the Described Premises, whether intended for occupancy by owner or tenant, are vacant or unoccupied beyond a period of sixty (60) consecutive days, for residential premises of three units or less and thirty (30) consecutive days for all other premises, or (c) as a result of explosion or riot, unless fire ensues, and in that event for loss by fire only. This paragraph does not suspend or restrict the coverage contained in the following policies: Zurich Edge Domestic Policy, Edge-100-B (12/10); Zurich Edge Global Policy, Edge-101-B (12/10); Zurich Edge Domestic Healthcare Policy, Edge-102-B (12/10); Zurich Edge Global Healthcare Policy, Edge-103-B (12/10).

Other perils of subject.

Any other peril to the insured against or subject of insurance to be covered in this Policy shall be by endorsement in writing hereon or added hereto.

Added provisions.

The extent of the application of insurance under this Policy and of the contribution to be made by this Company in case of loss, and any other provision or agreement not inconsistent with the provisions of this Policy, may be provided for in writing added hereto, but no provision may be waived except such as by the terms of this Policy is subject to change.

Waiver provisions.

No permission affecting this insurance shall exist, or waiver of any provision be valid, unless granted herein or expressed in writing hereto. No provision stipulation or forfeiture shall be held to be waived by any requirement or proceeding on the part of this Company relating to appraisal or to any examination provided for herein.

Cancellation of Policy.

This Policy shall be cancelled at any time at the request of the Insured, in which case this Company shall, upon demand and surrender of this Policy, refund the excess of paid premium above the customary short rates for the expired time. This Policy may be cancelled at any time by this Company by giving to the Insured a five (5) days written notice of cancellation, and to the mortgagee to whom this Policy is payable twenty (20) days written notice of cancellation except where the stated reason for cancellation is nonpayment of premium where, in such instance, this Policy may be cancelled at any time by this Company by giving to the Insured a ten (10) days written notice of cancellation, and the mortgagee a twenty (20) days written notice of cancellation, with or without tender of the excess paid premium above the pro rata premium for the expired time, which excess, if not tendered, shall be refunded on demand. If notice is mailed, proof of mailing will be sufficient proof of notice. Notice of cancellation shall state that said excess premium (if not tendered) will be refunded on demand and shall state or be accompanied by a statement of the specific reason or reasons for such cancellation. After this Policy has been in effect for sixty (60) days, or after sixty (60) days from any anniversary date, no notice of cancellation shall be effective unless it is based on the occurrence, after the effective date of the Policy, of one or more of the following:

(1) nonpayment of premium; (2) conviction of a crime arising out of acts increasing the hazard insured against; (3) discovery of fraud or material misrepresentation by the Insured in obtaining the Policy; (4) discovery of willful or reckless acts or omissions by the Insured increasing the hazard insured against; (5) physical changes in the property insured which result in the property becoming uninsurable; or (6) a determination by the commissioner that continuation of the Policy would violate or place the Insurer in violation of the law. Where the stated reason is nonpayment of premium, the Insured may continue the coverage and avoid the effect of the cancellation by payment at any time prior to the effective date of cancellation.

Mortgage interests and obligations.

Notwithstanding any other provisions of this Policy, if this Policy shall be made payable to a mortgagee of the covered real estate, no act or default of any person other than such mortgagee or his agent or those claiming under him, whether the same occurs before or during the term of this Policy, shall render this Policy void as to such mortgagee nor affect such mortgagee's right to recover in case of loss on such real estate; provided, that the mortgagee shall on demand pay according to the established scale of rate for any increase of risk not paid for by the Insured; and whenever this Company shall be liable to a mortgagee for any sum for loss under this Policy for which no liability exists as to the mortgagor, or owner, and this Company shall elect by itself, or with others, to pay the mortgagee, the full amount secured by such mortgage, then the mortgagee shall assign and transfer to the Company interested, upon such payment, the said mortgage together with the note and debt thereby secured.

Pro rata liability.

This Company shall not be liable for a greater proportion of any loss than the amount hereby insured shall bear to the whole insurance covering the property against the peril involved.

Requirements in case loss occurs.

The Insured shall give immediate written notice to this Company of any loss, protect the property from further damage, forthwith separate the damaged and undamaged personal property, put it in the best possible order, furnish a complete inventory of the destroyed and damaged property, showing in detail the quantity, description, actual cash value and amount of loss claimed; and the Insured shall forthwith render to this Company a signed, sworn statement in proof of loss which sets forth to the best knowledge and belief of the Insured the following: the time and cause of the loss, the interest of the Insured and of all others in the property, the actual cash value of each item thereof and the amount of loss thereto, all encumbrances thereon, all other contracts of insurance, whether valid or not, covering any of said property, any changes in the title, use, occupancy, location, possession or exposures of said property, since the issuing of this Policy, by whom and for what purpose any building herein described and the several parts thereof were occupied at the time of loss and whether or not it then stood on leased ground, and shall furnish a copy of all the descriptions and schedules in all Policies and detailed estimates for repair of the damage. The Insured, as often as may be reasonably required, shall exhibit to any person designated by this Company all that remains of any property herein described, and submit to examinations under oath by any person named by this Company, and subscribe the same; and as often as may be reasonably required, shall produce for examination all books of account, bills, invoices and other vouchers, or certified copies thereof if originals be lost, at such reasonable time and place as may be designated by this Company or its representative, and shall permit extracts and copies thereof to be made.

When loss payable.

In case of any loss or damage, the Company within thirty (30) days after the Insured shall have submitted a statement, as provided in the preceding clause, shall either pay the amount for which it shall be liable, which amount if not agreed upon shall be ascertained by award of referees as hereinafter provided, or replace the property with other of the same kind and goodness, or it may, within fifteen (15) days after such statement is submitted, notify the Insured of its intention to rebuild or repair the premises, or any portion thereof separately covered by this Policy, and shall thereupon enter upon said premises and proceed to rebuild or repair the same with reasonable expedition. It is more over understood that there can be no abandonment of the property described to the Company, and that the Company shall not in any case be liable for more than the sum insured, with interest thereon from the time when the loss shall become payable, as provided above. The Company shall be liable for the payment of interest to the Insured at a rate of one (1) percent over the prime interest rate on the agreed figure commencing thirty (30) days after the date an executed proof of loss for such figure is received by the Company, said interest to continue so long as the claim remains unpaid.

Appraisal.

In case of loss under this Policy and a failure of the parties to agree as to the amount of loss, it is mutually agreed that the amount of such loss shall be referred to three disinterested men, the Company and the Insured each choosing one out of three (3) persons to be named by the other, and the third being selected by the two (2) chosen, and the award in writing by a majority of the referees shall be conclusive and final upon the parties as to the amount of loss or damage, and such reference, unless waived by the parties, shall be a condition precedent to any right of action in law or equity to recover for such loss; but no person shall be chosen or act as a referee, against the objection of either party, who has acted in a like capacity within four (4) months.

Suit.

No suit or action against this Company for the recovery of any claim by virtue of this Policy shall be sustained in any court of law or equity in this commonwealth unless commenced within two (2) years from the time the loss occurred; provided, however, that if, within said two (2) years, in accordance with the provisions of the preceding paragraph, the amount of loss shall have been referred to arbitration after failure of the parties to agree thereon, the limitation of time for bringing such suit or action shall in no event be less than ninety (90) days after a valid award has been made upon such reference or after such reference or award has been expressly waived by the parties. If suit or action upon this Policy is enjoined or abated, suit or action may be commenced at any time within one (1) year after the dissolution of such injunction, or the abatement of such suit or action, to the same extent as would be possible if there was no limitation of time provided herein for the bringing of such suit or action.

Subrogation.

This Company may require from the Insured an assignment of all rights of recovery against any party for loss to the extent that payment therefore is made by this Company.

C. The following is added to Paragraph B. Description of Special Coverages of SECTION V – SPECIAL COVERAGES & DESCRIBED CAUSES OF LOSS:

MASSACHUSETTS RESIDENTIAL FUEL TANKS SPILLS COVERAGE - PROPERTY REMEDIATION FOR “RELEASE OF HEATING OIL”

- a) With respect to the **“release of heating oil”** from a **tank**, or any piping, fuel supply lines, equipment, or systems connected to the **tank**, at a **residential property**, the Company will pay for:
 - 1). Reasonable response action costs the Insured incurred under chapter 21E or 21K of the Massachusetts law or applicable regulations, including costs to assess and remediate a **“release of heating oil”** impacting soil, indoor air, water and other environmental media at that **residential property**; and
 - 2). With respect to a **“release of heating oil”** for which response action costs are incurred and covered pursuant to 1). above, direct physical loss of or damage to **personal property** at that **residential property**.
- b) The most the Company will pay under this endorsement for a **“release of heating oil”** is the applicable limits provided in this policy or \$50,000 whichever is greater, for the total of all loss, damage, or costs regardless of:
 - 1) The amount of time over which the **“release of heating oil”** continues and regardless of whether the release occurs in repeated intervals;
 - 2). The number of **policy years** during which the **“release of heating oil”** persists;
 - 3). Whether the heating oil is released from one or multiple outlets on the **tank** body and its related equipment;
 - 4). Whether there are multiple effects, such as damage to **personal property**, pollution of land and pollution of water;
 - 5). Whether the effects of the **“release of heating oil”** are discovered and reported once or discovered and reported over time as such effects become apparent;
 - 6). The number of **locations** affected by the **“release of heating oil”**; or
 - 7). The number of claims made.

Notwithstanding anything to the contrary in the Policy, the coverage provided by this endorsement is included within the Policy Limit.

c) The following additional exclusions apply:

The Company will not pay:

- 1) For any loss of business income or any expenses incurred due to interruption or reduction in business operations, including any Time Element Coverages, even if the Policy includes such coverage;
 - 2). For any other consequential loss, damage or costs; or
 - 3). To replace any heating oil that was released.
- d) The Company will not pay for loss, damage or costs under this endorsement until the amount of loss, damage or costs exceed \$1,000. The Company will then pay the amount of loss, damage or costs in excess of \$1,000 up to the applicable limit, subject to all applicable provisions of A. above. This deductible applies whenever there is a **“release of heating oil”** covered under this endorsement. No other deductible will apply to the coverage provided solely by this endorsement.
- e) When the **“release of heating oil”** results from a **covered cause of loss**, the following apply:
- 1) If the loss or damage described in A.a. 2) above is also covered under another coverage(s) in this Policy, then such covered loss or damage will be settled in accordance with all applicable terms of that coverage and this endorsement will not apply. Any deductible applicable to that coverage that is higher than \$1,000 is recoverable under this endorsement but not to exceed \$50,000.
 - 2) With respect to pollution of land and water, the costs addressed in A.a.1) above will be settled under the terms of the Land and Water Contaminant Cleanup, Removal and Disposal Coverage and/or the Decontamination Costs Coverage, and this endorsement will apply as excess if the amount of coverage available under the Land and Water Contaminant Cleanup, Removal and Disposal Coverage and/or the Decontamination Costs Coverage is less than \$50,000.
- f) Coverage applies only in response to a **“release of heating oil”** which an insured first discovers or learns of during the current **policy year** and reports to the Company as soon as practicable. If the **First Named Insured** discovers or learns of the **“release of heating oil”** during the **policy year** and reports it to the Company following the end of that **policy year**, coverage will apply, provided this endorsement was in effect when the **First Named Insured** discovered or learned of the **“release of heating oil”**, if the **First Named Insured** reported the **“release of heating oil”** to the Company as soon as practicable.

D. The following is added to SECTION VI. GENERAL POLICY CONDITIONS, OTHER INSURANCE:

Except as provided in 1) below, if there is other insurance covering the same loss, damage or costs covered, the Company will pay only its share of the covered loss, damage, or costs. The Company’s share is the proportion of the loss, damage, or costs that the amount of insurance that applies under this endorsement bears to the total amount of insurance covering such loss, damage, or costs.

- 1). If there is a **service agreement** covering the same loss, damage, or costs, this insurance is excess over any other amounts payable under the **service agreement**. If there is a government fund covering the same loss, damage, or costs, the Company will pay its share of the covered loss, damage, or costs. The Company’s share is the proportion of the loss, damage, or costs that the amount of insurance that applies under this endorsement bears to the total amount of insurance covering such loss, damage, or costs to the extent permitted by law.

E. The following is added to SECTION VII. DEFINITIONS:

Compliance means compliance with Massachusetts’s law governing release prevention, pursuant to applicable subsection (b) or (c) of section 38J of chapter 148 of the laws of Massachusetts.

Personal property means property owned by you.

“Release of heating oil” means both the release of and the threat of release of heating oil.

Residential property means a one (1) to four (4) unit dwelling used for living or sleeping located in the Commonwealth of Massachusetts.

Service Agreement means a fuel system service plan, property restoration plan, or similar service or warranty agreement, even if it is characterized as insurance

Tank means a liquid fuel tank in which heating oil is stored and from which heating oil is delivered or pumped through a fuel supply line to a device for burning oil in heating appliances, whether located within a **residential property** or other structure and installed at or below grade level, or located outdoors. **Tank** does not mean any underground tank, wherever located.

All other terms, conditions and limitations of this Policy remain unchanged.



ZURICH®

Amendatory Endorsement - Maine

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

1. Section VI-General Policy Conditions, CANCELLATION/NON-RENEWAL, is deleted in its entirety and replaced by the following:

Cancellation

- 1) The **First Named Insured** shown in the Declarations may cancel this Policy by mailing or delivering to the Company advance written notice of cancellation.
- 2) The Company may cancel this Policy by mailing or delivering to the **First Named Insured** written notice of cancellation which will not be effective prior to ten (10) days after the receipt by the **First Named Insured** of the notice.
- 3) The Company will mail or deliver notice to the **First Named Insured's** mailing address shown in the Declarations of this Policy or any Endorsement attached thereto.
- 4) Notice of cancellation will state the effective date of and reasons for cancellation. The Policy Period will end on that date.
- 5) If this Policy is cancelled, the Company will send the **First Named Insured** any premium refund due. If the Company cancels, the refund will be pro rata. If the **First Named Insured** cancels, the refund may be less than pro rata but no less than the customary short rate amount. The cancellation will be effective even if the Company has not made or offered a refund.
- 6) A post office certificate of mailing to the **First Named Insured** at the last known mailing address will be conclusive proof of receipt of notice on the third calendar day after mailing.
- 7) If this Policy has been in effect for sixty (60) days or more, or if it is a renewal or continuation of a Policy issued by the Company, the Company may cancel this Policy only for one or more of the following reasons:
 - a. Nonpayment of premium;
 - b. Fraud or material misrepresentation made by the Insured or with the Insureds consent in obtaining the Policy, continuing the Policy or in presenting a claim under the Policy;
 - c. Substantial change in the risk which increases the risk of loss after insurance coverage has been issued or renewed including, but not limited to, an increase in exposure due to regulation, legislation or court decision;
 - d. Failure to comply with reasonable loss control recommendations;
 - e. Substantial breach of contractual duties, conditions or warranties; or
 - f. Determination by the superintendent of insurance that the continuation of a class or block of business to which this Policy belongs will jeopardize the Company's solvency or will place the Company in violation of the insurance laws of Maine or any other state.

Non-renewal

The Company may non-renew this Policy by mailing or delivering to the **First Named Insured** written notice of nonrenewal which will not be effective prior to thirty (30) days after the receipt by the **First Named Insured** of the notice. A post office certificate of mailing to the **First Named Insured** at the last known address will be conclusive proof of receipt of notice on the third calendar day after mailing.

2. Section VI-General Policy Conditions, CONCEALMENT, MISREPRESENTATION OR FRAUD is deleted in its entirety and replaced by the following:

1) CONCEALMENT, MISREPRESENTATION OR FRAUD

The Company does not provide coverage to one or more Insureds who at any time engage in fraudulent conduct as it relates to this Policy. The Company also does not provide coverage to one or more Insureds, who at any time intentionally conceal or misrepresent a material fact or make a false statement concerning:

- a. This Policy;
- b. The Covered Property;
- c. The Insured's interest in Covered Property; or
- d. A claim under this Policy.

3. SECTION VI – GENERAL POLICY CONDITIONS, LOSS CONDITIONS, SUIT AGAINST THE COMPANY, is deleted in its entirety and replaced by the following:

No suit, action or proceeding for the recovery of any claim will be sustained in any court of law or equity unless the Insured has fully complied with all the provisions of this Policy. Legal action must be started within two (2) years after the date of direct physical loss or damage to Covered Property or to other property as set forth herein.

4. SECTION VI – GENERAL POLICY CONDITIONS, JOINT LOSS, is deleted in its entirety.

All other terms, conditions and limitations of this Policy remain unchanged.

Amendatory Endorsement - Minnesota



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

1. The following paragraph under SECTION VI-GENERAL POLICY CONDITIONS, LOSS CONDITIONS, DUTIES IN THE EVENT OF LOSS OR DAMAGE, is deleted in its entirety:

Permit the Company to question the Insured, the Insured's employees and agents under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the loss or damage, including an Insured's books and records. In the event of this examination, an Insured's answers must be signed or attested to by a notary public or certified court reporter.

and replaced by the following:

Permit the Company to question the Insured, the Insured's employees and agents under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the loss or damage, including an Insured's books and records. In the event of this examination, an Insured's answers must be signed or attested to by a notary public or certified court reporter. The Insured has the right to an attorney being present during any examination under oath. Any answers given may be used in future civil or criminal proceedings.

All other terms, conditions and limitations of this Policy remain unchanged.

Amendatory Endorsement - Mississippi



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

1. SECTION VI – GENERAL POLICY CONDITIONS, LOSS CONDITIONS, SUIT AGAINST THE COMPANY, is deleted in its entirety and replaced by the following:

No suit, action or proceeding for the recovery of any claim will be sustained in any court of law or equity unless the Insured has fully complied with all the provisions of this Policy. Legal action must be started within three (3) years after the date of direct physical loss or damage to Covered Property or to other property as set forth herein.

All other terms, conditions and limitations of this Policy remain unchanged.

Amendatory Endorsement - Missouri



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

1. The following is deleted from SECTION VI – GENERAL POLICY CONDITIONS, CANCELLATION/NON-RENEWAL, Cancellation:

The Company may cancel this Policy by mailing or delivering to the **First Named Insured** written notice of cancellation at least:

The number of days before the effective date of cancellation if the Company cancels for nonpayment of premium, as stated in the Declarations; or

The number of days before the effective date of cancellation if the Company cancels for any other reason, as stated in the Declarations.

and replaced by the following:

The Company may cancel this Policy by mailing or delivering to the **First Named Insured** written notice of cancellation, stating the actual reason for cancellation, at least:

10 days before the effective date of cancellation if the Company cancels for nonpayment of premium;

30 days before the effective date of cancellation if cancellation is for one or more of the following reasons:

Fraud or material misrepresentation affecting this policy or a claim filed under this Policy or a violation of any of the terms or conditions of this Policy;

Changes in conditions after the effective of this Policy which have materially increased the risk assumed;

The Company becomes insolvent; or

The Company involuntarily loses reinsurance for this Policy.

60 days before the effective date of cancellation if the Company cancels for any other reason.

2. SECTION VI – General Policy Conditions, Cancellation/Non-Renewal, Nonrenewal is deleted in its entirety and replaced by the following:

Nonrenewal

The Company may elect not to renew this policy by mailing or delivering to the **First Named Insured**, at the last mailing address known to the Company, written notice of nonrenewal, stating the actual reason for nonrenewal, at least 60 days prior to the effective date of the nonrenewal.

If notice is mailed, proof of mailing will be sufficient proof of notice.

3. SECTION VI – General Policy Conditions, Suit Against the Company is deleted in its entirety and replaced by the following:

The action must be brought within 10 years after the date on which the loss or damage occurred.

4. SECTION VI – GENERAL POLICY CONDITIONS, SETTLEMENT OF CLAIMS, Loss Payment is deleted in its entirety and replaced by the following:

Loss Payment

In the event of a covered cause of loss, the Company will give the Insured notice, within 15 working days after the Company receives a properly executed proof of loss, that the Company:

Accept your claim;

Denies your claim; or

Needs more time to determine whether the Insured's claim should be accepted or denied.

If the Company denies the Insured's claim, such notice will be in writing, and will state any policy provision, condition or exclusion used as a basis for the denial.

If the Company needs more time to determine whether the Insured's claim should be accepted or denied, the written notice will state the reason(s) why more time is needed.

If the Company has not completed its investigation, the Company will notify the Insured again in writing, within 45 days after the date the initial notice is sent informing the Insured that we need more time to determine whether the Insured's claim should be accepted or denied and thereafter every 45 days. The written notice shall state why more time is needed to investigate the Insured's claim.

5. The following is added to SECTION VI – GENERAL POLICY CONDITIONS, VALUATION:

If the Insured fails to notify the Company of their intent within the 2 year timeframe, such failure will not invalidate the claim unless such failure operates to prejudice the Company's rights.

6. The following is deleted from SECTION V- LAND AND WATER CONTAMINANT CLEANUP, REMOVAL AND DISPOSAL:

When the Insured fails to give written notice of loss to the Company within 180 days after inception of the loss.

and the following is added:

However, when the Insured fails to give written notice of loss to the Company within 180 days after inception of the loss the maximum the Company will pay under this coverage is \$25,000.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

Amendatory Endorsement - Montana



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

1. Section VI-General Policy Conditions, CANCELLATION/NON-RENEWAL, is deleted in its entirety and replaced by the following:

CANCELLATION/NON-RENEWAL

Cancellation

The **First Named Insured** shown in the Declarations may cancel this Policy by mailing or delivering to the Company advance written notice of cancellation.

If this Policy has been in effect for less than sixty (60) days, the Company may cancel this Policy by mailing or delivering to the **First Named Insured** written notice of cancellation at least:

Ten (10) days notice prior to the proposed cancellation date for non payment of premium; or

Ten (10) days notice prior to the proposed cancellation date for any other reason.

If this Policy has been in effect for sixty (60) days or more, the Company may cancel this Policy by mailing or delivering to the **First Named Insured** written notice of cancellation, prior to the expiration of the agreed term or prior to one year from the effective date of the Policy or renewal, whichever is less, only for one or more of the following reasons:

Failure to pay a premium when due;

Material misrepresentation;

Substantial change in the risk assumed, except to the extent that the Company should have reasonably foreseen the change or contemplated the risk in writing the contract;

Substantial breaches of contractual duties, conditions or warranties;

Determination by the Commissioner of Insurance that continuation of the Policy would place us in violation of the Montana Insurance Code; or

Such other reasons that are approved by the Commissioner of Insurance. If the Company cancels this Policy for one of the reasons specified above, the Company may cancel this Policy by providing Ten (10) days notice before the effective date of cancellation.

The Company may cancel any Policy with a term of more than one (1) year by mailing or delivering to the **First Named Insured** written notice of cancellation at least forty-five (45) days before the anniversary date of the Policy, such cancellation will be effective on the policy anniversary date.

The Company will mail or deliver notice to the **First Named Insured's** last mailing address known.

Notice of cancellation will state the effective date of cancellation. The Policy Period will end on that date.

If this Policy is cancelled, the Company will send the **First Named Insured** any premium refund due. If the Company cancels, the refund will be pro rata. If the **First Named Insured** cancels, the refund may be less than pro rata. The cancellation will be effective even if the Company has not made or offered a refund. However, when a financed

insurance Policy is cancelled, the Company will send any refund due to the premium finance company on a pro rata basis.

Non-Renewal

The Company may non-renew this Policy by mailing or delivering to the **First Named Insured** written notice, at the last known address, of non-renewal at least forty-five (45) days before the expiration of this Policy. This Policy has been written for a term of more than one year.

This non-renewal provision does not apply if the Insured has purchased insurance elsewhere, accepted replacement coverage, requested or agreed to non-renewal, or this Policy is expressly designated as nonrenewable.

2. Section VI-General Policy Conditions, CONCEALMENT, MISREPRESENTATION OR FRAUD is deleted in its entirety and replaced by the following::

CONCEALMENT, MISREPRESENTATION OR FRAUD

The Company does not provide coverage to one or more Insureds who at any time engage in fraudulent conduct as it relates to this Policy. The Company also does not provide coverage to one or more Insureds, who at any time intentionally conceal or misrepresent a material fact or make a false statement concerning:

1. This Policy;
2. The Covered Property;
3. The Insured's interest in Covered Property; or
4. A claim under this Policy.

3. SECTION VI-GENERAL POLICY CONDITIONS, CONFORMITY TO STATUTES, is amended by the addition of the following and supersede anything to the contrary:

Any provisions required by Montana law to be included in policies issued by the Company shall be deemed to have been included in this Policy.

If the provisions of this Policy conflict with the laws of any jurisdictions in which this Policy applies, and if certain provisions are required by Montana law to be stated in this Policy, this Policy shall be read so as to eliminate such conflict or deemed to include such provisions for Insured Locations within such jurisdictions.

All other terms, conditions and limitations of this Policy remain unchanged.

Amendatory Endorsement - Nebraska



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

1. SECTION VI-GENERAL POLICY CONDITIONS, CANCELLATION/NON-RENEWAL, is deleted in its entirety and replaced by the following:

CANCELLATION/NON-RENEWAL

Cancellation

- a) The **First Named Insured** shown in the Declarations may cancel this Policy by mailing or delivering to the Company advance written notice of cancellation.
- b) If this Policy has been in effect for less than sixty (60) days, the Company may cancel this Policy by mailing or delivering to the **First Named Insured** written notice of cancellation, stating the reasons for cancellation at least:
 - 1) Ten (10) days notice prior to the proposed cancellation date for non payment of premium; or
 - 2) Sixty (60) days notice prior to the proposed cancellation date for any other reason.
- c) If this Policy has been in effect for sixty (60) days or more, or if this is a renewal, the Company may cancel this Policy by mailing or delivering to the **First Named Insured** written notice of cancellation, only for one or more of the following reasons:
 - 1) Nonpayment of premium;
 - 2) The Policy was obtained through material misrepresentation;
 - 3) Any Insured has submitted a fraudulent claim;
 - 4) Any Insured has violated the terms and conditions of this Policy;
 - 5) The risk originally accepted has substantially increased;
 - 6) Certification to the Director of Insurance of the Company's loss of reinsurance which provided coverage for all or a substantial part of the underlying risk insured; or
 - 7) The determination by the Director of Insurance that the continuation of the Policy could place the Company in violation of the Nebraska Insurance Laws.

If the Company cancels this Policy for one of the reasons specified above, the Company may cancel this Policy by providing: Ten (10) days notice prior to the proposed cancellation date for non payment of premium or Sixty (60) days notice prior to the proposed cancellation date for any other reason.

- d) The Company may cancel any Policy with a term of more than one (1) year by mailing or delivering to the **First Named Insured** written notice of cancellation at least forty-five (45) days before the anniversary date of the Policy, such cancellation will be effective on the policy anniversary date.
- e) The Company will mail notice by first class mail to the **First Named Insured's** last mailing address known. A United States Postal Service Certificate of Mailing shall be sufficient proof of receipt of notice on the third calendar day after the date of the certificate of mailing.
- f) Notice of cancellation will state the effective date of cancellation. The Policy Period will end on that date.

- g) If this Policy is cancelled, the Company will send the **First Named Insured** any premium refund due. If the Company cancels, the refund will be pro rata. If the **First Named Insured** cancels, the refund may be less than pro rata. The cancellation will be effective even if the Company has not made or offered a refund.

Non-Renewal

The Company may non-renew this Policy. Written notice will be by first class mail to the **First Named Insured**, at the last known address. Notice of non-renewal will be at least sixty (60) days before the expiration of this Policy. A United States Postal Service Certificate of Mailing shall be sufficient proof of receipt of notice on the third calendar day after the date of the certificate of mailing.

2. SECTION VI – GENERAL POLICY CONDITIONS, CONCEALMENT, MISREPRESENTATION OR FRAUD is deleted in its entirety and replaced by the following:

MISREPRESENTATION OR BREACH OF CONDITION OR WARRANTY

A misrepresentation or warranty made by the Insured or on the Insured's behalf in the negotiation of or application for this coverage will void this Policy if:

- 1) It is material;
- 2) It is made with the intent to deceive to the Company's injury;
- 3) The Company relies on it; and
- 4) The Company is deceived to the Company's injury.

A breach of warranty or condition will void the Policy if such breach exists at the time of loss and contributes to the loss.

3. SECTION VI-GENERAL POLICY CONDITIONS, LOSS CONDITIONS, APPRAISAL, is deleted in its entirety and replaced by the following:

APPRAISAL

If the Insured and the Company fail to agree on the value of the property or the amount of loss, upon mutual agreement, each will select a competent, disinterested, and impartial appraiser, who has no direct or indirect financial interest in the claim. Each will notify the other of the appraiser selected within 20 days of such demand. The Insured may not invoke appraisal unless it has first fully complied with all provisions of this Policy, including Duties in the Event of Loss or Damage and has provided the Company with a signed and sworn statement of loss.

The appraisers will first select a competent, disinterested and impartial umpire. If the appraisers fail to agree upon an umpire within 15 days then, on the request of the Insured or the Company, a judge of a court of record in the jurisdiction in which the appraisal is pending will select the umpire. The appraisers will then appraise the value of the property or the amount of loss. They will state separately, the actual cash value and replacement cost value, as of the date of loss and the amount of loss, each item of physical loss or damage or, if for Time Element loss, the amount of loss for each Time Element Coverage of this Policy.

If the appraisers fail to agree, they will submit their differences to the umpire. An award stating separately the actual cash value and replacement cost value, as of the date of loss and the amount of loss, for each item of physical loss or damage or, if for Time Element loss, the amount of loss for each Time Element Coverage of this Policy agreed to in writing by any two will determine the amount of loss.

Once there is an award, the Company retains the right to apply all policy terms and conditions (including but not limited to deductibles, exclusions, and Limits of Liability) to the award. The Company further retains its right to deny the claim in whole or in part.

The Insured and the Company will each pay its chosen appraiser and bear equally the other expenses of the appraisal and umpire.

4. The following is added to SECTION VI –GENERAL POLICY CONDITIONS, VALUATION:

When this policy is written to insure any real property in Nebraska against loss by fire, tornado, windstorm, lightning or explosion and the property insured shall be wholly destroyed, without criminal fault on the part of the Insured or the Insured assignee, the amount of the insurance written on such real property shall be taken conclusively to be the true value of the property insured and the true amount of loss and measure of damages

All other terms, conditions and limitations of this Policy remain unchanged.

Amendatory Endorsement - Nevada



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

1. Section VI-General Policy Conditions, CANCELLATION/NON-RENEWAL, is deleted in its entirety and replaced by the following:

- 1). The **First Named Insured** shown in the Declarations may cancel this Policy by mailing or delivering to the Company advance written notice of cancellation. The Company may cancel this Policy by mailing or delivering to the **First Named Insured** written notice of cancellation at least:
 - a. Ten (10) days before the effective date of cancellation if the Company cancels for nonpayment of premium; or
 - b. Thirty (30) days before the effective date of cancellation if the Company cancels for any other reason.

The Company will mail or deliver notice to the **First Named Insured's** mailing address shown in the Declarations of this Policy or any Endorsement attached thereto.

Notice of cancellation will state the effective date of cancellation. The Policy Period will end on that date.

If this Policy is cancelled, the Company will send the **First Named Insured** any premium refund due. If the Company cancels, the refund will be pro rata. If the **First Named Insured** cancels, the refund may be less than pro rata but no less than the customary short rate amount. The cancellation will be effective even if the Company has not made or offered a refund.

If notice is mailed, proof of mailing will be sufficient proof of notice.

If under the laws of the jurisdiction in which the property is located, such cancellation terms or conditions are different, then cancellation terms or conditions will be as permitted by such laws.

- 2). If this Policy has been in effect for seventy (70) days or more, or if it is a renewal of a Policy issued by the Company, the Company may cancel this Policy only for one or more of the following reasons:
 - a. Nonpayment of premium;
 - b. Conviction of the Insured of a crime arising out of acts increasing the hazard insured against;
 - c. Discovery of fraud or material misrepresentation in obtaining the Policy or in presenting a claim thereunder;
 - d. Discovery of an act or omission or a violation of any condition of the Policy which occurred after the first effective date of the current Policy, and substantially and materially increases the hazard insured against;
 - e. A material change in the nature or extent of the risk occurring after the first effective date of the current Policy, which causes the risk of loss to be substantially and materially increased beyond that contemplated at the time the Policy was issued or last renewed;
 - d.
 - f. A determination by the commissioner that continuation of the Company's present volume of premiums would jeopardize the Company's solvency or be hazardous to the interests of the Company's Policyholders, creditors or the public, or
 - g. A determination by the commissioner that the continuation of the Policy would violate, or place the Company in violation of, any provision of the code.

3). If this Policy is written for a term longer than one year, the Company may cancel for any reason at an anniversary, by mailing or delivering written notice of cancellation to the First Named Insured at the last known mailing address at

least sixty (60) days before the anniversary date. Notice of cancellation or non-renewal will be mailed, first class or certified, or delivered to the **First Named Insured** at the last known mailing address and will state the reason for cancellation or nonrenewal. The Company will also provide a copy of the notice of cancellation to the agent who wrote the Policy.

4). Non-renewal

The Company may non-renew this Policy by mailing or delivering to the **First Named Insured** written notice at least sixty (60) days before the agreed expiration date. This non-renewal provision does not apply if the Insured has: accepted replacement coverage, requested or agreed to non-renewal, or this Policy is expressly designated as nonrenewable. If notice is mailed, proof of mailing will be sufficient proof of notice.

Amendatory Endorsement - New York



THIS ENDORSEMENT CHANGES THE POLICY AND APPLIES TO THOSE RISKS IN NEW YORK. PLEASE READ IT CAREFULLY.

1. The following paragraph is deleted from Section III-property damage, exclusions:

Any weapon of war or of mass destruction employing biological or chemical warfare, atomic fission, atomic fusion, radioactive force or radioactive material, whether in time of peace or war regardless of who commits the act.

and replaced by the following:

Any weapon of war employing atomic fission, atomic fusion, radioactive force or radioactive material, whether in time of peace or war regardless of who commits the act.

2. SECTION VI – GENERAL POLICY CONDITIONS, CANCELLATION/NON-RENEWAL, is deleted in its entirety and replaced by the following:

Cancellation

- a) The **First Named Insured** shown in the Declarations may cancel this Policy by mailing or delivering to the Company advance written notice of cancellation.
- b) For Policies in Effect Sixty (60) Days or Less, the Company may cancel this Policy by mailing or delivering to the **First Named Insured** written notice of cancellation at least:
 - 1) Thirty (30) days before the effective date of cancellation if the Company cancels for any reason not included in paragraph 2) below.
 - 2) Fifteen (15) days before the effective date of cancellation if the Company cancels for any of the following reasons:
 - i) Nonpayment of premium;
 - ii) Conviction of a crime arising out of acts increasing the hazard insured against;
 - iii) Discovery of fraud or material misrepresentation in the obtaining of the Policy or in the presentation of a claim;
 - iv) After issuance of the Policy or after the last renewal date, discovery of an act or omission, or a violation of any Policy condition, that substantially and materially increases the hazard insured against, and which occurred subsequent to inception of the current Policy period;
 - v) Material physical change in the property insured, occurring after issuance or last annual renewal anniversary date of the Policy, which results in the property becoming uninsurable in accordance with the Company objective, uniformly applied underwriting standards in effect at the time the Policy was issued or last renewed; or material change in the nature or extent of the risk, occurring after issuance or last annual renewal anniversary date of the Policy, which causes the risk of loss to be substantially and materially increased beyond that contemplated at the time the Policy was issued or last renewed;
 - vi) Required pursuant to a determination by the Superintendent that the continuation of the Company's present premium volume would jeopardize the Company's solvency or be hazardous to the interest of the Company's policyholders, creditors or the public;

- vii) A determination by the superintendent that the continuation of the Policy would violate, or would place the Company in violation of any provision of the Insurance Code; or
- viii) Where the Company has reason to believe, in good faith and with sufficient cause, that there is a probable risk of danger that the Insured will destroy, or permit to be destroyed, the insured property for the purpose of collecting the insurance proceeds. If the Company cancels for this reason, the Insured may make a written request to the Insurance Department, within 10 days of receipt of this notice, to review the cancellation decision. Also, the Company will simultaneously send a copy of this cancellation notice to the Insurance Department.

If notice of cancellation is due to nonpayment of premium, then the notice shall state the amount of premium that must be paid in order to avoid cancellation of the policy.

- c) For Policies in effect for more than sixty (60) days, or if this Policy is a renewal or continuation of a Policy the Company issued, the Company may cancel this Policy only for any of the reasons listed in paragraph 2) above, provided the Company mails the **First Named Insured** written notice at least fifteen (15) days before the effective date of cancellation. If notice of cancellation is due to nonpayment of premium, then the notice shall state the amount of premium that must be paid in order to avoid cancellation of the policy.
- d) The Company will mail or deliver notice to the **First Named Insured's** mailing address shown in the Declarations of this Policy or any Endorsement attached thereto and to the authorized agent or broker.
- e) Notice of cancellation will state the effective date of and the reason for cancellation. The Policy Period will end on that date.
- f) If this Policy is cancelled, the Company will send the **First Named Insured** any premium refund due. If the Company cancels, the refund will be pro rata. If the premium is advanced under a premium finance agreement, the cancellation refund will be pro rata. Under such financed policies, the Company will be entitled to retain a minimum earned premium of 10% of the total policy premium or \$60, whichever is greater. The cancellation will be effective even if the Company has not made or offered a refund.
- g) If notice is mailed, proof of mailing will be sufficient proof of notice.

Non-renewal

- a) The Company may non-renew this Policy by mailing or delivering to the **First Named Insured** written notice along with the reason for non-renewal.
- b) The Company may condition renewal this Policy upon:
 - 1) Change of limits;
 - 2) Change in type of coverage;
 - 3) Reduction of coverage;
 - 4) Increased deductible;
 - 5) Addition of exclusion; or
 - 6) Increased premiums in excess of 10% exclusive of any premium increase due to and commensurate with insured value added or increased exposure units; or as a result of experience rating, loss rating, retrospective rating or audit.
- c) If the Company decides to non-renew this Policy or to conditionally renew this Policy as provided in paragraph b)., the Company will mail or deliver written notice to the **First Named Insured** shown in the Declarations at least sixty (60) days but not more than one hundred twenty (120) days before:
 - 1) The expiration date; or

- 2) The anniversary date, if this is a continuous Policy.
- d) The Company will mail or deliver notice to the **First Named Insured's** mailing address shown in the Declarations of this Policy or any Endorsement attached thereto and to the authorized agent or broker.
- e) Notice will include the specific reason(s) for non-renewal or conditional renewal, including the amount of any premium increase for conditional renewal and description of any other changes.
- f) If notice is mailed, proof of mailing will be sufficient proof of notice.

If the Company violates any of the provisions above by sending the **First Named Insured** an incomplete or late conditional renewal notice or a late non-renewal notice coverage will remain in effect at the same terms and conditions of this policy at the lower of the current rates or the prior period's rates until 60 days after such notice is mailed or delivered, unless the **First Named Insured**, during this 60 day period, has replaced the coverage or elects to cancel.

The Company will not send the Insured notice of non-renewal or conditional renewal if the Insured, the authorized agent or broker or another insurer of the Insured mails or delivers notice that the Policy has been replaced or is no longer desired.

- 3. SECTION VI – GENERAL POLICY CONDITIONS, LOSS CONDITIONS, SUIT AGAINST THE COMPANY, is deleted in its entirety and replaced by the following:

SUIT AGAINST THE COMPANY

No suit, action or proceeding for the recovery of any claim will be sustained in any court of law or equity unless the Insured has fully complied with all the provisions of this Policy. Legal action must be started within two (2) years after the date of direct physical loss or damage to Covered Property or to other property as set forth herein.

- 4. SECTION II – DECLARATIONS - POLICY LIMITS OF LIABILITY, Causation Definition is deleted in its entirety.
- 5. SECTION VI- General Policy Conditions, Suspended Property, the following provision is deleted:

When Covered Property is found to be in, or exposed to, a dangerous condition, any of the Company's representatives may immediately suspend this insurance for that property. This can be done by delivering or mailing a written notice to the **First Named Insured's** mailing address or to the address where the Covered Property is located. Once suspended, this insurance can be reinstated only by an endorsement. Any unearned premium due will be returned by the Company.

And replaced with the following:

When **Covered Equipment** is found to be in, or exposed to a dangerous condition, any of the Company's representatives may immediately suspend this insurance for such **Covered Equipment**, including loss arising out of the dangerous condition of such **Covered Equipment**. This can be done by delivering or mailing a written notice to the **First Named Insured's** mailing address or to the address where the **Covered Equipment** is located. Once suspended, this insurance can be reinstated only by an endorsement. Any unearned premium due will be returned by the Company.

- 6. SECTION VII-DEFINITIONS, The following are deleted and replaced:

Flood - A general and temporary condition of partial or complete inundation of normally dry land areas or structure(s) caused by:

- . The unusual and rapid accumulation or runoff of surface waters, waves, tides, tidal waves, tsunami, the release of water, the rising, overflowing or breaking of boundaries of nature or man-made bodies of water; or the spray there from all whether driven by wind or not; or
- . Mudflow or mudslides caused by accumulation of water on or under the ground.

Flood also includes the backup of water from a sewer, drain or sump caused in whole or part by **Flood**.

Flood also includes **Storm Surge** if shown on the declarations as part of **Flood**.

And replaced with:

Flood - A general and temporary condition of partial or complete inundation of normally dry land areas or structure(s) caused by:

- a). The unusual and rapid accumulation or runoff of surface waters, waves, tides, tidal waves, tsunami, the release of water, the rising, overflowing or breaking of boundaries of nature or man-made bodies of water; or the spray there from all whether driven by wind or not; or
- b). Mudflow or mudslides caused by accumulation of water on or under the ground.

Flood also includes the backup of water from a sewer, drain or sump caused in whole or part by **Flood**.

Named Storm - Any storm or weather disturbance that is named by the U. S. National Oceanic and Atmospheric Administration (NOAA) or the U. S. National Weather Service or the National Hurricane Center or any comparable worldwide equivalent.

Named Storm also includes **Storm Surge** if shown on the declarations as part of **Named Storm**.

And replaced with:

Named Storm - Any storm or weather disturbance that is named by the U. S. National Oceanic and Atmospheric Administration (NOAA) or the U. S. National Weather Service or the National Hurricane Center or any comparable worldwide equivalent.

7. SECTION VII- DEFINITIONS the following is deleted in its entirety:

Storm Surge - A general and temporary condition of partial or complete inundation by salt water, caused by wind driven waves that result from a **Named Storm**, of normally dry land areas or structure(s) in coastal areas, bays or inland waters connected to an ocean or sea.

All other terms, conditions and limitations of this Policy remain unchanged.

Amendatory Endorsement - Ohio



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

1. SECTION VI - GENERAL POLICY CONDITIONS, CANCELLATION/NON-RENEWAL, is deleted in its entirety and replaced by the following:

Cancellation

The First Named Insured shown in the policy declarations may cancel this policy by mailing or delivering to the Company advance written notice of cancellation.

If the Insured's policy has been in effect for more than 90 days, or is a renewal of a policy we issued, the Company may cancel this policy only for one or more of the following reasons:

Nonpayment of premium;

Discovery of fraud or material misrepresentation in the procurement of the insurance or with respect to any claims submitted thereunder;

Discovery of a moral hazard or willful or reckless acts or omissions on an Insured's part which increases any hazard insured against;

The occurrence of a change in the individual risk which substantially increases any hazard insured against after the insurance coverage has been issued or renewed, except to the extent the insurer could reasonably have foreseen the change or contemplated the risk in writing the contract;

Loss of applicable reinsurance or a substantial decrease in applicable reinsurance, if the Superintendent has determined that reasonable efforts have been made to prevent the loss of, or substantial decrease in, the applicable reinsurance, or to obtain replacement coverage;

Failure of an Insured to correct material violations of safety codes or to comply with reasonable written loss control recommendations; or

A determination by the Superintendent of Insurance that the continuation of the policy would create a condition that would be hazardous to the policyholders or the public.

The Company will mail written notice of cancellation to the First Named Insured, and agent if any, at the last mailing addresses known to us. Proof of mailing will be sufficient proof of notice.

The Company will mail notice of cancellation at least:

10 days before the effective date of cancellation, if the Company cancel for nonpayment of premium; or

30 days before the effective date of cancellation, if the Company cancels for any other reason.

The notice of cancellation will:

State the effective date of cancellation. The policy period will end on that date.

Contain the date of the notice and the policy number, and will state the reason for cancellation.

Policies written for a term of more than one year or on a continuous basis may be cancelled by the Company for any reason at an anniversary date, upon 30 day's written notice of cancellation.

If this policy is cancelled, the Company will send the First Named Insured any premium refund due. If the Company cancels, the refund will be pro rata. If the First Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if the Company have not made or offered a refund.

Nonrenewal

If the Company elects not to renew this policy, the Company will mail written notice of nonrenewal to the First Named Insured, and agent if any, at the last mailing addresses known to the Company. The notice will contain the date of the notice and the policy number, and will state the expiration date of the policy.

The Company will mail the notice of nonrenewal at least 30 days before the expiration date of the policy. Proof of mailing will be sufficient proof of notice.

2. SECTION VI - GENERAL POLICY CONDITIONS, SETTLEMENT OF CLAIMS, LOSS PAYMENT, the following is added:

The Company will give you notice, within 21 days after the Company receives a properly executed, sworn statement of loss, that the Company:

Accepts the Insured's claim;

Denies the Insured's claim; or

Needs more time to investigate the Insured's claim.

If the Company needs more time to investigate the Insured's claim, the Company will provide an explanation for the Company's need for more time. The Company will continue to notify the Insured again in writing, at least every 45 days, of the status of the investigation and of the continued time needed for the investigation.

The Company will pay for covered cause of loss of or damage to covered property within:

Ten (10) days after the Company accepts your claim if such acceptance occurs within the first 21 days after the Company receives a properly executed proof of loss, unless the claim involves an action by a probate court or other extraordinary circumstances as documented in the claim file; or

Five (5) days after the Company accepts your claim if such acceptance occurs more than 21 days after the Company receives a properly executed proof of loss, and

An appraisal award has been made; or

The Company has reached an agreement with you on the amount of loss that was in dispute.

3. SECTION VII – DEFINITIONS, **Terrorist Activity** is deleted in its entirety and replaced by the following:

For the purposes of this endorsement Terrorist Activity shall include the following:

1. "Certified act of terrorism" which means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act;
 - b. The act resulted in damage:
 - (1) Within the United States (including its territories and possessions and Puerto Rico); or
 - (2) Outside of the United States in the case of:
 - (a) An air carrier (as defined in Section 40102 of title 49, United States Code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs; or
 - (b) The premises of any United States mission; and
 - c. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is 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.
2. "Non-Certified act of terrorism" which means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act of 2002.
3. **Terrorist Activity** which constitutes "Certified acts of terrorism" is not excluded in this policy, unless otherwise endorsed.
4. **Terrorist Activity** which constitutes "Non-Certified acts of terrorism" is not excluded in this policy, when it occurs in the USA, its territories, possessions and missions, and the Commonwealth of Puerto Rico.

All other terms, conditions and limitations of this Policy remain unchanged.

Amendatory Endorsement - Oklahoma



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

1. SECTION VI – GENERAL POLICY CONDITIONS, CANCELLATION/NON-RENEWAL, is deleted and replaced by the following:

- 1). The **First Named Insured** shown in the Declarations may cancel this Policy by mailing or delivering to the Company advance written notice of cancellation.

The Company may cancel this Policy by mailing or delivering to the **First Named Insured** written notice of cancellation at least:

- a. Ten (10) days before the effective date of cancellation if the Company cancels for nonpayment of premium; or
- b. Thirty (30) days before the effective date of cancellation if the Company cancels for any other reason.

The Company will mail or deliver notice to the **First Named Insured's** mailing address shown in the Declarations of this Policy or any Endorsement attached thereto.

Notice of cancellation will state the effective date of cancellation. The Policy Period will end on that date.

If this Policy is cancelled, the Company will send the **First Named Insured** any premium refund due. If the Company cancels, the refund will be pro rata. If the **First Named Insured** cancels, the refund may be less than pro rata but no less than the customary short rate amount. The cancellation will be effective even if the Company has not made or offered a refund.

If notice is mailed, proof of mailing will be sufficient proof of notice.

If under the laws of the jurisdiction in which the property is located, such cancellation terms or conditions are different, then cancellation terms or conditions will be as permitted by such laws.

- 2). If this Policy has been in effect for forty-five (45) business days or more, or after the effective date of a renewal of this Policy, the Company may cancel this Policy only for one or more of the following reasons:
- a. Nonpayment of premium;
 - b. Discovery of fraud or material misrepresentation in the procurement of the insurance or with respect to any claims submitted under it;
 - c. Discovery of willful or reckless acts or omissions by the Insured that increase any hazard insured against;
 - d. The occurrence of a change in the risk that substantially increases any hazard insured against after insurance coverage has been issued or renewed;
 - e. A violation of any local fire, health, safety, building, or construction regulation or ordinance, with respect to any covered property or its occupancy, that substantially increases any hazard insured against;
 - f. A determination by the Insurance Commissioner that the continuation of the Policy would place the Company in violation of the insurance laws of this state;
 - g. The Insured's conviction of a crime having, as one of its necessary elements, an act increasing any hazard insured against; or
 - h. Loss of or substantial changes in applicable reinsurance.

3). Non-renewal

- a. If the Company decides to non-renew this Policy, the Company will mail or deliver written notice to the First Named Insured shown in the Declarations at least forty-five (45) days before:
 - i). The expiration date; or
 - ii). The anniversary date of this Policy, if it is written for a term longer than one year or with no fixed expiration date.
- a. The Company will mail or deliver notice to the **First Named Insured's** mailing address known to the Company.
- b. If notice is mailed, proof of mailing will be sufficient proof of notice. It will be considered to have been given to the **First Named Insured** on the day it is mailed.
- c. If notice of non-renewal is not mailed or delivered at least forty-five (45) days before the expiration date or an anniversary date of this Policy, coverage will remain in effect until forty-five (45) days after notice is given.
- d. Earned premium for such extended period of coverage will be calculated pro rata, based on the rates applicable to the expiring Policy.
- e. The Company will not provide notice of nonrenewal if the Company another company within the same insurance group, has offered to issue a renewal Policy, or the Insured has obtained replacement coverage or has agreed in writing to obtain replacement coverage.
- f. If the Company has provided the required notice of non-renewal as described in a). above, and thereafter extends the Policy for a period of ninety (90) days or less, the Company will not provide an additional non-renewal notice with respect to the period of extension.
- g. If the Company elects to renew this Policy, the Company will give written notice of any premium increase, change in deductible, or reduction in limits or coverage, to the **First Named Insured**, at the last mailing address known to the Company.
 - i). Any such notice will be mailed or delivered to the First Named Insured at least forty-five (45) days before the expiration date of this Policy or the anniversary date of this Policy, if it is written for a term longer than one year or with no fixed expiration date.
 - ii). If notice is mailed, proof of mailing will be sufficient proof of notice. It will be considered to have been given to the First Named Insured on the day it is mailed.
 - iii). If the First Named Insured accepts the renewal, the premium increase or coverage changes will be effective the day following the prior policy's expiration or anniversary date.
 - iv). If notice is not mailed or delivered at least forty-five (45) days before the expiration date or anniversary date of this Policy, the premium, deductible, limits and coverage in effect prior to the changes will remain in effect until:
 - a.) Forty-five (45) days after notice is given; or
 - b.) The effective date of replacement coverage obtained by the Insured; whichever occurs first. If the **First Named Insured** then elects not to renew, any earned premium for the resulting extended period of coverage will be calculated pro rata at the lower of the new rates or rates applicable to the expiring policy.
- h. The Company will not provide notice of the following:

- i). Changes in a rate or plan filed with or approved by the State Board for Property and Casualty Rates or filed pursuant to the Commercial Property and Casualty Competitive Loss Cost Rating Act and applicable to an entire class of business; or
- ii). Changes based upon the altered nature or extent of the risk insured; or
- iii). Changes in policy forms filed with or approved by the Insurance Commissioner and applicable to an entire class of business.

2. The following is added to SECTION VI –GENERAL POLICY CONDITIONS:

FRAUD WARNING

- 1). Any person who knowingly and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

3. SECTION VI. - GENERAL POLICY CONDITIONS, CONCEALMENT, MISREPRESENTATION OR FRAUD is deleted in its entirety and replaced by the following:

CONCEALMENT, MISREPRESENTATION OR FRAUD

This Policy is voidable as to all Insureds in any case of fraud by any Insured as it relates to this Policy at any time. It is also voidable if any Insured, at any time, intentionally conceals or misrepresents a material fact concerning:

This Policy;

The Covered Property;

The Insured's interest in Covered Property; or

A claim under this Policy.

All other terms, conditions and limitations of this Policy remain unchanged.

Amendatory Endorsement - Rhode Island



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

1. SECTION VI - General Policy Conditions, Cancellation/Non-Renewal, Cancellation, is deleted in its entirety and replaced by the following:

Cancellation

The **First Named Insured** shown in the Declarations may cancel this Policy by mailing or delivering to the Company advance written notice of cancellation.

The Company may cancel this Policy by mailing or delivering to the **First Named Insured** and agent, if any, written notice of cancellation at least:

The number of days before the effective date of cancellation if the Company cancels for nonpayment of premium, as stated in the Declarations; or

The number of days before the effective date of cancellation if the Company cancels for any other reason, as stated in the Declarations.

The Company will mail or deliver notice to the **First Named Insured's** and agent's, if any, mailing address shown in the Declarations of this Policy or any Endorsement attached thereto.

Notice of cancellation will state the effective date of cancellation. The Policy Period will end on that date.

If this Policy is cancelled, the Company will send the **First Named Insured** any premium refund due. The Company will compute the return premium pro rata and round to the next higher whole dollar if:

The Policy is cancelled at the Company's request; or

The Policy is cancelled by us at the request of a premium finance company upon default of the first Named Insured, when this policy is financed under a premium finance agreement.

If the **First Named Insured** cancels, the Company will return 90% of the pro rata unearned premium, rounded to the next higher whole dollar. However, when such cancellation takes place during the first year of a multi-year prepaid policy, we will return the full annual premium for the subsequent years. The cancellation will be effective even if the Company has not made or offered a refund.

If notice is mailed, proof of mailing will be sufficient proof of notice.

If under the laws of the jurisdiction in which the property is located, such cancellation terms or conditions are different, then cancellation terms or conditions will be as permitted by such laws.

All other terms, conditions and limitations of this Policy remain unchanged.

Amendatory Endorsement - South Carolina



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

1. The following is deleted from SECTION VI-CANCELLATION/NON-RENEWAL:

The Company will mail or deliver notice to the **First Named Insured's** mailing address shown in the Declarations of this Policy or any Endorsement attached thereto.

and replaced by the following:

The Company will mail or deliver notice to the **First Named Insured's** and agent's last known mailing address.

2. The following is added to SECTION VI-CANCELLATION/NON-RENEWAL:

If this Policy has been in effect one hundred and twenty (120) days or more, or is a renewal or continuation of a Policy the Company issued, the Company may cancel this Policy only for one or more of the following reasons:

- 1) Nonpayment of premium;
- 2) Material misrepresentation of a fact, which, if known to the Company, would have caused the Company not to issue the Policy;
- 3) Substantial change in the risk assumed, except to the extent that the Company should reasonably have foreseen the change or contemplated the risk in writing the Policy;
- 4) Substantial breaches of contractual duties, conditions or warranties; or
- 5) Loss of reinsurance covering all or a significant portion of the particular Policy insured, or where continuation of the Policy would imperil the Company's solvency or place the Company in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in item 5). above, the Company will notify the Commissioner, in writing, at least sixty (60) days prior to such cancellation and the Commissioner will, within thirty (30) days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

3. SECTION VI-CANCELLATION/NON-RENEWAL, Non-Renewal is deleted in its entirety and replaced by the following:

Non-Renewal

The Company may non-renew this Policy by mailing or delivering to the **First Named Insured** and the agent, written notice, at the last known address, of non-renewal at least:

Sixty (60) days if non-renewal is effective between November 1 and May 31; or

Ninety (90) days if non-renewal is effective between June 1 and October 31;

before:

The expiration date of this Policy, if the Policy is written for a term of one year or less; or
An anniversary date of this policy, if the policy is written for a term of more than one year or for an indefinite term.

However, the Company 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. Any notice of non-renewal will state the precise reason for non-renewal. If notice is mailed, proof of mailing will be sufficient proof of notice.

All other terms, conditions and limitations of this Policy remain unchanged.

Amendatory Endorsement - South Dakota



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

1. The following is deleted from SECTION VI-GENERAL POLICY CONDITIONS, CANCELLATION/NON-RENEWAL, Cancellation:

The Company may cancel this Policy by mailing or delivering to the **First Named Insured** written notice of cancellation at least:

The number of days before the effective date of cancellation if the Company cancels for nonpayment of premium, as stated in the Declarations; or

The number of days before the effective date of cancellation if the Company cancels for any other reason, as stated in the Declarations.

and replaced with:

The Company may cancel this Policy by mailing or delivering to the **First Named Insured** written notice of cancellation at least the greater of:

Twenty (20) days or the number of days before the effective date of cancellation if the Company cancels for nonpayment of premium, as stated in the Declarations; or

Twenty (20) days or the number of days before the effective date of cancellation if the Company cancels for any other reason, as stated in the Declarations.

2. SECTION VI – GENERAL POLICY CONDITIONS, LOSS CONDITIONS, APPRAISAL, is deleted in its entirety.
3. SECTION VI – GENERAL POLICY CONDITIONS, LOSS CONDITIONS, SUIT AGAINST THE COMPANY, is deleted in its entirety and replaced by the following:

SUIT AGAINST THE COMPANY

No suit, action or proceeding for the recovery of any claim will be sustained in any court of law or equity unless the Insured has fully complied with all the provisions of this Policy. Legal action must be started within seventy-two (72) months after the date of direct physical loss or damage to Covered Property or to other property as set forth herein.

All other terms, conditions and limitations of this Policy remain unchanged.

Amendatory Endorsement - Tennessee



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

1. The following is added to Section VI-General Policy Conditions, CANCELLATION/NON-RENEWAL:
 - 1). If this Policy has been in effect for sixty (60) days or more, or if this Policy is a renewal of a Policy the Company issued, this Policy may be cancelled only for one or more of the following reasons:
 - a. Nonpayment of premium, including any additional premium, calculated in accordance with the Company's current rating manual, justified by a physical change in the insured property or a change in the insured property or a change in its occupancy or use;
 - b. The Insured's conviction of a crime increasing any hazard insured against;
 - c. Discovery of fraud or material misrepresentation on the part of either of the following:
 - i). The Insured or Insured representative in obtaining this insurance; or
 - ii). The Insured in pursuing a claim under this Policy.
 - d. Failure to comply with written loss control recommendations;
 - e. Material change in the risk which increases the risk of loss after the Company issued or renewed insurance coverage;
 - f. Determination by the insurance commissioner that the continuation of the Policy would jeopardize the Company's solvency or would place the Company in violation of the insurance laws of Tennessee or any other state;
 - g. The Insured's violation or breach of any Policy terms or conditions; or
 - h. Other reasons that are approved by the insurance commissioner. Notice of Cancellation will state the reason for cancellation.
2. Section VI-General Policy Conditions, CANCELLATION/NON-RENEWAL, Non-renewal is deleted in its entirety and replaced by the following:
 - 1). If the Company decides not to renew this Policy, the Company will mail or deliver written notice of non-renewal to the first Named Insured and agent, at least sixty (60) days before the expiration date unless:
 - a. The Company has offered to issue a renewal Policy; or
 - b. The Insured has obtained replacement coverage or has agreed in writing to obtain replacement coverage.
 - c. Any notice of non-renewal will be mailed or delivered to the first Named Insured's and agent's addresses shown in the Policy. If notice is mailed, proof of mailing will be sufficient proof of notice.

All other terms, conditions and limitations of this Policy remain unchanged.

Amendatory Endorsement - Vermont



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

1. SECTION VI-GENERAL POLICY CONDITIONS, CANCELLATION/NON-RENEWAL, is deleted in its entirety and replaced by the following:

CANCELLATION/NON-RENEWAL

Cancellation

- a) The **First Named Insured** shown in the Declarations may cancel this Policy by mailing or delivering to the Company advance written notice of cancellation.
- b) If this Policy has been in effect for less than sixty (60) days and this Policy is not a renewal of a Policy the Company issued, the Company may cancel this Policy by mailing or delivering to the **First Named Insured** written notice of cancellation at least:
 - 1) Fifteen (15) days notice prior to the proposed cancellation date for non payment of premium or substantial increase in hazard; or
 - 2) Forty-five (45) days notice prior to the proposed cancellation date for any other reason.
- c) If cancellation is for nonpayment of premium, written notice may be sent by certified mail. If cancellation is for any reason other than nonpayment of premium, written notice must be sent by certified mail.
- d) If this Policy has been in effect for sixty (60) days or more, or if this is a renewal of a Policy the Company issued, the Company may cancel this Policy only for one or more of the following reasons:
 - 1) Nonpayment of premium;
 - 2) Fraud or material misrepresentation affecting this Policy or in the presentation of claims under this Policy;
 - 3) Violation of any provisions of this Policy; or
 - 4) Substantial increase in hazard, provided the Company has secured approval for the cancellation from the commissioner of insurance.

If the Company cancels this Policy for one of the reasons specified above, the Company may cancel this Policy by mailing or delivering at least:

- 1) Fifteen (15) days notice before the effective date of cancellation for nonpayment of premium; or
 - 2) Forty-five (45) days notice before the effective date of cancellation for any other reason.
- e) Notice of cancellation will state the effective date of cancellation. The Policy period will end on that date.
 - f) If this Policy is cancelled, the Company will send the **First Named Insured** any premium refund due. If the Company cancels, the refund will be pro rata. If the **First Named Insured** cancels, the refund may be less than pro rata but no less than the customary short rate amount. The cancellation will be effective even if the Company has not made or offered a refund.
 - g) If notice is mailed, proof of mailing will be sufficient proof of notice.

Non-Renewal

- a) The Company may non-renew this Policy by mailing, certified mail, or delivering to the **First Named Insured** written notice, at the last known address, of non-renewal at least forty-five (45) days before the expiration of this Policy or the anniversary date of this Policy, if this Policy has been written for a term of more than one year.

This non-renewal provision does not apply if the Company has indicated a willingness to renew, in case of nonpayment of premium, or if the Insured does not pay any advance premium required for renewal.

If the Company fails to mail or deliver proper notice of non-renewal, this Policy will end on the effective date of any other Policy with respect to property designated in both policies.

- b) If the Company elects to renew this Policy and has the necessary information to issue a renewal Policy, the Company will confirm in writing at least forty-five (45) days before the Policy expires the intention to renew this Policy and the premium at which this Policy will be renewed.

If the Company fails to comply with this provision, the Insured will have renewal coverage. The renewal coverage will be at the rates in effect under the expiring or expired Policy or in effect on the expiration date, that have been approved by the Commissioner, whichever are lower. This renewal coverage will be on a pro rata basis and will continue for forty-five (45) days after the Company confirms renewal coverage and premium. If the Insured accepts this renewal Policy, this paragraph does not apply.

2. Section VI-General Policy Conditions, CONCEALMENT, MISREPRESENTATION OR FRAUD is deleted in its entirety and replaced by the following:

CONCEALMENT, MISREPRESENTATION OR FRAUD

The Company does not provide coverage to one or more Insureds who at any time engage in fraudulent conduct as it relates to this Policy. The Company also does not provide coverage to one or more Insureds, who at any time intentionally conceal or misrepresent a material fact or make a false statement concerning:

- a) This Policy;
- b) The Covered Property;
- c) The Insured's interest in Covered Property; or
- d) A claim under this Policy.

3. The following is added to SECTION VI –GENERAL POLICY CONDITIONS, LOSS CONDITIONS, SUIT AGAINST THE COMPANY:

The Insureds' right to bring legal action against the Company is not conditioned upon compliance with the Appraisal Condition of this Policy.

4. The following is deleted from SECTION VI-GENERAL POLICY CONDITIONS, SETTLEMENT OF CLAIMS, Loss Payment:

The Company will pay for covered loss or damage within thirty (30) days or as required by law, after receiving the sworn statement of loss, if the Insured has complied with all the terms of this Policy; and

and replaced by the following:

We will pay for covered loss or damage within ten (10) working days after we receive the sworn statement of loss, if you have complied with all the terms of this Policy; and

All other terms, conditions and limitations of this Policy remain unchanged.

Amendatory Endorsement - Virginia



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

1. SECTION V-FIRE DEPARTMENT SERVICE CHARGE is replaced by the following:

The Company will pay for the reasonable additional expenses, resulting from costs of fire extinguishing materials expended, incurred by the Insured when the Fire Department is called to save or protect Covered Property from a **Covered Cause of Loss** at an Insured Location. The Fire Department Service Charges are those assumed by contract or agreement prior to loss or damage or required by local ordinance.

If the charges are billed to the Insured by a volunteer fire department, the Company will pay for the volunteer fire department service charges, provided that the volunteer fire department is not fully funded by real estate taxes or other property taxes.

The most the Company will pay under this Additional Coverage at any one covered property, in any year beginning on the date coverage for such covered property was effective, is the greater of \$250 or the Limit of Insurance shown in the Declarations for Fire Department Service Charge. The Limit for this Additional Coverage is in addition to the applicable Limit of Insurance shown in the Declarations for that covered property.

All other terms, conditions and limitations of this Policy remain unchanged.

Amendatory Endorsement - Washington



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

1. The following is deleted from SECTION III - PROPERTY DAMAGE, EXCLUSIONS:

3.03.03. This Policy excludes direct physical loss or damage directly or indirectly caused by or resulting from any of the following regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss:

and replaced with:

3.03.03. The Company will not pay for loss or damage caused by any excluded event described below. Loss or damage will be considered to have been caused by an excluded event if the **occurrence** of that event directly and solely results in loss or damage; or initiates a sequence of events that results in loss or damage, regardless of the nature of any intermediate or final event in that sequence.

2. When the following appears in CONTINGENT TIME ELEMENT, FINE ARTS, LAND IMPROVEMENTS, OFF PREMISES SERVICE INTERRUPTION PROPERTY DAMAGE AND TIME ELEMENT LOSS, TENANTS PROHIBITED ACCESS and **NEW CONSTRUCTION AND ADDITIONS**, it will be deleted.

"regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss."

and replaced with:

The Company will not pay for loss or damage caused by an excluded event described below. Loss or damage will be considered to have been caused by such excluded event if the **occurrence** of that event directly and solely results in loss or damage; or initiates a sequence of events in loss or damage, regardless of the nature of intermediate or final event in that sequence.

3. The following is added to SECTION III - PROPERTY DAMAGE, EXCLUSIONS, 3.03.03.04.:

This exclusion does not apply to acts of direct physical loss or damage resulting from an act of domestic abuse caused by another insured under the policy if such loss is an otherwise covered property loss and the insured making claim: files a police report, cooperates with any law enforcement investigation relating to the act of domestic abuse and did not cooperate in or contribute to the creation of the loss.

4. The following is deleted from SECTION VI-GENERAL POLICY CONDITIONS, CANCELLATION/NON-RENEWAL, Cancellation:

The **First Named Insured** shown in the Declarations may cancel this Policy by mailing or delivering to the Company advance written notice of cancellation.

and replaced with:

The **First Named Insured** shown in the Declarations may cancel this Policy. The insured may provide notice before the effective date of cancellation using one of these methods:

- (i) Written notice of cancellation to the insurer or producer by mail, fax or e-mail;

- (ii) Surrender of the policy or binder to the insurer or producer; or
- (iii) Verbal notice to the insurer or producer.

If the insurer receives notice of cancellation from the insured, it must accept and promptly cancel the policy or any binder issued as evidence of coverage effective the later of:

- (i) The date notice is received; or
- (ii) The date the insured requests cancellation.

5. The following is added to SECTION VI-GENERAL POLICY CONDITIONS, CANCELLATION/NON-RENEWAL, Cancellation:

Notice of cancellation will state the reason for cancellation.

The Company will send written notice of cancellation to each mortgagee, pledge or other person shown by the Policy to have an interest in any loss which may occur.

6. SECTION VI-GENERAL POLICY CONDITIONS, CANCELLATION/NON-RENEWAL, Non-renewal is deleted in its entirety and replaced by the following:

Non-renewal

The Company may non-renew this Policy by mailing or delivering to the **First Named Insured** written notice, Forty-Five (45) days before the non-renewal. Notice of non-renewal will state the reason for non-renewal.

7. The following is added to SECTION VI-GENERAL POLICY CONDITIONS, INSPECTIONS AND SURVEYS:

However, this condition does not apply to any inspections, surveys, reports or recommendations the Company may make relative to certification under state or municipal statutes, ordinances or regulations referenced above.

8. The following is deleted from SECTION VI-GENERAL POLICY CONDITIONS, OTHER INSURANCE:

The Company will not be liable if, at the time of loss or damage, there is any other insurance that would attach in absence of this insurance; except that this insurance shall apply only as excess, Difference in Conditions/Difference in Limits and in no event as contributing insurance, and then only after all other insurance has been exhausted.

and replaced with:

The Company will not be liable if, at the time of loss or damage, there is any other insurance that would attach in absence of this insurance; except that this insurance shall apply only as pro rata contributing insurance.

9. The following is deleted from SECTION VI-GENERAL POLICY CONDITIONS, VALUATION:

The basis of adjustment is on a replacement cost basis unless a specific valuation applies. Replacement Cost shall be the cost to repair, rebuild or replace the damaged property (without deduction for depreciation) with materials of like kind, quality and capacity at the same or another site, but no more than the lesser of:

and replaced by the following:

The basis of adjustment is on a replacement cost basis unless a specific valuation applies. Replacement Cost shall be the cost to repair, rebuild or replace the damaged property (without deduction for depreciation) with new materials of like kind, quality and capacity at the same or another site, but no more than the lesser of:

9. Section VI-General Policy Conditions, LENDERS LOSS PAYEE AND MORTGAGE HOLDER INTERESTS AND OBLIGATIONS is deleted in its entirety.

10. The following is deleted from SECTION VI-GENERAL POLICY CONDITIONS, APPRAISAL:

The Company further retains its right to deny the claim in whole or in part.

All other terms, conditions and limitations of this Policy remain unchanged.

Amendatory Endorsement - West Virginia



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

1. SECTION VI - GENERAL POLICY CONDITIONS, LOSS CONDITIONS, APPRAISAL, is deleted in its entirety and replaced by the following:

APPRAISAL

In case the Insured and the Company fails to agree as to the actual cash value of the amount of loss, then on the written demand of either party, each shall select a competent and disinterested appraiser and notify the other appraiser selected within twenty (20) days of such demand. The appraiser shall first select a competent and disinterested umpire; and failing for fifteen (15) days to agree upon such umpire, then either on the Insured's or the Company's request, such umpire shall be selected by a judge of a court of record in the state in which the property covered is located. The appraisers shall then appraise the loss, stating separately actual cash value and loss as to each item; and, failing to agree, shall submit their differences only, to the umpire. An award in writing, so itemized, of any two when filed with this Company shall determine the amount of actual cash value and loss. Each appraiser shall be paid by the parties equally.

2. The following is deleted from SECTION VI - GENERAL POLICY CONDITIONS, SETTLEMENT OF CLAIMS, Loss Payment:

The Company will pay for covered loss or damage within thirty (30) days or as required by law, after receiving the sworn statement of loss, if the Insured has complied with all the terms of this Policy; and

The Company has reached agreement on the amount of loss; or

An appraisal award has been made...

and replaced by the following:

The Company will pay for loss of or damage to Covered Property within fifteen (15) days after we receive the signed, sworn statement of loss if the Insured has complied with all the terms of this Policy and the Company has reached agreement with the Insured on the amount of loss.

3. SECTION VI - GENERAL POLICY CONDITIONS, LOSS CONDITIONS, SUIT AGAINST THE COMPANY, is deleted in its entirety and replaced by the following:

No suit, action or proceeding for the recovery of any claim will be sustained in any court of law or equity unless the Insured has fully complied with all the provisions of this Policy. Legal action must be started within two (2) years after the date of direct physical loss or damage to Covered Property or to other property as set forth herein.

All other terms, conditions and limitations of this Policy remain unchanged.

Amendatory Endorsement - Wisconsin



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

1. Section VI-General Policy Conditions, Loss Conditions, Subrogation, is deleted in its entirety and replaced by the following:

SUBROGATION

The Insured is required to cooperate in any subrogation proceedings. To the extent of the Company's payment, the Insured's rights of recovery against any party are transferred to the Company.

The Company acquires no rights of recovery that the Insured has expressly waived prior to a loss, nor will such waiver affect the Insured's rights under this Policy.

The Company will be entitled to any recovery from subrogation proceedings only after the **First Named Insured** has been fully compensated for Damages.

All other terms, conditions and limitations of this Policy remain unchanged.

Amendatory Endorsement - Wyoming



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

1. SECTION VI - General Policy Conditions, Suit Against The Company is replaced in its entirety by the following:

No one may bring a legal action against the Company under this Policy unless:

All of its terms have been complied with; and, the action is brought within 4 years beginning from the date on which the direct physical loss or damage was discovered.

2. Section VI-GENERAL POLICY CONDITIONS, LOSS CONDITIONS, SUBROGATION is amended by the addition of the following:

The Company will be entitled to recovery only after the insured has been fully compensated for the deductible amount, without any deduction for expenses of collection, out of any recovery on the subrogated claim, before any part of the recovery is applied to any other use. If the amount of the deductible exceeds the recovery, the insurer shall pay only the amount of the recovery to the insured.

3. The following is deleted from Section VI-GENERAL POLICY CONDITIONS, SETTLEMENT OF CLAIMS, Loss Payment:

The Company will pay for covered loss or damage within thirty (30) days or as required by law, after receiving the sworn statement of loss, if the Insured has complied with all the terms of this Policy; and

And replaced with:

The Company will pay for the undisputed covered loss or damage within forty-five (45) days, after receiving the sworn statement of loss, if the Insured has complied with all the terms of this Policy.

All other terms, conditions and limitations of this Policy remain unchanged.

Change Endorsement

Limited Coverage for Electronic Data, Programs or Software
Certificates of Insurance
Loss Adjustment/Payable



Insured Name AmTrust Realty Corp	Policy Number ERP4450037-00	Effective Date 07/31/2018	Endorsement Number 01
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This Endorsement modifies insurance provided under the Policy identified above.

- A. Section 5.02.04.01.01 is deleted.
- B. Clause CERTIFICATES OF INSURANCE is deleted and replaced with the following:

CERTIFICATES OF INSURANCE

Any certificate of insurance issued in connection with this Policy is provided solely as a matter of convenience or information for the addressee(s) or holder(s) of such certificate of insurance, except as provided under the Policy when a Loss Payee(s) or Mortgagee(s) are named. The certificate of insurance does not amend, extend or alter the coverage afforded by the Policy.

In the event this Policy is cancelled pursuant to the Cancellation subsection other than for nonpayment of premium, and except as provided otherwise, the Company shall provide a notice to those entities set out in the certificates of insurance, that have been provided to the Company in accordance with this Endorsement, within 30 days after notifying the **First Named Insured** that the Policy has been cancelled. Such entities will be provided to the Company, in the format requested by the Company within 10 days of such request, by the Producer. However, in no event will failure to provide notice to entities set out in any certificate of insurance provide such entities with rights broader than those of the Named Insured.

The Company hereby authorizes the Producer named on the Policy to issue certificates of insurance consistent with the foregoing.

- C. Clause LOSS ADJUSTMENT/PAYABLE is deleted and replaced with the following:

LOSS ADJUSTMENT/PAYABLE

Loss, if any, will be adjusted with and payable to the **First Named Insured** as shown on this Policy, or as directed by the **First Named Insured**.

When a Lender or Mortgagee is named in the certificates of insurance on file with the Company, the Lender or Mortgagee will be included in loss payment as their interests may appear.

When a Loss Payee is named in the certificates of insurance on file with the Company, the Loss Payee will be included in loss payments made to the insured as their interests may appear. The Loss Payee has no other rights under the policy.

When an additional insured is named in the certificates of insurance on file with the Company, the additional insured will be included in loss payment as their interests may appear.

All other terms, conditions and limitations of this Policy remain unchanged.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM



Insured Name AmTrust Realty Corp	Policy Number ERP4450037-00	Effective Date 07/31/2018	Endorsement Number 02
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THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies your insurance:

A. Cap on Losses From Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with provisions of the federal Terrorism Risk Insurance Act ("TRIA"), to be an act of terrorism. The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. To be an act of terrorism;
2. To be a violent act or an act that is dangerous to human life, property or infrastructure;
3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. 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.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

If aggregate insured losses attributable to one or more "certified acts of terrorism" exceed \$100 billion in a calendar year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

B. Application of Other Exclusions

The terms and limitations of a terrorism exclusion or any other exclusion, or the inapplicability or omission of a terrorism exclusion or any other exclusion, do not serve to create coverage which would otherwise be excluded, limited or restricted under this policy.



ZURICH[®]

Important Notice - In Witness Clause

In return for the payment of premium, and subject to the terms of this policy, coverage is provided as stated in this policy. IN WITNESS WHEREOF, this Company has executed and attested these presents and, where required by law, has caused this policy to be countersigned by its duly Authorized Representative(s).

President

Corporate Secretary

QUESTIONS ABOUT YOUR INSURANCE? Your agent or broker is best equipped to provide information about your insurance. Should you require additional information or assistance in resolving a complaint, call or write to the following (please have your policy or claim number ready):

Zurich in North America
Customer Inquiry Center
1299 Zurich Way
Schaumburg, Illinois 60196-1056
1-800-382-2150 (Business Hours: 8 a.m. - 4 p.m. [CT])
Email: info.source@zurichna.com

Insured Name: AMTRUST REALTY CORP.

Policy Number: SXS 0195072-02

Effective Date: 11/07/2018



THIS DISCLOSURE IS ATTACHED TO AND MADE PART OF YOUR POLICY.

DISCLOSURE OF IMPORTANT INFORMATION RELATING TO TERRORISM RISK INSURANCE ACT

SCHEDULE*

Premium attributable to risk of loss from certified acts of terrorism for lines of insurance subject to TRIA:

\$1,100

*Any information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Disclosure of Premium

In accordance with the federal Terrorism Risk Insurance Act ("TRIA"), as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of premium attributable is shown in the Schedule above. The premium shown in the Schedule above is subject to adjustment upon premium audit, if applicable.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government may pay a share of insured losses resulting from an act of terrorism. The federal share will decrease by 5% from 85% to 80% over a five year period while the insurer share increases by the same amount during the same period. The schedule below illustrates the decrease in the federal share:

January 1, 2015 – December 31, 2015 federal share: 85%

January 1, 2016 – December 31, 2016 federal share: 84%

January 1, 2017 – December 31, 2017 federal share: 83%

January 1, 2018 – December 31, 2018 federal share: 82%

January 1, 2019 – December 31, 2019 federal share: 81%

January 1, 2020 – December 31, 2020 federal share: 80%

C. Disclosure of \$100 Billion Cap on All Insurer and Federal Obligations

If aggregate insured losses attributable to terrorist acts certified under TRIA exceed \$100 billion in a calendar year (January 1 through December 31) and an insurer has met its deductible under the program, that insurer shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

D. Availability

As required by TRIA, we have made available to you for lines subject to TRIA coverage for losses resulting from acts of terrorism certified under TRIA with terms, amounts and limitations that do not differ materially from those for losses arising from events other than acts of terrorism.

E. Definition of Act of Terrorism under TRIA

TRIA defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act ("TRIA"), to be an act of terrorism. The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. To be an act of terrorism;
2. To be a violent act or an act that is dangerous to human life, property or infrastructure;
3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. 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.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

Disclosure Statement



It is our pleasure to present the enclosed policy to you
for presentation to your customer.

INSTRUCTION TO AGENT OR BROKER:

**WE REQUIRE THAT YOU TRANSMIT THE ATTACHED/ENCLOSED DISCLOSURE STATEMENT TO THE CUSTOMER
WITH THE POLICY.**

Once again, thank you for your interest, and we look forward to meeting your needs and those of your customers.

Disclosure Statement



NOTICE OF DISCLOSURE FOR AGENT & BROKER COMPENSATION

If you want to learn more about the compensation Zurich pays agents and brokers visit:

<http://www.zurichproducercompensation.com>

or call the following toll-free number: (866) 903-1192.

This Notice is provided on behalf of Zurich American Insurance Company
and its underwriting subsidiaries.



Straight Excess Liability Policy

Insurance is provided by the company designated on the declarations page of this policy.

The addresses of the Zurich in North America companies are shown below:

ZURICH AMERICAN INSURANCE COMPANY OF ILLINOIS
1299 Zurich Way
Schaumburg, Illinois 60196-1056

AMERICAN ZURICH INSURANCE COMPANY
1299 Zurich Way
Schaumburg, Illinois 60196-1056

AMERICAN GUARANTEE AND LIABILITY INSURANCE COMPANY
4 World Trade Center, 150 Greenwich Street, Floor 53
New York, New York 10007

Administrative Offices of all Zurich U.S. companies are located at:
1299 Zurich Way, Schaumburg, Illinois 60196-1056



ZURICH®

Schedule of Underlying Insurance – New York

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
SXS 0195072-02	11/07/2018	11/07/2019	11/07/2018	50562000	-----	-----

Named Insured and Mailing Address:

AMTRUST REALTY CORP.
250 BROADWAY
NEW YORK, NY 10007

Producer:

HUB INTERNATIONAL NORTHEAST LIMITED
1065 AVENUE OF THE AMERICAS
NEW YORK, NY 10018-1878

Company, Policy No. and Term	Coverage	Applicable Limits
A. Company: Zurich American Insurance Company	Commercial General Liability	\$1,000,000 Premises - Each Occurrence
Policy No: GLA 5835169-06		\$1,000,000 Products / Completed Ops - Each Occurrence
Term: 11/07/2018 to 11/07/2019		\$2,000,000 Products / Completed Operations Aggregate
		\$2,000,000 General Aggregate
		Per Location Aggregate Unlimited
		\$1,000,000 Personal Injury/ Advertising Injury
	Including Employee Benefits	\$1,000,000 Employee Benefits - Each Claim
		\$1,000,000 Employee Benefits - General Aggregate

Company, Policy No. and Term	Coverage	Applicable Limits
B. Company: Zurich American Insurance Company	Commercial Auto Liability	\$1,000,000 Combined Single Limit
Policy No: GLA 5835169-06		
Term: 11/07/2018 to 11/07/2019		

Company, Policy No. and Term	Coverage	Applicable Limits
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C. Company: Technology Insurance Company	Employers Liability	\$1,000,000	Bodily Injury By Accident - Each Accident
Policy No: TWC3530431	New York properties	\$1,000,000	Bodily Injury By Disease - Each Employee
Term: 02/20/2018 to 02/20/2019		\$1,000,000	Bodily Injury By Disease - Policy Limit

Extended Schedule of Underlying Insurance – New York



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
SXS 0195072-02	11/07/2018	11/07/2019	11/07/2018	50562000	-----	-----

Named Insured and Mailing Address:

AMTRUST REALTY CORP.
250 BROADWAY
NEW YORK, NY 10007

Producer:

HUB INTERNATIONAL NORTHEAST LIMITED
1065 AVENUE OF THE AMERICAS
NEW YORK, NY 10018-1878

Company, Policy No. and Term	Coverage	Applicable Limits
Company: Technology Insurance Company	Employers Liability	\$1,000,000 Bodily Injury By Accident - Each Accident
Policy No: TWC3496746	Chicago properties	\$1,000,000 Bodily Injury By Disease - Each Employee
Term: 09/15/2018 to 09/15/2019		\$1,000,000 Bodily Injury By Disease - Policy Limit

Company, Policy No. and Term	Coverage	Applicable Limits
Company: Ohio BWC	Employers Liability	\$1,000,000 Bodily Injury By Accident - Each Accident
Policy No: 1538459	One Seagate, Toledo, OH (One Seagate Partners, LLC)	\$1,000,000 Bodily Injury By Disease - Each Employee
Term: 01/01/2018 to 06/30/2019		\$1,000,000 Bodily Injury By Disease - Policy Limit



Schedule of Forms and Endorsements

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
SXS 0195072-02	11/07/2018	11/07/2019	11/07/2018	50562000	-----	-----

Named Insured and Mailing Address:

AMTRUST REALTY CORP.
250 BROADWAY
NEW YORK, NY 10007

Producer:

HUB INTERNATIONAL NORTHEAST LIMITED
1065 AVENUE OF THE AMERICAS
NEW YORK, NY 10018-1878

Form Name	Form Number	Edition Date	Endorsement No.
Important Notice - In Witness Clause	U-GU-319-F CW	(01/09)	
Disclosure of Important Information Relating to Terrorism Risk Insurance Act	U-GU-630-D CW	(01/15)	
Straight Excess Liability Policy Jacket	U-SXS-104-A CW	(09/11)	
Straight Excess Liability Policy Declarations	U-SXS-D-100-A CW	(09/11)	
Schedule of Underlying Insurance - New York	U-SXS-101-A NY	(09/12)	
Extended Schedule of Underlying Insurance - New York	U-SXS-102-A NY	(07/12)	
Straight Excess Liability Policy	U-SXS-100-A CW	(09/11)	
Certified Act of Terrorism Retained Amount Provisions	U-SXS-130-B CW	(01/15)	01
Care, Custody or Control Exclusion	U-EXS-113-A CW	(04/99)	02
Professional Services Exclusion	U-EXS-164-C CW	(05/14)	03
Exclusion - Recording and Distribution of Material or Information in Violation of Law	U-EXS-312-F CW	(05/14)	04
Casualty Business Crisis Expense Insurance	U-SXS-106-A CW	(09/11)	05
Access Or Disclosure Of Confidential Or Personal Information And Data-Related Liability Exclusion	U-SXS-148-A CW	(01/15)	06
Sanctions Exclusion Endorsement	U-GU-1191-A CW	(03/15)	07
New York Changes	U-SXS-134-A NY	(09/12)	08
Cap on Losses From Certified Acts of Terrorism	U-GU-767-B CW	(01/15)	09



Straight Excess Liability Policy

There are provisions in this policy that restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as such in **underlying insurance**. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured(s)" means any person or organization qualifying as such in **underlying insurance** but only to the extent and within the scope for which such "insured(s)" qualify for coverage in **underlying insurance**.

Words and phrases that are printed in bold-face type are defined in this policy. These definitions are found in **SECTION VI. DEFINITIONS** of this policy or in the specific policy provision where they appear.

In consideration of the payment of the premium and in reliance upon the statements in the Declarations and in accordance with the provisions of this policy, we agree with you to provide coverage as follows:

Insuring Agreements

SECTION I. COVERAGE

- A.** We will pay on behalf of the insured those damages covered by this insurance in excess of the total Applicable Limits of **underlying insurance**. This policy includes:
1. The terms and conditions of **underlying insurance** to the extent such terms and conditions are not inconsistent or do not conflict with the terms and conditions referred to in Paragraph **2.** below; and
 2. The terms and conditions that apply to this policy.
- B.** Notwithstanding anything to the contrary contained in Paragraph **A.** above, if **underlying insurance** does not apply to damages for reasons other than exhaustion of total applicable limits of insurance by payment of **loss**, then this policy does not apply to such damages.
- C.** The amount we will pay under this policy is limited as described in **SECTION II. LIMITS OF INSURANCE**.
- D.** We have no obligation under this policy with respect to any settlement made without our consent.
- E.** The insurance afforded under this policy applies to bodily injury or property damage only if prior to the Policy Period, neither you nor any **authorized person** knew that the bodily injury or property damage had occurred, in whole or in part. If you or any **authorized person** knew, prior to the Policy Period, that the bodily injury or property damage occurred, then any continuation, change or resumption of such bodily injury or property damage during or after the Policy Period will be deemed to have been known prior to the Policy Period.

Bodily injury or property damage which occurs during the Policy Period and was not, prior to the Policy Period, known to have occurred by you or any **authorized person** includes any continuation, change or resumption of that bodily injury or property damage after the Policy Period; and

Bodily injury or property damage will be deemed to have been known to have occurred at the earliest time when you or any **authorized person**:

1. Reports all or any part of, the bodily injury or property damage to us or any other insurer;
2. Receives a written or verbal demand or claim for damages because of the bodily injury or property damage; or
3. Becomes aware by any other means that bodily injury or property damage has occurred or has begun to occur.

SECTION II. LIMITS OF INSURANCE

- A.** The Limits of Insurance shown in the Declarations and the rules below describe the most we will pay regardless of the number of:
1. Insureds;
 2. Claims made or suits brought; or
 3. Persons or organizations making claims or bringing suits.
- B.** The Limits of Insurance of this policy will apply as follows:
1. The limit shown in Item **4.B.** of the Declarations for the Other Aggregate is the most we will pay for all **loss** to which this policy applies, except for:
 - a. **Loss** covered under the products/completed operations hazard; and
 - b. **Loss** covered in **underlying insurance** to which no underlying aggregate limit applies.

In addition, if a policy listed in the Schedule of Underlying Insurance contains aggregate limits, other than an aggregate limit applying to the products/completed operations hazard, the Other Aggregate limit shown in Item **4.B.** of the Declarations will apply in the same manner as such other aggregate limits of each policy listed in the Schedule of Underlying Insurance.
 2. The limit shown in Item **4.C.** of the Declarations for the Products/Completed Operations Aggregate is the most we will pay for all **loss** to which this policy applies under the products/completed operations hazard.
 3. Subject to Paragraph **B.1.** or **B.2.** above, whichever applies, the limit shown in Item **4.A.** of the Declarations for Occurrence is the most we will pay for all **loss** arising out of any one **occurrence** to which this policy applies.
- C.** Coverage applies only in excess of the greater of the actual limits of insurance of **underlying insurance** or the Applicable Limits of insurance shown in the Schedule of Underlying Insurance forming a part of this policy.
- D.** The Limits of Insurance of this policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the Policy Period shown in the Declarations, unless the Policy Period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the preceding period for purposes of determining the Limits of Insurance.
- E.** Subject to Paragraphs **B.1.**, **B.2.**, **B.3.** and **C.** above:
1. If the limits of **underlying insurance** have been reduced solely by payment of **loss** for which coverage is afforded under this policy, this policy will drop down to become immediately excess of the reduced underlying limit; or
 2. If the limits of **underlying insurance** have been exhausted solely by payment of **loss** for which coverage is afforded under this policy, this policy will continue in force as **underlying insurance**.

SECTION III. DEFENSE AND SUPPLEMENTARY PAYMENTS

- A.** We have the right and duty to assume control of the investigation and settlement of any claim, or defense of any suit against the insured for damages covered by this policy when the applicable limit of **underlying insurance** and **other insurance** has been exhausted by payment of **loss** for which coverage is afforded under this policy.
- B.** In those circumstances where Paragraph **A.** above applies we will pay our expenses and the following to the extent that they are not included in **underlying insurance**:
1. Up to \$2,000 for the cost of bail bonds. We do not have to furnish these bonds.
 2. The cost of bonds to release attachments, but only for bond amounts within the amount of insurance available. We do not have to furnish these bonds.
 3. Reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or suit, including actual loss of earnings because of time off from work.
 4. All court costs taxed against the insured in the suit. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

5. Pre-judgment interest awarded against the insured on that part of the judgment we pay. However, if we make an offer to pay the applicable limit of insurance, we will not pay any pre-judgment interest based on that period of time after the offer.
6. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court that part of the judgment that is within the applicable limits of insurance.

When our expenses and the payments described in this paragraph above are not included in the definition of **loss**, they will not reduce the Limits of Insurance.

- C. In those circumstances where Paragraph **A.** above does not apply, we do not have the duty to assume control of the investigation and settlement of any claim, or defense of any suit against the insured. We do, however, have the right to participate in the investigation and settlement of any claim, or defense of any suit that we feel may create liability on our part under the terms of this policy. If we exercise this right, we will do so at our expense.

We will not investigate and settle any claim, or defend any suit after we have exhausted the applicable Limit of Insurance as shown in Item **4.** of the Declarations.

If we are prevented by law from carrying out the provisions of Paragraph **A.** above, we will pay any expense incurred with our consent.

SECTION IV. EXCLUSIONS

This policy does not apply to any liability, damage, **loss**, cost or expense:

ASBESTOS

- A. Arising out of or relating in any way to:

1. Asbestos or which would not have occurred in whole or in part but for the actual, alleged or threatened discharge, dispersal, release, leakage, leaching, friability, flaking escape or presence of asbestos, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to the injury or damage; or
2. Any:
 - a. Request, demand, order, statutory or regulatory requirement, direction or determination, that any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
 - b. Claim or suit for damages arising out of or relating in any way to any request, demand, order, statutory or regulatory requirement, direction or determination than any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos.

POLLUTION

- B. 1. Arising directly or indirectly out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**:

- a. At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
 - (1) Bodily injury if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (2) Bodily injury or property damage for which you may be held liable, if you are a contractor, and the owner or lessee of such premises, site or location has been added to **underlying insurance** as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
 - (3) Bodily injury or property damage arising out of heat, smoke or fumes from a **hostile fire**;
- b. At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

- c. Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you maybe legally responsible; or
- d. At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the **pollutants** are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (1) Bodily injury or property damage arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the bodily injury or property damage arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (2) Bodily injury or property damage sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (3) Bodily injury or property damage arising out of heat, smoke or fumes from a **hostile fire**.
- e. At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, **pollutants**.
- f. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled, or handled for movement into, onto or from, any auto for which coverage is provided by **underlying insurance**;
 - (2) Otherwise in the course of transit by or on behalf of any insured; or
 - (3) Being stored, disposed of, treated or processed in or upon any auto.

However, this subparagraph **f.** does not apply to bodily injury or property damage arising out of:

- (1) The escape of fuels, lubricants, other operating fluids, exhaust gases or other similar **pollutants** that are needed for or result from the normal electrical, hydraulic or mechanical functioning of a covered auto; or
- (2) The escape of **pollutants** from a covered auto that directly results from the collision, upset or overturn of such auto while in the course of transit away from any premises owned by or rented to any insured.

2. Arising out of any:

- a. Request, demand, order or statutory or regulatory requirement 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
- b. Claim or suit brought 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**.

However, this Paragraph, **B.2.**, does not apply to liability, damage, **loss**, cost or expense because of property damage that the insured would have in the absence of such request, demand, order or statutory or regulatory requirements, or such claim or suit by or on behalf of a governmental agency.

NUCLEAR

- C. 1. With respect to which any insured under this policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic, Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its Limits of Insurance; or

2. Resulting from the **hazardous properties** of **nuclear material** and with respect to which:
 - a. A person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof; or
 - b. Any insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization; or
3. Any injury or **nuclear property damage** resulting from the **hazardous properties** of **nuclear material**, if:
 - a. The **nuclear material**:
 - (1) Is at any **nuclear facility** owned by, or operated by or on behalf of, any insured; or
 - (2) Has been discharged or dispersed therefrom;
 - b. The **nuclear material** is contained in **spent fuel** or **waste** at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of any insured; or
 - c. The injury or **nuclear property damage** arises out of the furnishing by any insured of services, materials, parts or equipment in connection with the planning, construction, maintenance operation or use of any **nuclear facility**, but if such facility is located within the United States of America, its territories or possessions or Canada, this subparagraph c. applies only to **nuclear property damage** to such **nuclear facility** and any property thereat.

As used in this exclusion:

1. **Hazardous properties** include radioactive, toxic or explosive properties;
2. **Nuclear Facility** means:
 - a. Any **nuclear reactor**;
 - b. Any equipment or device designed or used for:
 - (1) Separating the isotopes of uranium or plutonium,
 - (2) Processing or utilizing **spent fuel**, or
 - (3) Handling, processing or packaging **waste**;
 - c. Any equipment or device used for the processing, fabricating or alloying of **special nuclear material** if at any time the total amount of such material in the custody of insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235; or
 - d. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **waste**, and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;
3. **Nuclear material** means **source material**, **special nuclear material** or **by-product material**;
4. **Nuclear property damage** includes all forms of radioactive contamination of property;
5. **Nuclear reactor** means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;
6. **Source material**, **special nuclear material** and **by-product material** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;
7. **Spent fuel** means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor**;
8. **Waste** means any waste material;
 - a. Containing **by-product material** other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its **source material** content, and

- b. Resulting from the operation by any person or organization of any **nuclear facility** included under the first two Paragraphs of the definition of **nuclear facility**.

SUBLIMITED UNDERLYING INSURANCE

- D. Which is covered by any **underlying insurance** but is subject to a sublimit unless such sublimited coverage is specifically endorsed to this policy.

VIOLATION OF STATUTES

- E. Resulting from or arising directly or indirectly out of any action or omission that violates or is alleged to violate:
1. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
 2. The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
 3. The Fair Credit Reporting Act (FCRA) and any amendment or addition to such law including the Fair and Accurate Credit Transactions Act (FACTA); or
 4. Any federal, state or local statute, ordinance, or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

WAR

- F. Arising, directly or indirectly, out of:
1. War, including undeclared or civil war;
 2. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 3. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these,
- regardless of any other cause or event that contributes concurrently or in any sequence to injury or damage.

EMPLOYMENT PRACTICES

- G. Arising out of any bodily injury or personal and advertising injury to:
1. A person arising out of any:
 - a. Failure to employ or promote that person;
 - b. Termination of that person's employment, including actual or alleged constructive dismissal; or
 - c. Employment-related practices, policies, acts or omissions, including but not limited to injury arising from coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, molestation, humiliation, retaliation, hostile work environment, discrimination or malicious prosecution directed at that person; or
 2. The spouse, domestic partner, child, parent, brother or sister of that person as a consequence of any bodily injury or personal and advertising injury to that person at whom any of the employment related practices described in subparagraphs **a.**, **b.** or **c.** above is directed.

This exclusion applies:

1. Whether the injury causing event described in subparagraph **G.1.** above occurs before employment, during employment or after employment of that person;
2. Whether the insured may be held liable as an employer or in any other capacity; or
3. To any obligation to share damages with or repay someone who must pay damages because of the injury.

LAWS, MISCELLANEOUS

- H. Under any of the following:
1. Any uninsured/underinsured motorist or auto no-fault or first party personal injury law;

2. Any workers' compensation, unemployment compensation, or disability benefits law or any similar law; or
3. The Employees' Retirement Income Security Act (E.R.I.S.A.) of 1974 as now or hereafter amended.

LOSS OF, OR LOSS OF USE OF INTANGIBLE PROPERTY

- I. Arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate or process intangible property. For purposes of this policy, electronic data is intangible property and means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

SECTION V. CONDITIONS

A. Appeals

In the event you or any underlying insurer elects not to appeal a judgment in excess of the amount of the **underlying insurance**, we may elect to appeal at our expense. If we do so elect, we will be liable for the costs and additional interest accruing during this appeal. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in **SECTION II. LIMITS OF INSURANCE** of this policy.

B. Bankruptcy or Insolvency

The insolvency, bankruptcy or inability to pay of any insured will not relieve us from our obligation to pay damages covered by this policy.

In the event of insolvency, bankruptcy, refusal, or inability to pay, of any underlying insurer, the insurance afforded by this policy will not replace such **underlying insurance**, but will apply as if all the limits of any **underlying insurance** are fully available and collectible.

C. Cancellation

1. The first Named Insured shown in Item 1. of the Declarations may cancel this policy by mailing or delivering to us advance written notice stating when the cancellation is to take effect.
2. We may cancel this policy. If we cancel because of non-payment of premium, we will mail or deliver to the first Named Insured not less than ten (10) days advance written notice when the cancellation is to take effect. If we cancel for any other reason, we will mail or deliver to the first Named Insured not less than ninety (90) days advance written notice stating the reason(s) for cancellation, as well as the date when the cancellation is to take effect. Mailing notice to the first Named Insured's mailing address shown in Item 2. of the Declarations will be sufficient to prove notice.
3. The Policy Period will end on the day and hour shown in the cancellation notice.
4. If this policy is cancelled, the final premium will be calculated pro rata based on the time this policy was in force.
5. Premium adjustment may be made at the time of cancellation or as soon as practicable thereafter but the cancellation will be effective even if we have not made or offered any refund due the first Named Insured. Our check or our representative's check, mailed or delivered, will be sufficient tender of any refund due the first Named Insured.
6. The first Named Insured shown in Item 1. of the Declarations will act on behalf of all other insureds with respect to the giving and receiving of notice of cancellation and the receipt of any premium refund that may become payable under this policy.

D. Maintenance of Underlying Insurance

During the Policy Period, you agree:

1. To keep the policies listed in the Schedule of Underlying Insurance in full force and effect;
2. That the Applicable Limits of insurance of the policies shown in the Schedule of Underlying Insurance will be maintained except for any reduction or exhaustion of limits by payment of claims or suits for **loss** covered by **underlying insurance**;
3. The policies listed in the Schedule of Underlying Insurance may not be canceled or nonrenewed by you without notifying us, and you agree to notify us as soon as practicable before the cancellation or nonrenewal effective date in the event an insurance company cancels or declines to renew any policy listed in the Schedule of Underlying Insurance; and

4. Renewals or replacements of the policies listed in the Schedule of Underlying Insurance will not be materially changed without our agreement.

If you fail to comply with these requirements, we will only be liable to the same extent that we would have been had you fully complied with these requirements.

E. Nonrenewal

If we decide not to renew this policy, we will mail or deliver to the first Named Insured shown in Item 1. of the Declarations written notice of the nonrenewal not less than thirty (30) days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

F. Notice of Occurrence

1. You must see to it that we are notified as soon as practicable of an **occurrence** which may result in damages covered by this policy. To the extent possible, notice will include:
 - a. How, when and where the **occurrence** took place;
 - b. The names and addresses of any injured persons and witnesses; and
 - c. The nature and location of any injury or damage arising out of the **occurrence**.
2. Knowledge of an **occurrence** by the agent, servant or employee of yours, shall not in itself constitute knowledge by the insured unless you or any **authorized person** receives such notice from the agent, servants or employee.
3. If a claim or suit against any insured is reasonably likely to involve this policy, you must notify us in writing as soon as practicable.
4. You and any other involved insured must:
 - a. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit;
 - b. Authorize us to obtain records and other information;
 - c. Cooperate with us in the investigation, settlement or defense of the claim or suit; and
 - d. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this policy may also apply.
5. The insureds will not, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
6. Your failure to give notice of an **occurrence** to us shall not invalidate coverage under this policy if the **occurrence** was inadvertently reported to another insurer. However, you shall report any such **occurrence** to us as soon as practicable once you become aware of such error.

G. Other Insurance

If **other insurance** applies to damages that are also covered by this policy, this policy will apply excess of the **other insurance**. Nothing herein will be construed to make this policy subject to the terms, conditions and limitations of such **other insurance**. However, this provision will not apply if the **other insurance** is written to be excess of this policy.

Other insurance includes any type of self-insurance or other mechanism by which an insured arranges for funding of legal liabilities.

H. Terms Conformed to Statute

The terms of this policy which are in conflict with the statutes, laws, ordinances or regulations in any country, jurisdiction, state or province where this policy is issued are amended to conform to such statutes, laws, ordinances or regulations. If we are prevented by law or statute from paying on behalf of the insured, then we will, where permitted by law or statute, indemnify the insured.

I. Transfer of Rights of Recovery Against Others to Us

1. If the insured has rights to recover all or part of any payment we have made under this insurance, those rights are transferred to us. The insured must do nothing after the **loss** to impair them. At our request, the insured will bring suit or transfer those rights to us and help us enforce them.

However, if any insured is required to waive their rights of recovery from others by a written contract or agreement executed before a **loss**, we agree to waive our rights of recovery to the extent required by the written contract or agreement. This waiver of rights will not be construed to be a waiver with respect to any other operations for which the insured has not waived their rights of recovery by contract.

2. Any amount recovered will be apportioned in the inverse order of payment of **loss** to the extent of actual payment. The expenses of all such recovery proceedings will be apportioned in the ratio of respective recoveries.

J. Unintentional Errors and Omissions

Any unintentional error or omission in the description of, or failure to describe completely, any premises or operations intended to be covered by this policy, shall not invalidate or affect the coverage for those operations or premises. However, the insured must report such error or omission to the company as soon as practicable after its discovery.

K. When Loss is Payable

Coverage under this policy will not apply unless and until the insured or the insured's underlying insurer has paid or is legally obligated to pay the full amount of the total Applicable Limits of **underlying insurance**.

When the amount of **loss** is determined by an agreed settlement or a final judgment against an insured obtained after an actual trial, we will promptly pay on behalf of the insured the amount of **loss** covered under the terms of this policy.

L. Audit of Books and Records

We may audit and examine your books and records as they relate to this policy at any time during the period of this policy and for up to three (3) years after the expiration or termination of this policy.

M. Changes

Notice to any agent or knowledge possessed by any agent or any other person will not effect a waiver or a change in any part of this policy. This policy can only be changed by a written endorsement that becomes a part of this policy.

N. First Named Insured

The person or organization first named in Item 1. of the Declarations is responsible for the payment of all premiums. The first Named Insured will act on behalf of all other insureds for the giving and receiving of notice of cancellation or any other notice required under this policy or by statute or regulation, for the receipt and acceptance of this policy and any endorsements forming a part of this policy, and for the receiving of any return premiums that become payable under this policy.

O. Inspection

We have the right, but are not obligated to inspect the insured's premises and operations at any time. Our inspections are not safety inspections. They relate only to the insurability of the premises and operations and the premium to be charged. We may provide reports on the conditions we find. We may also recommend changes. While these reports may help reduce losses, we do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. We do not warrant that the premises or operations are safe or healthful, or that they comply with laws, regulations, codes or standards.

P. Legal Action Against Us

There will be no right of action against us under this insurance unless:

1. You have complied with all the terms of this policy; and
2. The amount you owe has been determined by settlement with our consent or by actual trial and final judgment.

This insurance does not give anyone the right to add us as a party in an action against you to determine your liability.

Q. Premium

The premium for this policy as stated in Item 5. of the Declarations is a flat premium. It is not subject to adjustment unless an endorsement is attached to this policy.

R. Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned to the first Named Insured, this insurance applies:

1. As if each named insured were the only named insured; and
2. Separately to each insured against whom claim is made or suit is brought.

S. Transfer of Your Rights and Duties

Your rights and duties under this insurance may not be transferred without our written consent. If you die, then your rights and duties will be transferred to your legal representative, but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having temporary custody of your property will have your rights and duties but only with respect to that property.

T. Violation of Economic or Trade Sanctions

If coverage for a claim or suit under this policy is in violation of any economic or trade sanctions of the United States of America then coverage for that claim or suit will be null and void.

SECTION VI. DEFINITIONS

In this policy, words and phrases appearing in bold-face type have the definitions shown below:

- A. Authorized person** means any person who may receive notice of an **occurrence** or claim in **underlying insurance**.
- B. Hostile fire** means one which becomes uncontrollable or breaks out from where it was intended to be.
- C. Loss** means those sums actually paid that the insured is legally obligated to pay as damages for the settlement or satisfaction of a claim because of injury or offense after making proper deductions for all recoveries and salvage. However,
1. **Loss** also includes defense expenses and supplementary payments if **underlying insurance** includes defense expenses and supplementary payments in the Limits of Insurance; and
 2. **Loss** does not include defense expenses and supplementary payments if **underlying insurance** does not include defense expenses and supplementary payments in the Limits of Insurance.
- D. Occurrence** means covered event as defined in **underlying insurance**.
- E. Other insurance** means a policy of insurance providing coverage that this policy also provides. **Other insurance** includes any type of self-insurance or other mechanisms by which an insured arranges for funding of legal liabilities. **Other insurance** does not include **underlying insurance** or a policy of insurance specifically purchased to be excess of this policy providing coverage that this policy also provides.
- F. 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.
- G. Underlying insurance** means the policy or policies of insurance listed in the Schedule of Underlying Insurance forming a part of this policy. We will only be liable for amounts in excess of the Applicable Limits of insurance shown in the Schedule of Underlying Insurance for any **underlying insurance**.

Certified Act of Terrorism Retained Amount Provisions



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
SXS 0195072-02	11/07/2018	11/07/2019	11/07/2018	50562000		

Named Insured and Mailing Address:

AMTRUST REALTY CORP.
250 BROADWAY
NEW YORK, NY 10007

Producer:

HUB INTERNATIONAL NORTHEAST LIMITED
1065 AVENUE OF THE AMERICAS
NEW YORK, NY 10018-1878

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CERTIFIED ACT OF TERRORISM RETAINED AMOUNT SCHEDULE

Each Occurrence Retained Amount:	\$ 1,000,000
Products/Completed Operations Aggregate Retained Amount:	\$ 2,000,000
Other Aggregate Retained Amount:	\$ 2,000,000

Certified Act of Terrorism Retained Amount Provisions

The following additional provisions apply to this policy as respects any liability, damage, **loss**, cost or expense arising, directly or indirectly, out of a **certified act of terrorism**, including any action taken in hindering or defending against an actual or expected **certified act of terrorism**, regardless of any other cause or event that contributes concurrently or in any sequence to the injury or damage:

- A.** We will pay on behalf of the insured the sums in excess of the Applicable Limits shown in the Schedule of Underlying Insurance or in excess of the **retained amount** shown in the Certified Act of Terrorism Retained Amount Schedule of this endorsement, whichever is greater, that the insured legally becomes obligated to pay as damages.
- B.** Except as otherwise provided by this policy and by this endorsement, coverage as respects a **certified act of terrorism** follows the terms, conditions, limitations, and exclusions of the **underlying insurance** in effect at the inception of this policy.
- C.** The amount we will pay for damages is limited as described in **SECTION II. LIMITS OF INSURANCE** except that the following paragraph is added to Paragraph **B.**:

Subject to Paragraphs **B.1.**, **B.2.** and **B.3.** above, if the Applicable Limits stated in the Schedule of Underlying Insurance or the applicable **retained amount** in the Certified Act of Terrorism Retained Amount Schedule of this endorsement are reduced or exhausted solely by payment of damages to which this policy applies, such insurance provided by this policy will apply in excess of the reduced Underlying Limits or **retained amount** or, if all Underlying Limits or **retained amounts** are exhausted, will apply as underlying insurance subject to the same terms, conditions, definitions and exclusions of the **underlying insurance**, except for the terms, conditions, definitions and exclusions of this policy or this endorsement.
- D.** If the coverage of this policy applies in excess of the **retained amount**, per paragraph **A.** above, rather than the Applicable Limits shown in Schedule of Underlying Insurance, the specific **retained amounts** applying to any **certified acts of terrorism** are as follows:

1. The Each Occurrence Retained Amount shown in the Schedule above is the total **retained amount** of damages for which the insured is responsible, applicable to each occurrence.
2. The Products/Completed Operations Aggregate Retained Amount shown in the Schedule above is the total **retained amount** of damages for which the insured is responsible, applicable to all occurrences included within the products/completed operations hazard.
3. The Other Aggregate Retained Amount shown in the Schedule above is the total **retained amount** of damages for which the insured is responsible, applicable to all occurrences except for occurrences included within the products/completed operations hazard.

E. The following provision is added to **SECTION V. CONDITIONS, Paragraph F. Notice of Occurrence:**

You must notify us immediately in writing of any claim or suit which seeks damages in an amount which is fifty (50) percent or more of the amount of the Each Occurrence Retained Amount stated in the Certified Act of Terrorism Retained Amount Schedule of this endorsement.

F. As used in this endorsement, **certified act of terrorism** means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act ("TRIA"), to be an act of terrorism. TRIA provides that the Secretary of Treasury shall certify an act of terrorism:

1. To be an act of terrorism;
2. To be a violent act or an act that is dangerous to human life, property or infrastructure;
3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. 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.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

G. As used in this endorsement, **retained amount** means the amount of damages for which the insured is responsible as shown in the Certified Act of Terrorism Retained Amount Schedule of this endorsement.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.



Care, Custody Or Control Exclusion

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
SXS 0195072-02	11/07/2018	11/07/2019	11/07/2018	50562000	-----	-----

Named Insured and Mailing Address:

AMTRUST REALTY CORP.
250 BROADWAY
NEW YORK, NY 10007

Producer:

HUB INTERNATIONAL NORTHEAST LIMITED
1065 AVENUE OF THE AMERICAS
NEW YORK, NY 10018-1878

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This policy does not apply to property damage to:

Real and Personal Property

of others in the care, custody or control of the insured.



Professional Services Exclusion

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
SXS 0195072-02	11/07/2018	11/07/2019	11/07/2018	50562000		

Named Insured and Mailing Address:

AMTRUST REALTY CORP.
 250 BROADWAY
 NEW YORK, NY 10007

Producer:

HUB INTERNATIONAL NORTHEAST LIMITED
 1065 AVENUE OF THE AMERICAS
 NEW YORK, NY 10018-1878

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

**Following Form Excess Liability Policy
 Straight Excess Liability Policy**

This policy does not apply to any liability, damage, **loss**, cost or expense arising out of any breach of duty, negligent act, error, misstatement or omission in the rendering of, or failure to render, any professional services in the capacity designated below:

Designated Capacity

Any and All

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by any insured, if the **occurrence** which caused the liability, damage, **loss**, cost or expense involved the rendering of, or failure to render, any professional service in the capacity designated above.

All other terms, conditions, provisions and exclusions of this policy remain the same.



Exclusion – Recording And Distribution Of Material Or Information In Violation Of Law

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
SXS 0195072-02	11/07/2018	11/07/2019	11/07/2018	50562000		

Named Insured and Mailing Address:

AMTRUST REALTY CORP.
250 BROADWAY
NEW YORK, NY 10007

Producer:

HUB INTERNATIONAL NORTHEAST LIMITED
1065 AVENUE OF THE AMERICAS
NEW YORK, NY 10018-1878

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

**Following Form Excess Liability Policy
Straight Excess Liability Policy**

Exclusion **E. VIOLATION OF STATUTES** under **SECTION IV. EXCLUSIONS** is replaced by the following:

This policy does not apply to any liability, damage, **loss**, cost or expense:

RECORDING AND DISTRIBUTION OF MATERIAL OR INFORMATION IN VIOLATION OF LAW

E. Directly or indirectly arising out of or based upon any action or omission that violates or is alleged to violate:

1. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
2. The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
3. The Fair Credit Reporting Act (FCRA) and any amendment of or addition to such law including the Fair and Accurate Credit Transactions Act (FACTA); or
4. Any federal, state or local statute, ordinance, or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA, and their amendments and additions, or any other legal liability, at common law or otherwise, that addresses, prohibits, or limits the printing, dissemination, disposal, monitoring, collecting, recording, use of, sending, transmitting, communicating or distribution of material or information.

All other terms, conditions, provisions and exclusions of this policy remain the same.

Casualty Business Crisis Expense Insurance



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
SXS 0195072-02	11/07/2018	11/07/2019	11/07/2018	50562000	-----	-----

Named Insured and Mailing Address:

AMTRUST REALTY CORP.
250 BROADWAY
NEW YORK, NY 10007

Producer:

HUB INTERNATIONAL NORTHEAST LIMITED
1065 AVENUE OF THE AMERICAS
NEW YORK, NY 10018-1878

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHEDULE

\$250,000 Casualty Business Crisis Expense Aggregate Limit

I. The following Insuring Agreement is added to **SECTION I. COVERAGE:**

Casualty Business Crisis Expense Insurance

We will pay for **casualty business crisis expense** regardless of fault arising from a **casualty business crisis** first commencing during the Policy Period. No **underlying insurance** applies to **casualty business crisis expense** coverage. Subject to the other terms and conditions of the coverage provided by this endorsement, we shall pay **casualty business crisis expense** from the first dollar of such expense. We will not be liable for **casualty business crisis expense** incurred prior to, or more than one hundred eighty (180) days after the date notice of such **casualty business crisis** is first given to us.

The amount we will pay for **casualty business crisis expense** is limited as described in **SECTION II. LIMITS OF INSURANCE** of this endorsement.

Any amounts that we pay under the coverage provided by this endorsement will not obligate us in any way under any other coverage provided by this policy.

II. For the purposes of the coverage provided by this endorsement, **SECTION II. LIMITS OF INSURANCE** is deleted and replaced the following:

SECTION II. LIMITS OF INSURANCE

A. The limit shown as the Casualty Business Crisis Expense Aggregate Limit in the Schedule of this endorsement and the rules below describe the most we will pay regardless of the number of:

1. Insureds;
2. Claims made or suits brought; or
3. Persons or organizations making claims or bringing suits.

B. The Casualty Business Crisis Expense Aggregate Limit is the most we will pay for all **casualty business crisis expense** first commencing during our policy period. This Limit is in addition to, and **casualty business crisis expense** does not reduce or exhaust, any other Limit of Insurance applicable to this policy.

III. For the purposes of the coverage provided by this endorsement, **SECTION III. DEFENSE AND SUPPLEMENTARY PAYMENTS** is deleted and replaced the following:

SECTION III. DEFENSE

We do not assume any duty to control the investigation and settlement of any claim, or defense of any suit that may arise from a covered **casualty business crisis**.

- IV. For the purposes of the coverage provided by this endorsement, **SECTION IV. EXCLUSIONS** is deleted and replaced the following:

SECTION IV. EXCLUSIONS

The insurance provided by this endorsement does not apply to any **casualty business crisis** arising out of, based upon or attributable to:

PRIOR NOTICE

- A. Facts alleged, or to the same or related acts alleged or contained, in any crisis, claim or suit that has been reported, or in any circumstances where notice has been given under any policy of which this policy or any **underlying insurance** is a renewal or replacement; or

PENDING OR PRIOR CRISIS CLAIM OR SUIT

- B. Any pending or prior claim or suit as of the inception date of this policy.

- V. For the purposes of the coverage provided by this endorsement, the following Conditions are added to **SECTION V. CONDITIONS**:

A. Notice of a Casualty Business Crisis

You must see to it that we are notified of a **casualty business crisis** as soon as practicable after it first commences. Such notice shall include a description of the **casualty business crisis** and the reason it is likely to involve damages covered by this policy in excess of the total Applicable Limits of **underlying insurance** and significant adverse regional or national media coverage. Notice to us shall be given to Zurich Claim Reporting, Care Center, P.O. Box 49547, Colorado Springs, CO 80949, Phone 1-800-987-3373, Fax 1-877-962-2567, E-Mail USZ Care Center@Zurichna.com.

B. Arbitration

If you and we disagree as to whether a **casualty business crisis** has occurred, both parties may, by mutual consent agree in writing to arbitration of the disagreement and the right to any reimbursement for **casualty business crisis expense**.

In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, both parties must request that selection be made by a judge of a court having jurisdiction. Each party will:

1. Pay the expenses it incurs; and
2. Bear the expenses of the third arbitrator equally.

Unless both parties agree otherwise, arbitration will take place in the state, county or parish in which the address shown in the Declarations is located. Local rules of law as to procedure and evidence will apply.

- VI. For the purposes of this endorsement:

- A. **Casualty business crisis** means an event that in the good faith opinion of your **principal**, in the absence of **casualty business crisis services**, has been or may be associated with:

1. Damages covered by this policy that are in excess of the total Applicable Limits of **underlying insurance**; and
2. Significant adverse regional or national media coverage.

Casualty business crisis shall include, without limitation, man-made disasters such as explosions, major crashes, multiple deaths or injuries, burns, dismemberment, traumatic brain injury, paraplegia, or contamination of food, drink or pharmaceuticals.

For purposes of the coverage provided by this endorsement, a **casualty business crisis** will first commence when your **principal** first becomes aware of the **occurrence** and will conclude at the earliest of the time when

the **casualty business crisis advisor** advises you that the crisis no longer exists or when the Casualty Business Crisis Expense Aggregate Limit has been exhausted.

- B. Casualty business crisis advisor** means any public relations firm or crisis management firm approved by us that is hired by you to perform **casualty business crisis services** in connection with a **casualty business crisis**.
- C. Casualty business crisis expense** means amounts paid:
1. To you for the reasonable and necessary:
 - a. Fees and expenses of a **casualty business crisis advisor** in the performance for you of **casualty business crisis services** solely for a covered **casualty business crisis**; and
 - b. Amounts for printing, advertising, mailing of materials or travel by your directors, officers, employees or agents or a **casualty business crisis advisor** solely for a **casualty business crisis**; and
 2. To others for the following reasonable and necessary expenses resulting from such covered **casualty business crisis** provided that such expenses have been approved by us:
 - a. Medical expenses;
 - b. Funeral expenses;
 - c. Psychological counseling;
 - d. Travel expenses;
 - e. Temporary living expenses;
 - f. Expenses to secure the scene of a **casualty business crisis**; and
 - g. Any other expenses pre-approved by us.
- D. Casualty business crisis services** means those services performed by a **casualty business crisis advisor** in advising you on minimizing potential harm to you from a covered **casualty business crisis** by maintaining or restoring public confidence in you.
- E. Principal** means your Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, President, General Counsel or general partner (if you are a partnership) or sole proprietor (if you are a proprietorship).

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Access Or Disclosure Of Confidential Or Personal Information And Data-Related Liability Exclusion



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
SXS 0195072-02	11/07/2018	11/07/2019	11/07/2018	50562000		

Named Insured and Mailing Address:

AMTRUST REALTY CORP.
250 BROADWAY
NEW YORK, NY 10007

Producer:

HUB INTERNATIONAL NORTHEAST LIMITED
1065 AVENUE OF THE AMERICAS
NEW YORK, NY 10018-1878

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Paragraph I. of SECTION IV. EXCLUSIONS is replaced by the following:

This policy does not apply to any liability, damage, **loss**, cost or expense:

ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY
I. Arising out of:

1. Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
2. The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other **loss**, cost or expense incurred by you or others arising out of that which is described in Paragraph 1. or 2. above.

For the purposes of this endorsement, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells data processing devices or any other media which are used with electronically controlled equipment.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.



Sanctions Exclusion Endorsement

Policyholder: AMTRUST REALTY CORP.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The following exclusion is added to the policy to which it is attached and supersedes any existing sanctions language in the policy, whether included in an Exclusion Section or otherwise:

SANCTIONS EXCLUSION

Notwithstanding any other terms under this policy, we shall not provide coverage nor will we make any payments or provide any service or benefit to any insured, beneficiary, or third party who may have any rights under this policy to the extent that such cover, payment, service, benefit, or any business or activity of the insured would violate any applicable trade or economic sanctions law or regulation.

The term policy may be comprised of common policy terms and conditions, the declarations, notices, schedule, coverage parts, insuring agreement, application, enrollment form, and endorsements or riders, if any, for each coverage provided. Policy may also be referred to as contract or agreement.

We may be referred to as insurer, underwriter, we, us, and our, or as otherwise defined in the policy, and shall mean the company providing the coverage.

Insured may be referred to as policyholder, named insured, covered person, additional insured or claimant, or as otherwise defined in the policy, and shall mean the party, person or entity having defined rights under the policy.

These definitions may be found in various parts of the policy and any applicable riders or endorsements.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED



ZURICH[®]

New York Changes

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
SXS 0195072-02	11/07/2018	11/07/2019	11/07/2018	50562000	-----	-----

Named Insured and Mailing Address:

AMTRUST REALTY CORP.
250 BROADWAY
NEW YORK, NY 10007

Producer:

HUB INTERNATIONAL NORTHEAST LIMITED
1065 AVENUE OF THE AMERICAS
NEW YORK, NY 10018-1878

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

A. SECTION I. COVERAGE, A. Coverage A - Excess Follow Form Liability Insurance, is amended to include the following:

Notwithstanding anything to the contrary in this policy, the insurance coverage afforded by this policy as respects operations in New York State shall conform to the requirements of the applicable New York State Insurance Laws and the applicable Regulations of the Department of Financial Services. However, the Limits of Insurance stated in this policy shall apply in excess of the Limits of Insurance of any valid and collectible **underlying insurance** or self-insurance shown in the Schedule of Underlying Insurance.

B. SECTION III. DEFENSE AND SUPPLEMENTARY PAYMENTS, Paragraph **A.**, is deleted and replaced with the following:

A. We have the right and duty to assume control of the investigation and settlement of any claim, or defense of any suit against the insured for damages covered by this policy when the applicable limit of **underlying insurance** and **other insurance** has been exhausted by payment of **loss** for which coverage is afforded under this policy, even if the allegations of the suit are groundless, false or fraudulent.

C. SECTION V. CONDITIONS, C. Cancellation is deleted in its entirety and replaced with the following:

C. Cancellation

1. You may cancel this policy. You must mail or deliver advance written notice to us stating when the cancellation is to take effect.
2. We may cancel this policy. If we cancel because of non-payment of premium, we will mail or deliver to you at the address shown on your policy not less than fifteen (15) days advance written notice when the cancellation is to take effect. If we cancel for any other reason, we will mail or deliver to you at the address shown on your policy not less than ninety (90) days advance written notice stating the reason(s) for the cancellation and when the cancellation is to take effect. Notice will be mailed or delivered to you, at the address shown on the policy, and to your authorized agent or broker.
 - a. If this policy has been in effect for sixty (60) days or less and it is not a renewal of a policy we issued, we may cancel this policy for any reason. Notice will be mailed or delivered to you at the address shown on your policy, and to your authorized agent or broker, at least twenty (20) days in advance of the cancellation of this policy.
 - b. If this policy has been in effect for more than sixty (60) days, or if this policy is a renewal or continuation of a policy we issued, we may cancel this policy for one or more of the following reasons only:
 - (1) Non-payment of premium;
 - (2) Conviction of a crime arising out of acts increasing the hazard insured against;

- (3) Discovery of fraud or material misrepresentation in the obtaining of the policy or in the presentation of a claim thereunder;
- (4) After issuance of the policy or after the last renewal date, discovery of any act or omission, or a violation of any policy condition, that substantially and materially increases the hazard insured against, and which occurred subsequent to inception of the current policy period;
- (5) Material change in the nature or extent of the risk, occurring after issuance or last annual renewal anniversary date of the policy, which causes the risk of **loss** to be substantially and materially increased beyond that contemplated at the time the policy was issued or last renewed;
- (6) Required pursuant to a determination by the Superintendent that continuation of our present premium volume would jeopardize our solvency or be hazardous to the interest of our policyholders, our creditors or the public; or
- (7) A determination by the Superintendent that the continuation of the policy would violate, or would place us in violation of any provision of the Insurance Code; or
- (8) If one or more of the **underlying insurance** policies is cancelled and is not replaced without lapse; or
- (9) Where we have reason to believe, in good faith and with sufficient cause, that there is a probable risk or danger that you will destroy, or permit to be destroyed, the insured property for the purpose of collecting the insurance proceeds, provided, however, that:
 - (a.) A notice of cancellation of this ground shall inform the insured in plain language that you must act within ten days if review by the Superintendent of the ground for cancellation is desired according to item (iii) of this subparagraph;
 - (b.) Notice of cancellation on this ground shall be provided simultaneously by us to the Superintendent; and
 - (c.) Upon written request of the insured made to the Department of Financial Services within ten days from your receipt of notice of cancellation on this ground, the Superintendent shall undertake a review of the ground for cancellation to determine whether or not we have satisfied the criteria for cancellation specified in this subparagraph; if after such review the Superintendent finds no sufficient cause for cancellation on this ground, the notice of cancellation on this ground shall be deemed null and void.

c. If we cancel for nonpayment of premium, our written notice of cancellation will include the premium amount due.

3. The policy period will end on the day and hour stated in the cancellation notice.
4. If this policy is cancelled, the final premium will be calculated pro rata based on the time this policy was in force.
5. Premium adjustment may be made at the time of cancellation or as soon as practicable thereafter but the cancellation will be effective even if we have not made or offered any refund due you. Our check or our representative's check, mailed or delivered, will be sufficient tender of any refund due you.

D. SECTION V. CONDITIONS, E. Nonrenewal is deleted in its entirety and replaced with the following:

E. Nonrenewal and Conditional Renewal

1. If we decide not to renew this policy, we will send notice as provided in paragraph **d.** below along with the reason(s) for nonrenewal.
2. If we condition renewal of this policy upon:
 - a. Change of limits;
 - b. Change in type of coverage;
 - c. Reduction of coverage;
 - d. Increased deductible;
 - e. Addition of exclusion; or

- f. Increased premiums in excess of 10%, exclusive of any premium increase due to and commensurate with insured value added; or as a result of experience rating, retrospective rating or audit;

We will send notice as provided below.

3. If we decide not to renew this policy or to conditionally renew this policy as provided in **E.1.** and **E.2.** above, we will mail or deliver written notice to you not less than sixty (60) days but not more than one hundred, twenty (120) days before:
 - a. The expiration date; or
 - b. The anniversary date if this is a continuous policy.
4. Notice will be mailed or delivered to you at the address shown in the policy, and to your authorized agent or broker. If notice is mailed, proof of mailing will be sufficient proof of notice.
5. We will not send you notice of nonrenewal or conditional renewal if you, your authorized agent or broker or another insurer of yours mails or delivers notice that the policy has been replaced or is no longer desired.
6. If we send you a late conditional renewal notice or a late nonrenewal notice:
 - a. As provided for in subparagraph **E.3.** above, coverage will remain in effect at the same terms and conditions of this policy at the lower of the current rates or the prior period's rates until sixty (60) days after such notice is mailed or delivered, unless you, during this 60 day period, replace the coverage or elect to cancel sooner.
 - b. On or after the expiration date of this policy, coverage will remain in effect at the same terms and conditions of this policy for another required policy period at the lower of the current rates or the prior period's rates, unless you, during this additional required policy period, replace the coverage or elect to cancel sooner.
7. The aggregate Limits of Insurance as shown in the Declarations of this policy will be increased in proportion to any policy extension provided in accordance with subparagraph **E.6.** above.
8. The last sentence of **SECTION II. LIMITS OF INSURANCE**, paragraph **D.**, does not apply when the policy period is extended because we sent you an incomplete or late conditional renewal notice or a late nonrenewal notice.

- E.** The following provision is added to **SECTION V. CONDITIONS** and supersedes any provision to the contrary:

Failure to give notice to us as required under this policy shall not invalidate any claim made by the insured, injured person or any other claimant, unless the failure to provide such timely notice has prejudiced us. However, no claim made by the insured, injured person or other claimant will be invalidated if it shall be shown not to have been reasonably possible to give such timely notice and that notice was given as soon as was reasonably possible thereafter.

- F.** Condition **P. Legal Action Against Us** under **SECTION V. CONDITIONS** is deleted and replaced by the following:

P. Legal Action Against us by Claimant

With respect to any claims for death or personal injury, if we deny coverage or do not admit liability because an insured or the injured person, someone acting for the injured person, or other claimant fails to give us written notice as soon as practicable, then the injured person, someone acting for the injured person, or other claimant may bring an action against us, provided the sole question is whether the denial of coverage or nonadmission of liability is based on the failure to provide timely notice.

However, the injured person, someone acting for the injured person, or other claimant may not bring an action if within sixty (60) days after we deny coverage or do not admit liability, we or an insured:

1. Brings an action to declare the rights of the parties under the policy; and
 2. Names the injured person, someone acting for the injured person or other claimant as a party to the action.
- G.** Coverage for Workers Compensation and Employers Liability is not applicable in situations where an employee is subject to the New York Workers Compensation Law, because Employers' Liability Coverage is generally unlimited in nature in New York State.

- H. The definition of **loss** paragraph C. under **SECTION VI. DEFINITIONS** is deleted and replaced by the following:
- C. **Loss** means those sums actually paid that the insured is legally obligated to pay as damages for the settlement or satisfaction of a claim because of injury or offense after making proper deductions for all recoveries and salvage. However, **loss** does not include defense expenses and supplementary payments.
- I. The last sentence under Paragraph B. under **SECTION III. DEFENSE AND SUPPLEMENTARY PAYMENTS** is deleted and replaced by the following:
- The expenses and payments described in paragraph B. above will not reduce the limits of insurance.
- J. The following is added to **SECTION V. CONDITIONS**, Paragraph F., **Notice of Occurrence**:
- Notice given by or on behalf of the insured, or written notice by or on behalf of the injured person or any other claimant, to any agent of ours in New York State, with particulars sufficient to identify the insured, shall be considered to be notice to us.
- K. **SECTION V. CONDITIONS**, Paragraph K. **When Loss is Payable** is deleted and replaced by the following:
- When Loss is Payable**
- Coverage under this policy will not apply until the insured, or the insured's underlying insurer exhausts the full amount of the Underlying Limits of Insurance by their obligation to pay judgments or settlements.
- When the amount of **loss** is determined by an agreed settlement or on a final judgment against an insured, we will promptly pay on behalf of the insured the amount of **loss** covered under the terms of this policy.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.


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Cap On Losses From Certified Acts Of Terrorism

Insured's Name	Policy Number	Effective Date	Endorsement Number
AMTRUST REALTY CORP.	SXS 0195072-02	11/07/2018	09

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies your insurance.

Straight Excess Liability Policy

A. Cap on Losses From Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with provisions of the federal Terrorism Risk Insurance Act ("TRIA"), to be an act of terrorism. The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. To be an act of terrorism;
2. To be a violent act or an act that is dangerous to human life, property or infrastructure;
3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. 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.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

If aggregate insured losses attributable to one or more "certified acts of terrorism" exceed \$100 billion in a calendar year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

B. Application of Other Exclusions

The terms and limitations of a terrorism exclusion or any other exclusion, or the inapplicability or omission of a terrorism exclusion or any other exclusion, do not serve to create coverage which would otherwise be excluded, limited or restricted under this policy.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

\$50,000,000 **FLOOD** in the **Annual Aggregate** but not to exceed the following limits in the **Annual Aggregate**:

- a). \$10,000,000 as respects Locations with any part of the legal description within a **Special Flood Hazard Area (SFHA)** and not otherwise listed herein.
- b). \$25,000,000 as respects Locations with any part of the legal description within a **Moderate Flood Hazard Area (MFHA)** and not otherwise listed herein.
- c). \$5,000,000 as respects Newly Acquired Locations
- d). \$5,000,000 as respects **Miscellaneous Unnamed Locations**

\$500,000,000 **NAMED STORM** per occurrence but not to exceed:

- a). \$75,000,000 for property located in Zone 1 for **Named Storm** as described in Appendix C & D.
- b). \$150,000,000 for property located in Zone 2 for **Named Storm** as described in Appendix C & D.
- c). \$5,000,000 as respects Newly Acquired Locations
- d). \$5,000,000 as respects **Miscellaneous Unnamed Locations**

2.03.07. Causation Definition: The following term is included in the definition of the Peril as indicated:

Storm Surge is part of **Flood**

2.03.08. Time and Distance Limitations: In addition to the Limits of Liability shown elsewhere in this Policy, the following limitations apply:

Located within 1 mile(s) of the Insured Location.	ATTRACTION PROPERTY
60 day period for property within 5 mile(s) but not to exceed a \$25,000,000 limit.	CIVIL OR MILITARY AUTHORITY
30 day(s)	The actual Time Element loss sustained by the Insured arising out of the Delay in Completion
Not Applicable	GROSS EARNINGS
365 day(s)	EXTENDED PERIOD OF LIABILITY
90 day(s)	ORDINARY PAYROLL
90 day period but not to exceed a \$5,000,000 limit.	IMPOUNDED WATER
60 day period for property within 5 mile(s) but not to exceed a \$25,000,000 limit.	INGRESS/EGRESS
NCP	INTERNATIONAL INTERDEPENDENCY
180 day period but not to exceed a \$25,000,000 limit per Location.	NEWLY ACQUIRED
48 hours for Gross Earnings: not to exceed a \$10,000,000 limit per Location.	PROTECTION AND PRESERVATION OF PROPERTY
12 months but not to exceed a \$1,000,000 limit.	RESEARCH AND DEVELOPMENT

2.03.09. Time Specifications: As follows:

EARTH MOVEMENT Occurrence	168 hours
NAMED STORM Occurrence	72 hours
Cancellation for non-payment of premium	10 days
Cancellation for any other reason	60 days

(2) Materials, parts or equipment furnished in connection with such work, services or operations.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance, use, handling, maintenance, operation or safety of "your work"; and

(2) The providing of or failure to provide warnings or instructions.

R. Duties in the Event of Occurrence, Offense, Claim or Suit Condition

The following paragraphs are added to Paragraph 2. **Duties In The Event Of Occurrence, Offense, Claim Or Suit** of Section IV – **Commercial General Liability Conditions**:

Notice of an "occurrence" or of an offense which may result in a claim under this insurance or notice of a claim or "suit" shall be given to us as soon as practicable after knowledge of the "occurrence", offense, claim or "suit" has been reported to any insured listed under Paragraph 1. of Section II – Who Is An Insured or an "employee" authorized by you to give or receive such notice. Knowledge by other "employees" of an "occurrence", offense, claim or "suit" does not imply that you also have such knowledge.

In the event that an insured reports an "occurrence" to the workers compensation carrier of the Named Insured and this "occurrence" later develops into a General Liability claim, covered by this Coverage Part, the insured's failure to report such "occurrence" to us at the time of the "occurrence" shall not be deemed to be a violation of this Condition. You must, however, give us notice as soon as practicable after being made aware that the particular claim is a General Liability rather than a Workers Compensation claim.

S. Other Insurance Condition

Paragraphs 4.a. and 4.b.(1) of the Other Insurance Condition of Section IV – **Commercial General Liability Conditions** are replaced by the following:

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph c. below. However, this insurance is primary to and will not seek contribution from any other insurance available to an additional insured provided that:

(1) The additional insured is a Named Insured under such other insurance; and

(2) You are required by written contract or written agreement that this insurance be primary and not seek contribution from any other insurance available to the additional insured.

Other insurance includes any type of self insurance or other mechanism by which an insured arranges for funding of its legal liabilities.

b. Excess Insurance

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(i) That is property insurance, Builder's Risk, Installation Risk or similar coverage for "your work";

(ii) That is property insurance purchased by you (including any deductible or self insurance portion thereof) to cover premises rented to you or temporarily occupied by you with permission of the owner;

(iii) That is insurance purchased by you (including any deductible or self insurance portion thereof) to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

(iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section I – Coverage A – Bodily Injury And Property Damage Liability; or

- (v) That is property insurance (including any deductible or self insurance portion thereof) purchased by you to cover damage to:

Equipment you borrow from others; or

Property loaned to you or personal property in the care, custody or control of the insured arising out of the use of an elevator at premises you own, rent or occupy.

- (b) Any other primary insurance (including any deductible or self insurance portion thereof) available to the insured covering liability for damages arising out of the premises, operations, products, work or services for which the insured has been granted additional insured status either by policy provision or attachment of any endorsement. Other primary insurance includes any type of self insurance or other mechanism by which an insured arranges for funding of its legal liabilities.
- (c) Any of the other insurance, whether primary, excess, contingent or on any other basis, available to an additional insured, in which the additional insured on our policy is also covered as an additional insured on another policy providing coverage for the same "occurrence", claim or "suit". This provision does not apply to any policy in which the additional insured is a Named Insured on such other policy and where our policy is required by written contract or written agreement to provide coverage to the additional insured on a primary and non-contributory basis.

T. Unintentional Failure to Disclose All Hazards

Paragraph 6. **Representations** of Section IV – **Commercial General Liability Conditions** is replaced by the following:

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

Coverage will continue to apply if you unintentionally:

- a. Fail to disclose all hazards existing at the inception of this policy; or
- b. Make an error, omission or improper description of premises or other statement of information stated in this policy.

You must notify us in writing as soon as possible after the discovery of any hazards or any other information that was not provided to us prior to inception of this Coverage Part.

U. Waiver of Right of Subrogation

Paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us** of Section IV – **Commercial General Liability Conditions** is replaced by the following:

8. Transfer Of Rights Of Recovery Against Others To Us

- a. If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.
- b. If the insured waives its right to recover payments for injury or damage from another person or organization in a written contract executed prior to a loss, we waive any right of recovery we may have against such person or organization because of any payment we have made under this Coverage Part. The written contract will be considered executed when the insured's performance begins, or when it is signed, whichever happens first. This waiver of rights shall not be construed to be a waiver with respect to any other operations in which the insured has no contractual interest.

V. Liberalization Condition

The following condition is added to Section IV – **Commercial General Liability Conditions**:

Liberalization Clause

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEW YORK CHANGES – CANCELLATION

For a covered "auto" licensed or principally garaged in, or for "auto dealer operations" conducted in, New York, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- I. If you are an individual and a covered "auto" you own is predominantly used for nonbusiness purposes, the **Cancellation** Common Policy Condition does not apply. The following condition applies instead:

Ending This Policy

A. Cancellation

1. You may cancel the entire Policy by returning it to us or by giving us advance notice of the date cancellation is to take effect.
2. When this Policy is in effect less than 60 days and is not a renewal or continuation policy, we may cancel the entire Policy for any reason provided we mail you notice within this period. If we cancel for nonpayment of premium, we will mail you at least 15 days' notice and such notice of cancellation on this ground shall inform the first Named Insured of the amount due. Payment of premium will be considered on time if made within 15 days after we mail you notice of cancellation. If we cancel for any other reason, we will mail you at least 20 days' notice.
3. When this Policy is in effect 60 days or more or is a renewal or continuation policy, we may cancel it or any insurance deemed severable only for one or more of the following reasons:
 - a. Nonpayment of premium, provided, however, that a notice of cancellation on this ground shall inform the first Named Insured of the amount due. If we cancel for this reason, we will mail you at least 15 days' notice. Payment of premium will be considered on time if made within 15 days after we mail you notice of cancellation.
 - b. Your driver's license or that of a driver who lives with you or customarily uses the covered "auto" has been suspended or revoked during the policy period, other than a suspension issued pursuant to Subdivision (1) of Section 510(b) of the New York Vehicle and Traffic Law, or one or more administrative suspensions arising out of the same incident which has or have been terminated prior to the effective date of cancellation. If we cancel for this reason, we will mail you at least 20 days' notice.

- c. We replace this Policy with another one providing similar coverages and the same limits for a covered "auto" of the private passenger type. The replacement policy will take effect when this Policy is cancelled, and will end a year after this Policy begins or on this Policy's expiration date, whichever is earlier.
- d. This Policy has been written for a period of more than one year or without a fixed expiration date. We may cancel for this reason, subject to New York Laws, only at an anniversary of its original effective date. If we cancel for this reason, we will mail you at least 45 but not more than 60 days' notice.
- e. This Policy was obtained through fraud or material misrepresentation. If we cancel for this reason, we will mail you at least 20 days' notice.
- f. Any "insured" made a fraudulent claim. If we cancel for this reason, we will mail you at least 20 days' notice.

If one of the reasons listed in this Paragraph 3. exists, we may cancel the entire Policy.

- 4. Instead of cancellation, we may condition continuation of this Policy on a reduction of Covered Autos Liability Coverage or elimination of any other coverage. If we do this, we will mail you notice at least 20 days before the date of the change.
- 5. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- 6. If this Policy is cancelled, we will send you any premium refund due. The refund will be pro rata.

However, when the premium is advanced under a premium finance agreement, we will be entitled to retain a minimum earned premium of 10% of the total policy premium or \$60, whichever is greater. The cancellation will be effective even if we have not made or offered a refund.

B. Nonrenewal

- 1. If this Policy is written for a period of less than one year and we decide, subject to New York Laws, not to renew or continue it, or to condition renewal or continuation on a reduction of Covered Autos Liability Coverage or elimination of any other coverage, we will mail or deliver to you written notice at least 45 but not more than 60 days before the end of the policy period.
- 2. We will have the right not to renew or continue a particular coverage, subject to New York Laws, only at the end of each 12-month period following the effective date of the first of the successive policy periods in which the coverage was provided.
- 3. We do not have to mail notice of nonrenewal if you, your agent or broker or another insurance company informs us in writing that you have replaced this Policy or that you no longer want it.

C. Mailing Of Notices

We will mail or deliver our notice of cancellation, reduction of limits, elimination of coverage or nonrenewal to the address shown on the Policy. However, we may deliver any notice instead of mailing it. If notice is mailed, a United States Postal Service certificate of mailing will be sufficient proof of notice.

- II. For all policies other than those specified in Section I., the **Cancellation** Common Policy Condition is completely replaced by the following:

Ending This Policy

A. Cancellation

- 1. The first Named Insured shown in the Declarations may cancel the entire Policy by returning it to us or by giving us advance notice of the date cancellation is to take effect.
- 2. When this Policy is in effect 60 days or less and is not a renewal or continuation policy, we may cancel the entire Policy by mailing to the first Named Insured written notice at least 15 days before the effective date of cancellation if we cancel for any of the reasons included in Paragraph 3. below. We will provide the first Named Insured with 20 days' written notice if we cancel for any other reason.

3. When this Policy is in effect more than 60 days or is a renewal or continuation policy, we may cancel only for any of the reasons listed below, provided we mail the first Named Insured written notice at least 15 days before the effective date of cancellation:
 - a. Nonpayment of premium, provided, however, that a notice of cancellation on this ground shall inform the first Named Insured of the amount due;
 - b. Conviction of a crime arising out of acts increasing the hazard insured against;
 - c. Discovery of fraud or material misrepresentation in the obtaining of the Policy or in the presentation of a claim thereunder;
 - d. After issuance of the Policy or after the last renewal date, discovery of an act or omission, or a violation of any policy condition, that substantially and materially increases the hazard insured against, and which occurred subsequent to inception of the current policy period;
 - e. Material physical change in the property insured, occurring after issuance or last annual renewal anniversary date of the Policy, which results in the property becoming uninsurable in accordance with our objective, uniformly applied underwriting standards in effect at the time the Policy was issued or last renewed; or material change in the nature or extent of the risk, occurring after issuance or last annual renewal anniversary date of the Policy, which causes the risk of loss to be substantially and materially increased beyond that contemplated at the time the Policy was issued or last renewed;
 - f. Required pursuant to a determination by the Superintendent that continuation of our present premium volume would jeopardize our solvency or be hazardous to the interest of our policyholders, our creditors or the public;
 - g. A determination by the Superintendent that the continuation of the Policy would violate, or would place us in violation of, any provision of the Insurance Code;
 - h. Where we have reason to believe, in good faith and with sufficient cause, that there is a probable risk of danger that the "insured" will destroy, or permit to be destroyed, the insured property for the purpose of collecting the insurance proceeds. However, if we cancel for this reason, the first Named Insured may make a written request to the Department of Financial Services, within 10 days of receipt of this notice, to review our cancellation decision. We will also send a copy of this notice, simultaneously, to the Department of Financial Services; or
 - i. Suspension or revocation during the required policy period of the driver's license of any person who continues to operate a covered "auto", other than a suspension issued pursuant to Subdivision (1) of Section 510(b) of the New York Vehicle and Traffic Law or one or more administrative suspensions arising from the same incident which has or have been terminated prior to the effective date of cancellation.
4. Regardless of the number of days this Policy has been in effect, if:
 - a. This Policy covers "autos" subject to the provisions of Section 370 (a) and (b) of the New York Vehicle and Traffic Law; and
 - b. The Commissioner of the Department of Motor Vehicles deems this Policy to be insufficient for any reason;we may cancel this Policy by giving you notice of such insufficiency 45 days before the effective date of cancellation to permit you to replace this Policy.
5. If this Policy is cancelled, we will send the first Named Insured any premium refund due. The refund will be pro rata.

However, when the premium is advanced under a premium finance agreement, we will be entitled to retain a minimum earned premium of 10% of the total policy premium or \$60, whichever is greater. The cancellation will be effective even if we have not made or offered a refund.

6. The effective date of cancellation stated in the notice shall become the end of the policy period.
7. Notice will include the reason for cancellation. We will mail or deliver our notice to the first Named Insured at the address shown in the Policy and to the authorized agent or broker. However, we may deliver any notice instead of mailing it. Proof of mailing will be sufficient proof of notice.

B. Notices Of Nonrenewal And Conditional Renewal

1. If we decide not to renew or continue this Policy, we will send notice as provided in Paragraph 3. below.
2. If we conditionally renew this Policy upon:
 - a. A change of limits;
 - b. A change in type of coverage;
 - c. A reduction of coverage;
 - d. An increased deductible;
 - e. An addition of exclusion; or
 - f. Increased premiums in excess of 10%, exclusive of any premium increase due to and commensurate with insured value added; or as a result of experience rating, retrospective rating or audit;we will send notice as provided in Paragraph 3. below.
3. If we decide not to renew or continue this Policy, or to conditionally renew this Policy as provided in Paragraphs 1. and 2. above, we will mail the first Named Insured notice at least 60 but not more than 120 days before the end of the policy period. If the policy period is other than one year, we will have the right not to renew or continue it only at an anniversary of its original effective date.
4. We will not send you notice of nonrenewal or conditional renewal if you, your authorized agent or broker or another insurer of yours mails or delivers notice that you have replaced this Policy or no longer want it.

5. Any notice of nonrenewal or conditional renewal will be mailed to the first Named Insured at the address shown in the Policy and to the authorized agent or broker. However, we may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.
6. Notice will include the specific reason(s) for nonrenewal or conditional renewal, including the amount of any premium increase, and description of any other changes.
7. If we violate any of the provisions of Paragraph 3., 5. or 6. above by sending the first Named Insured an incomplete or late conditional renewal notice or a late nonrenewal notice:
 - a. And if notice is provided prior to the expiration date of this Policy, coverage will remain in effect at the same terms and conditions of this Policy at the lower of the current rates or the prior period's rates until 60 days after such notice is mailed or delivered, unless the first Named Insured, during this 60-day period, has replaced the coverage or elects to cancel.
 - b. And if the notice is provided on or after the expiration date of this Policy, coverage will remain in effect at the same terms and conditions of this Policy for another policy period, at the lower of the current rates or the prior period's rates, unless the first Named Insured, during this additional policy period, has replaced the coverage or elects to cancel.
8. If you elect to renew on the basis of a late conditional renewal notice, the terms, conditions and rates set forth in such notice shall apply:
 - a. Upon expiration of the 60-day period, unless Subparagraph b. below applies; or
 - b. Notwithstanding the provisions in Paragraphs 7.a. and 7.b., as of the renewal date of the Policy if the conditional renewal notice was sent at least 30 days prior to the expiration or anniversary date of the Policy.

C. With respect to the Auto Dealers Coverage Form:

1. Paragraph **F.6. Limits Of Insurance – General Liability Coverages of Section II – General Liability Coverages** and Paragraph **E.4. Limit Of Insurance And Deductible of Section III – Acts, Errors Or Omissions Liability Coverages** are amended as follows:

- a. The Aggregate Limits Of Insurance for General Liability Coverages and the "Acts, Errors Or Omissions" Liability Aggregate Limit shown in the Declarations will be increased in proportion to any policy extension provided in accordance with Section II, Paragraph **B.7.** of this endorsement.
- b. The last sentence of Paragraphs **F.6.** and **E.4.** does not apply when the policy period is extended because we sent the first Named Insured an incomplete or late conditional renewal notice or a late nonrenewal notice.

2. If the Limited Product Withdrawal Expense Endorsement is attached, then Paragraph **B.2.** is amended as follows:

- a. The Product Withdrawal Aggregate Limit shown in the Schedule will be increased in proportion to any policy extension provided in accordance with Section II, Paragraph **B.7.** of this endorsement.
- b. The last sentence of Paragraph **B.2.** does not apply when the policy period is extended because we sent the first Named Insured an incomplete or late conditional renewal notice or a late nonrenewal notice.

ENVIRONMENTAL COMPLIANCE AND INDEMNIFICATION AGREEMENT

THIS ENVIRONMENTAL COMPLIANCE AND INDEMNIFICATION AGREEMENT (the "*Agreement*") is made as of the 1st day of December, 2018, between TOWERS REALTY LR, LTD. (the "*Indemnitor*" or the "*Company*"), for the benefit of the CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY (the "*Agency*").

RECITALS

WHEREAS, the Agency has undertaken at the request of the Indemnitor, a project (the "*Project*") consisting of: (A)(i) the acquisition or continuation of an interest in approximately 84,597 square feet of real property improved by two 21 story office buildings comprised in the aggregate of approximately 685,000 square feet of space (the "*Buildings*"), located at 100 Madison Street & Warren St. South in the City of Syracuse, New York, as more fully described on Schedule A attached hereto (the "*Land*"); (ii) the renovation, replacement and repair of the existing square footage of the Buildings in two phases; the first phase to consist of the renovation and repair of approximately 84,000 square feet of existing office space and existing fitness room in the Buildings for tenant use including but not limited to supplemental HVAC, modification and/or replacement of entryways, structural and masonry repairs to electric vaults, boiler room upgrades, roof repairs, signage, and buildout of currently unoccupied office space ("*Phase 1*"); and the second phase to consist of the renovation and repair of approximately 210,000-310,000 square feet of existing office space and common area in the Buildings for tenant use including but not limited to bathroom upgrades, tenant space buildout and upgrades, common areas and corridor upgrades and external façade caulking ("*Phase 2*" and together with Phase 1, collectively, the "*Facility*"); (v) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "*Equipment*" and together with the Land and the Facility, the "*Project Facility*"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the "*Financial Assistance*"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation, replacement, repair, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

NOW, THEREFORE, in consideration of the premises, Ten Dollars (\$10.00), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Indemnitor, intending to be legally bound, hereby agrees as follows:

1. **Recitals; Definitions.**

(a) The foregoing recitals are incorporated into this Agreement by this reference.

(b) Capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Table of Definitions attached to the Agency Lease as Exhibit "C."

2. **Representations and Warranties.**

(a) Except as disclosed in Schedule B annexed hereto, Indemnitor represents and warrants that it has no knowledge of any deposit, storage, disposal, burial, discharge, spillage, uncontrolled loss, seepage or filtration of oil, petroleum or chemical liquids or solids, liquid or gaseous products or any hazardous wastes or hazardous substances (collectively, "**Hazardous Substances**"), as those terms are used in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 or in any other federal, state or local law governing hazardous substances, as such laws may be amended from time to time (collectively, the "**Hazardous Waste Laws**"), at, upon, under or within the Project Facility or any contiguous real estate, and (ii) it has not caused or permitted to occur, and shall not permit to exist, any condition which may cause a discharge of any Hazardous Substances at, upon, under or within the Project Facility or on any contiguous real estate.

(b) Except as disclosed in the reports listed on Schedule B annexed hereto, Indemnitor further represents and warrants that (i) it has not been nor will be involved in operations at or near the Project Facility which operations could lead to (A) the imposition of liability on Indemnitor or on any subsequent or former owner of the Project Facility or (B) the creation of a lien on the Project Facility under the Hazardous Waste Laws or under any similar laws or regulations; and (ii) it has not permitted, and will not permit, any tenant or occupant of the Project Facility to engage in any activity that could impose liability under the Hazardous Waste Laws on such tenant or occupant, on Agency, the Indemnitor or on any other owner of any of the Project Facility.

3. **Covenants.**

(a) Indemnitor shall comply strictly and in all respects with the requirements of the Hazardous Waste Laws and related regulations and with all similar laws and regulations and shall notify Agency immediately in the event of any discharge or discovery of any Hazardous Substance at, upon, under or within the Project Facility which is not otherwise already disclosed in Schedule B. Indemnitor shall promptly forward to Agency copies of all orders, notices, permits, applications or other communications and reports in connection with any discharge or the presence of any Hazardous Substance or any other matters relating to the Hazardous Waste Laws or any similar laws or regulations, as they may affect the Project Facility.

(b) Promptly upon the written request of Agency, Indemnitor shall provide Agency, at Indemnitor's expense, with an environmental site assessment or environmental audit report prepared by an environmental engineering firm acceptable to the requesting Person, to assess with a reasonable degree of certainty the presence or absence of any Hazardous Substances and the potential costs in connection with abatement, cleanup or removal of any Hazardous Substances found on, under, at or within the Project Facility.

4. **Indemnity.**

(a) Indemnitor shall at all times indemnify and hold harmless Agency against and from any and all claims, suits, actions, debts, damages, costs, losses, obligations, judgments,

charges, and expenses, of any nature whatsoever suffered or incurred by Agency, whether as contract vendor, owner, mortgagee, as mortgagee in possession, or as successor-in-interest to Indemnitor by foreclosure deed or deed in lieu of foreclosure, under or on account of the Hazardous Waste Laws or any similar laws or regulations, including the assertion of any lien thereunder, with respect to:

(1) any discharge of Hazardous Substances, the threat of a discharge of any Hazardous Substances, or the presence of any Hazardous Substances affecting the Project Facility whether or not the same originates or emanates from the Project Facility or any contiguous real estate including any loss of value of the Project Facility as a result of any of the foregoing;

(2) any costs of removal or remedial action incurred by the United States Government or any costs incurred by any other person or damages from injury to, destruction of, or loss of natural resources, including reasonable costs of assessing such injury, destruction or loss incurred pursuant to any Hazardous Waste Laws;

(3) liability for personal injury or property damage arising under any statutory or common law tort theory, including, without limitation, damages assessed for the maintenance of a public or private nuisance or for the carrying on of an abnormally dangerous activity at or near the Project Facility; and/or

(4) any other environmental matter affecting the Project Facility within the jurisdiction of the Environmental Protection Agency, any other federal agency, or any state or local agency.

The obligations of Indemnitor under this Agreement shall arise whether or not the Environmental Protection Agency, any other federal agency or any state or local agency has taken or threatened any action in connection with the presence of any Hazardous Substances.

(b) In the event of any discharge of Hazardous Substances, the threat of a discharge of any Hazardous Substances, or the presence of any Hazardous Substances affecting the Project Facility, whether or not the same originates or emanates from the Project Facility or any contiguous real estate, and/or if Indemnitor shall fail to comply with any of the requirements of the Hazardous Waste Laws or related regulations or any other environmental law or regulation, Agency may at its election, but without the obligation so to do, give such notices and/or cause such work to be performed at the Project Facility and/or take any and all other actions as Agency shall deem necessary or advisable in order to abate the discharge of any Hazardous Substance, remove the Hazardous Substance or cure the noncompliance of Indemnitor.

(c) Indemnitor acknowledges that Agency has relied upon the representations, warranties, covenants and indemnities of Indemnitor in this Agreement. All of the representations, warranties, covenants and indemnities of this Agreement shall survive the repayment of Indemnitor's obligations under the Agency Lease or other Company Documents.

5. **Attorney's Fees.** If Agency retains the services of any attorney in connection with the subject of the indemnity herein, Indemnitor shall pay Agency's costs and reasonable attorneys' fees thereby incurred. Agency may employ an attorney of its own choice.

6. **Interest.** In the event that Agency incurs any obligations, costs or expenses under this Agreement, Indemnitor shall pay such Person immediately on demand, and if such payment is not received within ten (10) days, interest on such amount shall, after the expiration of the ten-day period, accrue at the interest rate set forth in the Agency Lease until such amount, plus interest, is paid in full.

7. **No Waiver.** Notwithstanding any terms of the Company Documents to the contrary, the liability of Indemnitor under this Agreement shall in no way be limited or impaired by: (i) any extensions of time for performance required by any of the Company Documents; (ii) any sale, assignment or foreclosure of the Agency Lease or any sale or transfer of all or part of the Project Facility; (iii) the accuracy or inaccuracy of the representations and warranties made by Indemnitor under any of the Company Documents; or (iv) the release of Indemnitor or any other person from performance or observance of any of the agreements, covenants, terms or conditions contained in the Company Documents by operation of law, Agency's voluntary act, or otherwise; and, in any such case, whether with or without notice to Indemnitor and with or without consideration.

8. **Waiver by Indemnitor.** Indemnitor waives any right or claim of right to cause a marshalling of Indemnitor's assets or to cause Agency to proceed against any of the security for the Agency Lease before proceeding under this Agreement against Indemnitor or to proceed against Indemnitor in any particular order; Indemnitor agrees that any payments required to be made hereunder shall become due on demand; Indemnitor expressly waives and relinquishes all rights and remedies (including any rights of subrogation) accorded by applicable law to indemnitors or guarantors.

9. **Releases.** Any one or more of Indemnitor and any other party liable upon or in respect of this Agreement or the Agency Lease may be released without affecting the liability of any party not so released.

10. **Amendments.** No provision of this Agreement may be changed, waived, discharged or terminated orally, by telephone or by any other means except by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought.

11. **Joint and Several Liability.** In the event that this Agreement is executed by more than one party as Indemnitor, the liability of such parties is joint and several. A separate action or actions may be brought and prosecuted against each Indemnitor, whether or not an action is brought against any other person or whether or not any other person is joined in such action or actions.

12. **Consent to Jurisdiction.** Indemnitor consents to the exercise of personal jurisdiction over Indemnitor by any federal or state court in the State of New York and consent

to the laying of venue in any jurisdiction or locality in the City of Syracuse. Service shall be effected by any means permitted by the court in which any action is filed.

13. **Notices.** All notices, certificates, and other communications hereunder shall be in writing, shall be sufficiently given, and shall be deemed given when (a) sent to the applicable address stated below by registered or certified mail, return receipt requested, and actually received by the intended recipient or by overnight courier or such other means as shall provide the sender with documentary evidence of such delivery, or (b) delivery is refused by the addressee as evidenced by the affidavit of the Person who attempted to effect such delivery. The addresses to which notices, certificates, and other communications hereunder shall be delivered are as follows:

- (a) If to the Agency, to:

City of Syracuse Industrial Development Agency
201 East Washington Street, 6th Floor
Syracuse, New York 13202
Attention: Chairman

With a copy to:

City of Syracuse
233 East Washington Street
Syracuse, New York 13202
Attn: Corporation Counsel

and

Bousquet Holstein PLLC
110 West Fayette Street, Suite 1000
Syracuse, New York 13202
Attn: Susan R. Katzoff, Esq.

- (b) To the Company:

Towers Realty LR, LTD.
c/o Amtrust Realty Corp.
250 Broadway
New York, New York 10007
Attn: Anne Holker

With a copy to:

Lynn, D'Elia, Temes & Stanczyk LLC
100 Madison Street, Suite 1905
Syracuse, New York 13202
Attn: Timothy Lynn, Esq.

The Agency and the Company, may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, and other communications shall be sent.

14. **Waivers.** The parties waive trial by jury in any action brought on, under or by virtue of this Agreement. Indemnitor waives any right to require Agency at any time to pursue any remedy in such Person's power whatsoever. The failure of Agency to insist upon strict compliance with any of the terms hereof shall not be considered to be a waiver of any such terms, nor shall it prevent Agency from insisting upon strict compliance with this Agreement or any other Company Document at any time thereafter.

15. **Severability.** If any clause or provisions herein contained operates or would prospectively operate to invalidate this Agreement in whole or in part, then such clause or provision shall be held for naught as though not contained herein, and the remainder of this Agreement shall remain operative and in full force and effect.

16. **Inconsistencies Among the Company Documents.** Nothing contained herein is intended to modify in any way the obligations of Indemnitor under the Agency Lease or any other Company Document. Any inconsistencies among the Company Documents shall be construed, interpreted and resolved so as to benefit Agency.

17. **Successors and Assigns.** This Agreement shall be binding upon Indemnitor's successors, assigns, heirs, personal representatives and estate and shall inure to the benefit of Agency and its successors and assigns.

18. **Controlling Laws.** This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Indemnitor has executed this Agreement as of the date first above written.


TOWERS REALTY LR, LTD.

By: G-P Towers Realty LR, LLC, its general partner

By: 
Nathan Aber, Manager

STATE OF NEW YORK)
) SS.:
COUNTY OF ~~ONONDAGA~~)
NEW YORK @

On the 21st day of December, in the year 2018 before me, the undersigned, a notary public in and for said state, personally appeared **Nathan Aber**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

ROBERT S. BLOOM
Notary Public State of New York
Qualified in New York County
No. 01BL4863773
Commission Expires June 23, 2021

SCHEDULE "A"

LEGAL DESCRIPTION

EXHIBIT A

ALL THAT TRACT OR PARCEL OF LAND situate in the City of Syracuse, County of Onondaga and State of New York and being a portion of Block #134 in said City, and being more particularly described as follows:

Beginning at a point in the southerly boundary of Madison Street at its intersection with the easterly boundary of South Warren Street; running thence S 89° 47' 10" E along said southerly boundary of Madison Street, a distance of 471.97 feet to its intersection with the westerly boundary of Montgomery Street; thence S 0° 06' 00" W along said westerly street boundary, a distance of 179.26 feet to a point; thence N 89° 49' 40" W through said Block 134, a distance of 471.84 feet to a point in the easterly boundary of South Warren Street; thence N 0° 03' 30" E along said easterly street boundary, a distance of 179.61 feet to the point of beginning, containing 84,677 square feet = 1.944 acres, more or less.

SCHEDULE "B"

EXCEPTIONS

See attached

McRobbie, Lori L.

From: Timothy Lynn <tim@ldts-law.com>
Sent: Friday, December 21, 2018 12:45 PM
To: McRobbie, Lori L.
Cc: Katzoff, Susan R.; Anthony D'Elia
Subject: RE: SIDA/AmTrust - Company signature pages
Attachments: Syracuse Asbestos Update 2017.pdf

Lori –

Attached is what we have for environmental. I found references to a 1999 Phase I by KTR Environmental and reference to an asbestos report from the 1999 closing binder but we do not have the referenced reports. Per the terms of the AXA lease, AXA is responsible for asbestos remediation per the attached.

This should be added to Schedule B.

TIMOTHY M. LYNN
MANAGING MEMBER
LYNN D'ELIA TEMES & STANCZYK LLC
MORRISROE LYNN DEVELOPMENT LLC
100 MADISON STREET
TOWER 1 – SUITE 1905
SYRACUSE, NEW YORK 13202
OFFICE: (315) 766-2118
CELL: (315) 729-4690
tim@ldts-law.com
tim@morrisroelynn.com

From: McRobbie, Lori L. <lmcrobbie@bhlawpllc.com>
Sent: Friday, December 21, 2018 10:17:25 AM
To: Timothy Lynn
Cc: Katzoff, Susan R.
Subject: SIDA/AmTrust - Company signature pages

Tim,

Attached is a PDF containing the signature pages (and notary pages, as applicable) for the following:

1. Subordination of Mortgage
2. Parking Agreement
3. Project Agreement
4. Company Lease Agreement
5. Memo of Company Lease with TP-584
6. Bill of Sale
7. Agency Lease Agreement
8. Memo of Agency Lease with TP-584
9. Company Certification re: Local Labor

10. Environmental Compliance and Indemnification Agreement
11. Closing Receipt
12. PILOT Agreement
13. General Certificate of the Company

Termination Documents

14. Memo of ISA with TP-584
15. Memo of 1st Amendment to ISA with TP-584
16. 2nd Amendment to ISA with TP-584
17. 3rd Amendment to ISA with TP-584
18. Memo of Lease with TP-584

Please advise if there are any disclosures to be listed on Schedule B of the Environmental Compliance and Indemnification Agreement.

Aside from these documents, AmTrust is a party to other documents on the closing list but they are not documents that we prepared and therefore you need to coordinate getting those signature pages from Joe Barry, Chris Centore and/or Tony as applicable.

We require 4 originals of each.

Thank you.

Lori L. McRobbie | Paralegal
BOUSQUET HOLSTEIN PLLC

110 West Fayette Street | One Lincoln Center, Suite 1000 | Syracuse, New York 13202-1190
Tel: 315.701.6455 | Fax: 315.410.1559 | Email: LMcRobbie@BHLAWPLLC.com | www.BHLAWPLLC.com



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June 1, 2017

Anne Holker, Senior Vice President
Erik Tanner, Vice President XCNY Properties, Inc.
c/o AmTrust Realty Corp.
250 Broadway
New York, NY 10007

Re: AXA Towers, Syracuse, NY-Current Status of Asbestos Containing Material and Abatement Plan

Dear Anne and Erik:

As requested, this is to provide an update status on the asbestos abatement at the AXA Towers as it relates to Spray on Fireproofing (SFP), Vinyl Asbestos Tile (VAT), Tar Sealer (TS) and Tar Wrap (TW). I am also attaching an updated Tower Sketch dated November 18, 2016 which is a visual representation of the descriptions below.

Floors marked with an (*) indicate further abatement is needed.

Tower 1 - Roof

Completed: All SFP is abated.

Remaining: Nothing further to abate on this floor as the Asbestos Containing Material Survey & Sampling Reconciliation Report for 120 Madison Street, Syracuse, New York, prepared by Barton & Loguidice, P.C., dated September 2008 (the "Survey") shows no VAT, TS or TW.

Tower 1 – Floor 20

Completed: All SFP, VAT, TS/TW is abated.

Remaining: This level houses your mechanicals. Nothing further to abate on this floor.

*** Tower 1 – Floor 19**

Completed: All SFP and VAT is abated.

Remaining: Approximately 7 perimeter convectors have small amounts of asbestos-containing TS. Since these are contained, we will abate or remove the TS/TW as soon as reasonably possible after notification from you that repair or replacement is required pursuant to Section 30.01 of that certain Lease between AXA Equitable Life Insurance Company, as tenant and XCNY Properties, Inc., CNYX Properties, Inc. and Towers Realty LR, Ltd., as Landlord, dated October 12, 2006, as amended that certain First Amendment of Lease dated April 23, 2007, that certain Second Amendment of Lease dated August 3, 2007, that certain Third Amendment of Lease dated December 20, 2007, that certain Fourth Amendment of Lease dated April 1, 2008, and that certain Fifth Amendment of Lease dated November 13, 2008 (collectively, the "Lease").

*** Tower 1 – Floors 18 & 17**

Completed: All SFP and VAT is abated.

Remaining: There are perimeter convector units with TS/TW (approximately 13 and 19 units, respectively). Since these are contained, we will abate them as soon as reasonably possible after notification from you that repair or replacement is required pursuant to Section 30.01 of the Lease.

Tower 1 – Floor 16

Completed: All SFP, VAT, TS/TW have been abated.

Remaining: Nothing further to abate on this floor.

*** Tower 1 – Floors 15, 14, 13 & 12**

Completed: All SFP and VAT is abated.

Remaining: These floors are occupied by tenants. At least 26 convector units contain TS. Since these are contained, we will abate the TS as soon as reasonably possible after notification from you that repair or replacement is required pursuant to Section 30.01 of the Lease.

*** Tower 1 – Floors 11 & 10**

Completed: All SFP and VAT is abated.

Remaining: These floors are occupied by AXA. 28 convector units have TS/TW. Since these are contained, we will abate the TS/TW as soon as reasonably possible after notification from you that repair or replacement is required pursuant to Section 30.01 of the Lease.

Tower 1 – Floor 9

Completed: All SFP, VAT, TS/TW have been abated.

Remaining: Nothing further to abate on this floor

*** Tower 1 – Floors 8, 7 & 6**

Completed: All SFP and VAT is abated.

Remaining: These floors are occupied by AXA. 27 convector units have TS/TW. Since these are contained, we will abate the TS/TW as soon as reasonably possible after notification from you that repair or replacement is required pursuant to Section 30.01 of the Lease.

Tower 1 – Floors 5, 4, 3 & 2

Completed: All SFP, VAT, TS/TW is abated.

Remaining: These floors are occupied by AXA and there is nothing further to abate.

Tower 1 – Floor 1

Completed: All SFP is abated.

Remaining: Nothing further to abate on this floor as the Survey shows no VAT, TS/TW.

Tower 1 – Cellar & Sub Cellar

Completed: All VAT is abated.

Remaining: These levels house your mechanicals. Nothing further to abate as Survey shows no SFP, TS/TW.

Wing – Penthouse

Completed: All SFP, VAT, TS/TW is abated.

Remaining: This level houses your mechanicals and there is nothing further to abate.

*** Wing – Floor 5**

Completed: Partially abated SFP.

Remaining: This floor is occupied by AXA. The Data Center contains about 2000 sf of SFP, 4000 sf of VAT and some TS/TW in the convectors which is contained and not being disturbed. We will abate these within 60 days after we vacate this space.

Wing – Floors 4, 3, 2 & 1

Completed: All SFP, VAT, TS/TW is abated.

Remaining: These floors are occupied by AXA and there is nothing further to abate.

Wing – Cellar & Sub Cellar

Completed: All VAT is abated.

Remaining: These levels house your mechanicals. Nothing further to abate as Survey shows no SFP, TS/TW.

Tower 2 – Roof

Completed: No action taken yet.

Remaining: This level is occupied by you and the Survey shows no SFP, VAT, TS/TW. No further action needed.

Tower 2 – Floor 20

Completed: VAT is abated.

Remaining: This level houses your mechanicals. Survey indicates no SFP, TS/TW. No further action needed.

Tower 2 – Floor 19

Completed: VAT, TS/TW is abated.

Remaining: This floor is occupied by a tenant. Survey indicates no SFP. No further action needed.

*** Tower 2 – Floor 18**

Completed: VAT is abated and no SFP in Survey.

Remaining: This floor is occupied by a tenant. 16 convectors have TS/TW. Since these are contained, we will abate the TS/TW as soon as reasonably possible after notification from you that repair or replacement is required pursuant to Section 30.01 of the Lease.

Tower 2 – Floor 17

Completed: VAT, TS/TW is abated.

Remaining: This floor is occupied by a tenant. Survey indicates no SFP. No further action needed.

***Tower 2 – Floor 16**

Completed: VAT is abated.

Remaining: This floor is occupied by a tenant. Survey indicates no SFP. Approximately 18 perimeter convector units contain TS/TW. Since these are contained, we will abate or remove the TS/TW as soon as reasonably possible after notification from you that repair or replacement is required pursuant to Section 30.01 of the Lease.

Tower 2 – Floors 15, 14, 13, 12, 11, 10, 9, 8, 7 & 6

Completed: VAT, TS/TW is abated.

Remaining: These floors are occupied by tenants. Survey indicates no SFP. No further action needed.

Tower 2 – Floor 5

Completed: VAT, TS/TW is abated.

Remaining: This floor is occupied by AXA. Survey indicates no SFP. No further action needed.

*** Tower 2 – Floor 4**

Completed: VAT is abated

Remaining: This floor is occupied by AXA. Survey indicates approximately 8 perimeter convactor units contain TS/TW. Since these are contained, we will abate the TS/TW is soon as reasonably possible after notification from you that repair or replacement is required pursuant to Section 30.01 of the Lease.

Tower 2 – Floors 3 & 2

Completed: VAT, TS/TW is abated.

Remaining: These floors are occupied by AXA. Survey indicates no SFP. No further action needed.

Tower 2 – Floor 1

Completed: VAT, TS/TW is abated.

Remaining: This floor is occupied by a tenant. Survey indicates no SFP. No further action needed.

*** Tower 2 – Cellar**

Completed: No action taken yet.

Remaining: This floor houses your mechanicals. Survey indicates no SFP or TS/TW. Approximately 4,500 sf of VAT in our storage room which is contained and not being disturbed will be abated within 60 days after we vacate the space.

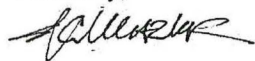
Tower 2 - Sub Cellar

Completed: VAT is abated.

Remaining: This floor houses your mechanicals. Survey indicates no SFP or TS/TW. No further action needed

Let me know if you have any questions or if further explanation is needed.

Sincerely,



David C. Mazur
Director, Corporate Real Estate

CC:
Michael Simcox
Tony Ariola
Kim Labozzetta

**AXA Towers Asbestos Abatement Status
November 18, 2016**

TOWER I

TOWER II

Roof	Cooling Towers	SFP	VAT	TW/ TS
20	Mechanicals			
19	As needed			7
18	As needed			13
17	As needed			19
16	Complete			
15	As needed			14
14	As needed			12
13	As needed			TBD*
12	As needed			TBD*
11	As needed			22
10	As needed			6
9	Complete			
8	As needed			14
7	As needed			1
6	As needed			12
5	Complete			
4	Complete			
3	Complete			
2	Complete			
1	Complete			
C	Complete			
SC	Complete			


* - TBD =
Construction/equipment
precludes inspection



Roof		SFP	VAT	TW/ TS
20	Mechanicals			
19	Complete			
18	As needed			16
17	Complete			
16	As needed			18
15	Complete			
14	Complete			
13	Complete			
12	Complete			
11	Complete			
10	Complete			
9	Complete			
8	Complete			
7	Complete			
6	Complete			
5	Complete			
4	As needed			8
3	Complete			
2	Complete			
1	Complete			
C	When AXA vacates		4,500 sf	
SC	Complete			

WING

		SFP	VAT	TS
	Penthouse			
5	When AXA vacates	2,000 sf	4,000 sf	TBD *
4	Complete			
3	Complete			
2	Complete			
1	Complete			
C	Complete			
SC	Complete			

Asbestos Summary Status Results:

Not Present	
Previously Abated	

Present in Small Quantity	
Present in Large Quantity	

CLOSING RECEIPT

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY LEASE/SUBLEASE TRANSACTION AXA TOWERS PROJECT

CLOSING RECEIPT executed December 28, 2018 by the City of Syracuse Industrial Development Agency (the "**Agency**") and **TOWERS REALTY LR, LTD.** (the "**Company**") in connection with a certain project (the "**Project**") consisting of: (A)(i) the acquisition or continuation of an interest in approximately 84,597 square feet of real property improved by two 21 story office buildings comprised in the aggregate of approximately 685,000 square feet of space (the "**Buildings**"), located at 100 Madison Street & Warren St. South in the City of Syracuse, New York (the "**Land**"); (ii) the renovation, replacement and repair of the existing square footage of the Buildings in two phases; the first phase to consist of the renovation and repair of approximately 84,000 square feet of existing office space and existing fitness room in the Buildings for tenant use including but not limited to supplemental HVAC, modification and/or replacement of entryways, structural and masonry repairs to electric vaults, boiler room upgrades, roof repairs, signage, and buildout of currently unoccupied office space ("**Phase 1**"); and the second phase to consist of the renovation and repair of approximately 210,000-310,000 square feet of existing office space and common area in the Buildings for tenant use including but not limited to bathroom upgrades, tenant space buildout and upgrades, common areas and corridor upgrades and external façade caulking ("**Phase 2**" and together with Phase 1, collectively, the "**Facility**"); (v) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "**Equipment**" and together with the Land and the Facility, the "**Project Facility**"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the "**Financial Assistance**"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation, replacement, repair, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

WITNESSETH:

(1) The Agency has executed, delivered, sealed and acknowledged, where appropriate, the documents to which it is a party, and acknowledges receipt from the Company of its administrative fee.

(2) The Company has executed, delivered, sealed and acknowledged, where appropriate, the documents to which it is a party.

(Signature page to Closing Receipt)

**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: 

Honora Spillane, Executive Director

TOWERS REALTY LR, LTD.

By: G-P Towers Realty LR, LLC, its general partner

By: _____
Nathan Aber, Manager

(Signature page to Closing Receipt)

**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____
Honora Spillane, Executive Director

TOWERS REALTY LR, LTD.

By: G-P Towers Realty LR, LLC, its general partner

By:  _____
Nathan Aber, Manager

City of Syracuse
Industrial Development Agency
City Hall Commons, 6th Floor
201 East Washington Street
Syracuse, NY 13202
Tel (315) 473-3275 Fax (315) 435-3669

December 1, 2018

Towers Realty LR, LTD.
c/o Amtrust Realty Corp.
250 Broadway
New York, New York 10007
Attn: Nathan Aber, Manager

Re: City of Syracuse Industrial Development Agency
Towers Realty LR, LTD.
AXA Towers Project
Sales Tax Appointment Letter

Dear Mr. Aber:

Pursuant to a resolutions duly adopted on November 20, 2018 and December 18, 2018, the City of Syracuse Industrial Development Agency (the "**Agency**") appointed Towers Realty LR, LTD. (the "**Company**") the true and lawful agent of the Agency to undertake a project (the "**Project**") consisting of: (A)(i) the acquisition or continuation of an interest in approximately 84,597 square feet of real property improved by two 21 story office buildings comprised in the aggregate of approximately 685,000 square feet of space (the "**Buildings**"), located at 100 Madison Street & Warren St. South in the City of Syracuse, New York (the "**Land**"); (ii) the renovation, replacement and repair of the existing square footage of the Buildings in two phases; the first phase to consist of the renovation and repair of approximately 84,000 square feet of existing office space and existing fitness room in the Buildings for tenant use including but not limited to supplemental HVAC, modification and/or replacement of entryways, structural and masonry repairs to electric vaults, boiler room upgrades, roof repairs, signage, and buildout of currently unoccupied office space ("**Phase 1**"); and the second phase to consist of the renovation and repair of approximately 210,000-310,000 square feet of existing office space and common area in the Buildings for tenant use including but not limited to bathroom upgrades, tenant space buildout and upgrades, common areas and corridor upgrades and external façade caulking ("**Phase 2**" and together with Phase 1, collectively, the "**Facility**"); (v) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "**Equipment**" and together with the Land and the Facility, the "**Project Facility**"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the "**Financial Assistance**"); (C) the appointment of the Company or its

designee as an agent of the Agency in connection with the acquisition, renovation, replacement, repair, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement. The amount of State and local sales and use tax exemption benefits comprising the Financial Assistance approved by the Agency for the benefit of the Project shall not exceed, in the aggregate, \$300,000 which \$200,000 shall be allocated solely to Phase 1 and \$100,000 shall be allocated solely to Phase 2.

This appointment includes, and this letter evidences, authority to purchase on behalf of the Agency all materials to be incorporated into and made an integral part of the Project Facility and the following activities as they relate to any renovation, improvement, equipping and completion of any of any buildings, whether or not any materials, equipment or supplies described below are incorporated into or become an integral part of such buildings: (1) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with renovation, improvement and equipping; (2) all purchases, rentals, uses or consumption of supplies, materials, utilities and services of every kind and description used in connection with renovation, improvement and equipping; and (3) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs), installed or placed in, upon or under such building or facility, including all repairs and replacements of such property, and with respect to such specific purchases or rentals, are exempt from any sales or use tax imposed by the State of New York or any governmental instrumentality located within the State of New York.

This agency appointment includes the power to delegate such agency, in whole or in part, to a Project operator, contractors, agents, subagents, subcontractors, contractors and subcontractors of such agents and subagents (collectively, "**Additional Agents**"). Additional Agents must be specifically appointed by the Company in accordance and compliance with the terms of the Agency Lease dated as of December 1, 2018 by and between the Agency and the Company (the "**Agency Lease**"). The Company hereby agrees to complete "IDA Appointment of Project Operator or Agent for Sales Tax Purposes" (Form ST-60) for itself and each Additional Agent who provide materials, equipment, supplies or services to the Project Facility and deliver said form to the Agency within fifteen (15) days of appointment such that the Agency can execute and deliver said form to the State Department of Taxation and Finance within thirty (30) days of appointment. The Agency's obligation to execute any Form ST-60 relative to an Additional Agent is subject to the satisfaction of the conditions in the Agency Lease relative to such appointments.

The Company agrees, whenever requested by the Agency, to provide, or cause its Additional Agents to provide and certify, or cause to be certified, such information regarding use of local labor, job creation, exemptions from State and local sales and use tax, real property taxes and mortgage recording taxes and other topics as the Agency from time to time reasonably considers necessary or appropriate, including, but not limited to, such information as to enable the Agency to make any reports required by law or governmental regulation, including but not limited to those required by §875 of the Act.

The Company acknowledges and agrees that pursuant to Section 875(3) of the Act, and in conjunction with the Agency's Recapture of Benefits Policy (the "**Recapture Policy**") dated as of June 21, 2016 and the Project Agreement between the Agency and the Company dated as of December 1, 2018, the Agency shall, and in some circumstances may, recover, recapture, receive or otherwise obtain from the Company some or all of the Financial Assistance (the "**Recapture Amount**").

Each supplier or vendor should identify the Project Facility on each bill or invoice and indicate thereon which of the Company or its Additional Agents acted as agent for the Agency in making the purchase.

In order to be entitled to use this exemption, you and each Additional Agent should present to the supplier or other vendor of materials for the Project Facility, a completed "IDA Agent or Project Operator Exempt Purchase Certificate" (Form ST-123).

In addition, General Municipal Law §874(8) requires you to file an Annual Statement with the New York State Department of Taxation and Finance ("**NYSDTF**") on "Annual Report of Sales and Use Tax Exemptions" (Form ST-340) regarding the value of sales and use tax exemptions you and your Additional Agents have claimed pursuant to the agency we have conferred on you with respect to this Project. The penalty for failure to file such statement is the removal of your authority to act as our agent. In addition, you must provide a copy of the completed Form ST-340 to the Agency within ten (10) days of the date it is due to be filed with the NYSDTF.

The Agency created by this letter is limited to the Project Facility and will expire, with respect to Phase 1, on the earlier of **December 31, 2020**, or sixty days after the issuance of a certificate of occupancy; and with respect to Phase 2, on the earlier of **December 31, 2023**, or sixty days after the issuance of a certificate of occupancy; unless for each phase the date is extended by a resolution adopted by the members of the Agency, or unless terminated early in accordance with the terms of the Agency Lease in which case this appointment shall terminate at that time.

This letter is provided for the sole purpose of evidencing, in part, the exemption from New York State Sales and Use Taxes **for this project only**. No other principal/agent relationship is intended or may be implied or inferred by this letter.

The Agency shall not be liable, either directly or indirectly or contingently, upon any such contract, agreement, invoice, bill or purchase order in any manner and to any extent whatsoever (including payment or performance obligations), and the Company shall be the sole party liable thereunder. By acceptance of this letter, the vendor hereby acknowledges the limitations on liability described herein.

Very truly yours,

CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY

By: 

Honora Spillane, Executive Director



Department of Taxation and Finance

IDA Appointment of Project Operator or Agent For Sales Tax Purposes

ST-60

(1/18)

The industrial development agency or authority (IDA) **must** submit this form within **30 days** of the appointment of a project operator or agent, whether appointed directly by the IDA or indirectly by the operator or another agent.

For IDA use only

IDA information

Name of IDA City of Syracuse Industrial Development Agency			IDA project number (use OSC numbering system for projects after 1998) 31021806
Street address 201 E. Washington Street, 6th Floor			Telephone number (315) 448-8127
City Syracuse	State NY	ZIP code 13202	Email address (optional)

Project operator or agent information

Name of IDA project operator or agent Towers Realty LR, LTD.		Mark an X in the box if directly appointed by the IDA: <input checked="" type="checkbox"/>	Employer identification or Social Security number 65-0957380
Street address c/o AmTrust Realty Corp., 250 Broadway		Telephone number (212) 619-6919	Primary operator or agent? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
City New York	State NY	ZIP code 10007	Email address (optional)

Project information

Name of project AXA Towers Project			
Street address of project site 100 Madison Street & Warren St. South			
City Syracuse	State NY	ZIP code 13202	Email address (optional)
Purpose of project other - commercial			

Description of goods and services intended to be exempted from New York State and local sales and use taxes building materials, equipment, fixtures and furnishings installed in and at the Project Facility			
Date project operator or agent appointed (mmddyy) 120118	Date project operator or agent status ends (mmddyy) 123123	Mark an X in the box if this is an extension to an original project: <input checked="" type="checkbox"/>	
Estimated value of goods and services that will be exempt from New York State and local sales and use tax: 3,750,000.00		Estimated value of New York State and local sales and use tax exemption provided: 300,000.00	

Certification: I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements with the knowledge that willfully providing false or fraudulent information with this document may constitute a felony or other crime under New York State Law, punishable by a substantial fine and possible jail sentence. I also understand that the Tax Department is authorized to investigate the validity of any information entered on this document.

Print name of officer or employee signing on behalf of the IDA Honora Spillane		Print title Executive Director	
Signature 		Date 12-27-18	Telephone number (315) 448-8127



BOUSQUET HOLSTEIN PLLC

110 WEST FAYETTE STREET • ONE LINCOLN CENTER • SUITE 1000 • SYRACUSE, NEW YORK 13202 • PH: 315.422.1500 • FX: 315.422.3549*

December 28, 2018

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED
7017 0530 0000 5692 7639

New York State Tax Department
IDA Unit
Building 8, Room 738
W.A. Harriman Campus
Albany, New York 12227

Re: IDA Appointment of Project Operator or Agent for Sales Tax Purposes
City of Syracuse Industrial Development Agency Appointment of
Towers Realty LR, LTD.
AXA Towers Project

Dear Ladies and Gentlemen:

Enclosed for filing on behalf of the City of Syracuse Industrial Development Agency, please find form ST-60 in connection with the appointment by the IDA of Towers Realty LR, LTD. as its agent for sales tax purposes in connection with the IDA project identified therein.

Please do not hesitate to contact me with any questions. Thank you.

Very truly yours,

15/ Susan R. Katzoff

Susan R. Katzoff

SRK:ilm
Enclosure

LAURENCE G. BOUSQUET
PHILIP S. BOUSQUET
CECELIA R. S. CANNON
CHRISTINE WOODCOCK DETTOR
JEAN S. EVERETT #
AARON D. FRISHMAN •
DAVID A. HOLSTEIN ••••
SUSAN R. KATZOFF
EMILEE K. LAWSON HATCH #
SHARON A. McAULIFFE
L. MICHA OROWAY, JR.
STEVEN A. PAQUETTE
J.P. PARASCHOS. -
PAUL M. PREDMORE
JAMES L. SONNEBORN
RYAN S. SUSER
THOMAS E. TAYLOR ••
JOHN L. VALENTINO
ROBERT K. WEILER
JOSHUA S. WERBECK

OF COUNSEL:

VIRGINIA A. HOVEMAN
KAVITHA JANARDHAN •••
GARY J. LAVINE ••
SIDNEY L. MANES
JANA K. McDONALD ‡
ANNA V. PUTINTSEVA
CATERINA A. RANIERI
EVA K. WOJTALEWSKI •••••

ASSOCIATES:

CAMERON T. BERNARD •••••
REBECCA R. COHEN •••
GEORGIA G. CRINNIN
GREGORY D. ERIKSEN
COLLEEN M. GIBBONS
GWEN Z. GOU
NATALIE P. HEMPSON-ELLIOTT
CASEY A. JOHNSON
IRENE K. KABUNDUH
JULIA J. MARTIN
AIDAN C. MITCHELL-EATON
KEVIN M. SAYLES
MICHAEL W. TYSZKO
JANE YUE ZHANG •••••

ALSO ADMITTED TO CO BAR •
ALSO ADMITTED TO DC BAR ••
ALSO ADMITTED TO MA •••
ALSO ADMITTED TO IL BAR •••••
ALSO ADMITTED TO FL BAR •••••
ALSO ADMITTED TO CA BAR •••••
ALSO ADMITTED TO THE NJ BAR •••••
ALSO ADMITTED TO DC, FL & NJ BAR ‡
ALSO ADMITTED TO DC, MA & PA BAR #
ALSO ADMITTED TO CO & MA BAR ##
NOT FOR SERVICE OF PROCESS *

WWW.BHLAWPLLC.COM

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

New York State Tax Department
IDA Unit
Building 8, Room 738
W.A. Harriman Campus
Albany, New York 12227



9590 9402 4555 8278 1655 07

2. Article Number (Transfer from service label)

7017 0530 0000 5692 7639

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- Agent
- Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

REC'D NY TAX DEPT
ALBANY, NY 12227

DEC 31 2018

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Return Receipt for Merchandise
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

7017 0530 0000 5692 7639

U.S. Postal Service™ **C2147L.00010**
CERTIFIED MAIL® RECEIPT **LLM**
Domestic Mail Only

For delivery information, visit our website at www.usps.com®

OFFICIAL USE

Certified Mail Fee

\$

Extra Services & Fees (check box, add fee as appropriate)

- Return Receipt (hardcopy) \$ _____
- Return Receipt (electronic) \$ _____
- Certified Mail Restricted Delivery \$ _____
- Adult Signature Required \$ _____
- Adult Signature Restricted Delivery \$ _____

Postage

\$

6.67

Total Postage and Fees

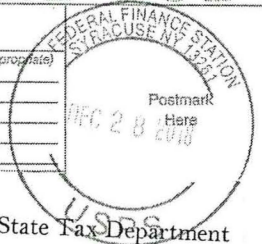
\$

Sent To

Street and Apt. No., or

City, State, ZIP+4®

New York State Tax Department
IDA Unit
Building 8, Room 738
W.A. Harriman Campus
Albany, New York 12227



City of Syracuse
Industrial Development Agency
201 East Washington Street, 6th Floor
Syracuse, NY 13202
Tel (315) 473-3275 Fax (315) 435-3669

December 12, 2018

Towers Realty LR, LTD.
c/o Amtrust Realty Corp.
250 Broadway
New York, New York 10007
Attn: Anne Holker

Re: City of Syracuse Industrial Development Agency
AXA Towers Project
PILOT Benefit Affirmation

Dear Ms. Holker:

As you know, Towers Realty LR, LTD. (the "**Company**") submitted an application to the City of Syracuse Industrial Development Agency in or about November 2018 (the "**Application**"), requesting the Agency consider undertaking a project (the "**Project**") consisting of: (A)(i) the acquisition or continuation of an interest in approximately 84,597 square feet of real property improved by two 21 story office buildings comprised in the aggregate of approximately 685,000 square feet of space (the "**Buildings**"), located at 100 Madison Street & Warren St. South in the City of Syracuse, New York (the "**Land**"); (ii) the renovation, replacement and repair of the existing square footage of the Buildings in two phases; the first phase to consist of the renovation and repair of approximately 84,000 square feet of existing office space and existing fitness room in the Buildings for tenant use including but not limited to supplemental HVAC, modification and/or replacement of entryways, structural and masonry repairs to electric vaults, boiler room upgrades, roof repairs, signage, and buildout of currently unoccupied office space ("**Phase 1**"); and the second phase to consist of the renovation and repair of approximately 210,000-310,000 square feet of existing office space and common area in the Buildings for tenant use including but not limited to bathroom upgrades, tenant space buildout and upgrades, common areas and corridor upgrades and external façade caulking ("**Phase 2**" and together with Phase 1, collectively, the "**Facility**"); (v) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "**Equipment**" and together with the Land and the Facility, the "**Project Facility**"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the "**Financial Assistance**"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation, replacement, repair, equipping and completion of the Project Facility; and (D) the lease of the Land and

Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

To that end, attached please find a PILOT Benefit Schedule reflecting the estimated benefits related to the Project, including an estimated savings valuation totaling **\$3,791,412.39** to be realized by the Company over the fifteen (15) year term of the payment in lieu of taxes ("**PILOT**") agreement as requested by the Company.

Before the Agency can confer the Financial Assistance, the Agency needs to receive back the Company's signature on the affirmation below.

To that end, please review the enclosed PILOT Benefit Schedule. Unless you have any questions, please execute the verification below and have it notarized where indicated and return same to my attention such that it is received on or before December 17, 2018.

Please feel free to contact me with any questions.

Very truly yours,


**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By:

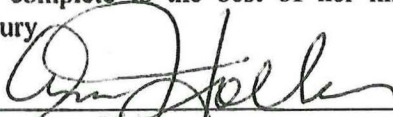


Honora Spillane, Executive Director

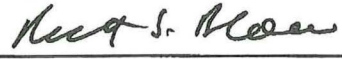
VERIFICATION

STATE OF NEW YORK }
COUNTY OF ONONDAGA } ss.:
NEW YORK 

ANNE HOLKER, deposes and says that she a manager of Towers Realty LR, LTD., that she has read the foregoing letter and the attached PILOT Benefit Schedule, knows the contents thereof and that the same is true, accurate and complete to the best of her knowledge, as subscribed and affirmed under the penalties of perjury.


Name: Anne Holker
Title: Manager

Sworn to before me this
17th day of December, 2018.


Notary Public

ROBERT S. BLOOM
Notary Public State of New York
Qualified in New York County
No. 01BL4863773
Commission Expires June 23, 2022

EXHIBIT A

PILOT BENEFIT SCHEDULE

<i>Year</i>	<i>Amount</i>
1	\$1,201,852.68
2	\$1,225,889.73
3	\$1,250,407.53
4	\$1,275,415.68
5	\$1,300,923.99
6	\$1,326,942.47
7	\$1,353,481.32
8	\$1,380,550.95
9	\$1,408,161.97
10	\$1,436,325.21
11	\$1,533,842.73
12	\$1,634,686.42
13	\$1,738,950.33
14	\$1,846,730.91
15	\$1,958,127.14
Total	\$21,872,289.06

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

and

TOWERS REALTY LR, LTD.

PAYMENT IN LIEU OF TAX AGREEMENT

Dated as of: December 1, 2018

Towers Realty LR, LTD.
Federal Tax ID #: 65-0957380

AXA TOWERS PROJECT

THIS PAYMENT IN LIEU OF TAX AGREEMENT, (this *“Agreement”*) dated as of December 1, 2018 by and among the **CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY**, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation organized and existing under the laws of the State of New York (hereinafter referred to as the *“Agency”*), having an office at 201 East Washington Street, 6th Floor, Syracuse, New York 13202 and **TOWERS REALTY LR, LTD.**, a limited partnership organized under the laws of the State of New York, with offices at c/o Amtrust Realty Corp., 250 Broadway, New York 10007 (hereinafter referred to as the *“Company”*).

WITNESSETH:

WHEREAS, the New York State Industrial Development Agency Act, being Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of the State of New York, as amended (hereinafter referred to as the *“Enabling Act”*) authorizes the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State of New York and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and furnish real and personal property, whether or not now in existence or under construction, which shall be suitable for, among others, manufacturing, warehousing, research, commercial or industrial purposes, in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York and to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, the Enabling Act further authorizes each such agency to lease and to sell its projects, to charge and collect rent therefor, to issue its bonds or notes for the purpose of carrying out any of its corporate purposes and, as security for the payment of the principal and redemption price of, and interest on, any such bonds or notes, to mortgage any or all of its facilities and to pledge the revenues and receipts therefrom to the payment of such bonds or notes; and

WHEREAS, pursuant to and in accordance with the provisions of the Enabling Act, Chapter 641 of the 1979 Laws of the State of New York, as amended (said chapter and the Enabling Act being hereinafter collectively referred to as the *“Act”*) created the Agency for the benefit of the City of Syracuse (hereinafter referred to as the *“Municipality”*) and the inhabitants thereof; and

WHEREAS, the Agency, by Resolutions adopted on November 20, 2018 and December 18, 2018, (the *“Resolutions”*), resolved to undertake the *“Project”* consisting of: (A)(i) the acquisition of an interest in approximately 84,597 square feet of real property improved by two 21

story office buildings comprised in the aggregate of approximately 685,000 square feet of space (the "**Buildings**"), located at 100 Madison Street & Warren St. South in the City of Syracuse, New York (the "**Land**"); (ii) the renovation, replacement and repair of the existing square footage of the Buildings in two phases; the first phase to consist of the renovation and repair of approximately 84,000 square feet of existing office space and existing fitness room in the Buildings for tenant use including but not limited to supplemental HVAC, modification and/or replacement of entryways, structural and masonry repairs to electric vaults, boiler room upgrades, roof repairs, signage, and buildout of currently unoccupied office space ("**Phase I**"); and the second phase to consist of the renovation and repair of approximately 210,000-310,000 square feet of existing office space and common area in the Buildings for tenant use including but not limited to bathroom upgrades, tenant space buildout and upgrades, common areas and corridor upgrades and external façade caulking ("**Phase 2**" and together with Phase 1, collectively, the "**Facility**"); (v) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "**Equipment**" and together with the Land and the Facility, the "**Project Facility**"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the "**Financial Assistance**"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation, replacement, repair, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the Agency will lease the Land and Facility from the Company pursuant to that certain Company Lease Agreement dated as of December 1, 2018 (the "**Company Lease Agreement**"), between the Company and the Agency, obtain an interest in the Equipment pursuant to a bill of sale dated as of December 1, 2018 from the Company (the "**Bill of Sale**"), and sublease the Project Facility back to the Company pursuant to that certain Agency Lease Agreement dated as of December 1, 2018 (the "**Agency Lease Agreement**"), between the Agency and the Company (the Company Lease Agreement, the Bill of Sale and the Agency Lease Agreement are hereinafter collectively referred to as the "**Lease Agreements**"); and

WHEREAS, under the present provisions of the Act and Section 412-a of the Real Property

Tax Law of the State of New York, the Agency is required to pay no taxes or assessments upon any of the property acquired by it or under its jurisdiction or supervision or control; and

NOW, THEREFORE, in consideration of the matters above recited, the parties hereto formally covenant, agree and bind themselves as follows, to wit:

ARTICLE I
REPRESENTATIONS AND WARRANTIES

Section 1.01. Representations and Warranties by Agency

The Agency does hereby represent and warrant as follows:

(a) Existence and Power. The Agency has been duly established under the provisions of the Act and has the power to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder.

(b) Intentions. The Agency intends to acquire a leasehold interest in the Project Facility from the Company and to sublease the Project Facility back to the Company, all pursuant to the provisions of the Lease Agreements.

(c) Authorization. The Agency is authorized and has the corporate power under the Act, its by-laws and the laws of the State of New York to enter into this Agreement and the transactions contemplated hereby and to perform and carry out all the covenants and obligations on its part to be performed under and pursuant to this Agreement. By proper corporate action on the part of its members, the Agency has duly authorized the execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated.

(d) Validity. The Agency is not prohibited from entering into this Agreement and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement by the terms, conditions or provisions of the Act, any other law, any order of any court or other agency or authority of government, or any agreement or instrument to which the Agency is a party or by which the Agency is bound, and this Agreement is a legal, valid and binding obligation of the Agency enforceable in accordance with its terms.

Section 1.02. Representations and Warranties by Company

The Company does hereby represent and warrant as follows:

(a) Existence. The Company is a duly organized Florida limited partnership, authorized to do business in the State of New York, validly existing and in good standing under the laws of both the states of Florida and New York.

(b) Authorization. The Company is authorized and has the power under the laws of the State of New York and Florida to enter into this Agreement and the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement. The Company has duly authorized the execution, delivery and performance of the Lease Agreements, this Agreement, and the other Company Documents (as that term is defined in the Agency Lease Agreement), and the consummation of the transactions therein and herein contemplated. The Company is not prohibited from entering into this Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement by (and the execution, delivery and performance of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of and compliance with the provisions of this Agreement will not conflict with or violate or constitute a breach of or a default under) the terms, conditions or provisions of its certificate of formation, partnership agreement or any other restriction or any law, rule, regulation or order of any court or other agency or authority of government, or any contractual limitation, restriction or outstanding indenture, deed of trust, mortgage, loan agreement, other evidence of indebtedness or any other agreement or instrument to which the Company is a party or by which it or any of its property is bound, and the Company's discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement will neither be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any of the foregoing, nor result in the creation or imposition of any lien of any nature upon any of the property of the Company under the terms of any of the foregoing, and this Agreement is a legal, valid and binding obligation of the Company enforceable in accordance with its terms.

(c) Title. The Company has valid and marketable fee title to the Project Facility, free and clear of all liens and encumbrances except for Permitted Encumbrances (as defined in the Lease Agreements).

(d) Governmental Consent. No further consent, approval or authorization of, or filing,

registration or qualification with, any governmental or public authority on the part of the Company is required as a condition to the execution, delivery or performance of this Agreement by the Company or as a condition to the validity of this Agreement.

ARTICLE II

COVENANTS AND AGREEMENTS

Section 2.01. Tax-Exempt Status of the Project Facility

(a) Assessment of the Project Facility. Pursuant to the Act and Section 412-a of the Real Property Tax Law, the parties hereto understand that, upon acquisition of ownership or control of the Project Facility by the Agency, and for so long thereafter as the Agency shall own or control the Project Facility, the Project Facility shall be entitled to an exemption upon the first available assessment roll of the Municipality prepared subsequent to the acquisition by the Agency of ownership or control of the Project Facility. The time of commencement of the Agency's exemption shall be controlled by the Municipality's taxable status date, in conformity with Section 412-a of the Real Property Tax Law. The Company will be required to pay to the Municipality all taxes and assessments lawfully levied and/or assessed against the Project Facility, in spite of the Agency's actual ownership or control of the Project Facility, until the Project Facility shall be entitled to exempt status on the tax roll of the Municipality.

(b) Special Assessments. The parties hereto understand that the tax exemption extended to the Agency by the Act and Section 412-a of the Real Property Tax Law does not entitle the Agency to exemption from special assessments and special ad valorem levies. The Company will be required at all times to pay all special assessments and special ad valorem levies lawfully levied and/or assessed against the Project Facility.

Section 2.02. Payments in Lieu of Taxes

(a) Agreement to Make Payments. The Company agrees that it shall make periodic payments in lieu of real property taxes in the amounts hereinafter provided. The said payments due to the Agency hereunder shall be paid by the Company, to the Municipality, on behalf of the Agency, by check made payable to "*Commissioner of Finance*". Upon receipt of the Company's payment, the Municipality, on behalf of the Agency, will disburse the appropriate portion of the said payment to the County of Onondaga and the Municipality, or such other taxing jurisdiction,

pursuant to the Act. This Company obligation shall exist for so long as the Agency retains an interest in the Project Facility. Notwithstanding the appearance of the Agency's exemption on the Municipality's tax roll for the 2019/2020 City and School portion of the real property tax due on the Land and Facility, the year 1 payment due for the City and School portion of the year 1 payment under **Exhibit "A"** shall commence on July 1, 2019. The year 1 payment due for the County and Water District portion of the year 1 payment under **Exhibit "A"** shall commence on January 1, 2020. Without regard to the Agency exemption, the Company shall continue paying real property tax through June 30, 2019 with respect to the City and School portion of the real property tax and through December 31, 2019 with respect to the County and Water District portion of the real property tax, based upon the assessment and the combined real property tax rate in effect for that period as if the Project Facility were privately owned and the Agency had no interest in the same.

(b) Amount of Payments in Lieu of Taxes. Unless otherwise stated, the Company's agreed upon annual payment in lieu of tax hereunder shall be an amount determined by reference to **Exhibit "A"**, attached hereto and made a part hereof. The payments in lieu of tax due, as set forth in **Exhibit "A"**, include any real property tax exemptions that might be afforded to the Company if the Project Facility were owned by the Company and not the Agency. As consideration for the benefits conferred on the Company pursuant to this Agreement, the Company hereby agrees to be bound by any determination by the City of Syracuse Board of Assessment Review resulting from a review of the assessment pertaining to the Project Facility and/or Additional Property throughout the term of this Agreement. The Company hereby agrees to waive any and all right to challenge or contest in a court of law (a "**Legal Challenge**"), those payments or the basis for those payments due pursuant to Exhibit "A." It shall also be an event of default under Article IV of this Agreement should the Company bring a Legal Challenge on the Project Facility and/or Additional Property.

(c) Additional Amounts in Lieu of Taxes. Commencing on the first tax year following the date on which any structural addition shall be made to the Facilities, or any new or additional building shall be constructed on the real property described in **Exhibit "B"** that is in addition to the Facilities (such structural additions and additional buildings being hereinafter referred to as "**Additional Property**"), the Company agrees to make additional periodic payments in lieu of real property taxes (such additional payments being hereinafter collectively referred to as "**Additional Payments**") to the Municipality on behalf of the Agency with respect to such Additional Property. Such Additional Payments shall be computed as follows:

By multiplying (1) the value placed on such Additional Property, as value is determined by the Municipality's assessor by (2) the tax rate or rates of the Municipality that would be applicable to such Additional Property if such Additional Property were owned or controlled by the Company and not the Agency; and (3) then reducing the amount so determined by the amounts of any properly acquired tax exemptions that would be afforded to the Company by the Municipality for such Additional Property as if it was owned or controlled by the Company and not the Agency.

(d) Revaluation. In the event of a real property assessment revaluation by the Municipality, the Company shall continue to make its payments in accordance with this Agreement; however, in the event that Exhibit "A" is no longer in effect, but payments are still being made hereunder for any reason, (including, but not limited to, the Agency still having an interest in the Project Facility), and would be effected by revaluation, each year's payments subsequent to such revaluation shall be adjusted to properly reflect revaluation, it being the intent of the parties that the level of payments following revaluation shall be equal to those payments contemplated by this Agreement.

(e) Damage or Destruction. In the event that all or substantially all of the Project Facility is damaged or destroyed, the Company shall continue to make the payments required by this Agreement for as long as the Agency shall own or control the Project Facility, without regard to such damage or destruction.

(f) Time of Payments. The Company agrees to pay the amounts due the Agency hereunder to the Municipality for each year of this Agreement, within the period that the Municipality allows payment of taxes levied in such calendar year without penalty. The Company shall be entitled to receive receipts from the Municipality for such payments.

(g) Method of Payment. All payments by the Company hereunder shall be paid to the Municipality in lawful money of the United States of America, cash, money order or check.

Section 2.03. PILOT Statements

The Municipality and/or the Agency shall submit to the Company written semi-annual statements specifying the amount and due date or dates of any payments due to the Agency hereunder. Each semi-annual PILOT statement shall be submitted to the Company at the same time that tax statements/bills are mailed by the Municipality to the owners of privately owned property. Failure to receive a PILOT statement shall not relieve the Company of its obligation to make all

payments provided for hereunder. If, for any reason, the Company does not receive an appropriate PILOT Statement, the Company shall have the responsibility and obligation to make all reasonable inquiries to the Municipality and the Agency and to have such a statement issued, and thereafter to make payment of the same no later than the due dates provided herein.

Section 2.04. Obligations of Agency

Requirement that Mortgagees Subordinate to Payments. The Agency and the Company agree that any mortgages on the Project Facility, given by either of them, shall provide that the rights of the mortgagees thereunder shall be subordinate to this Agreement and to the right of the Municipality to receive payments in lieu of taxes pursuant to Article II hereof.

Section 2.05. Company to Furnish Information

The Company agrees to promptly comply with the reporting and information requirements of the Agency and the Act, and to promptly furnish the applicable information required or requested by the Agency and/or the State of New York. The Company further agrees to assist the Agency with the preparation of any reports, or answer any inquiries, required by the State of New York in connection with the Act or the Agency's participation in the Project.

Section 2.06. Interest

(a) Agreement to Pay Interest on Missed Payments. If the Company shall fail to make any payment required by this Agreement when due, its obligation to make the payment so in default shall continue as an obligation of the Company until such payment in default shall have been made in full, and the Company shall pay the same together with interest thereon, to the extent permitted by law, at the greater of: **(i) eighteen per cent (18%) per annum; or (ii) the rate per annum which would be payable if such amounts were delinquent taxes, until so paid in full.**

(b) Maximum Legal Rate. It is the intent of the Agency, the Municipality, and Company that in no event shall interest be payable at a rate in excess of the maximum rate permitted by applicable law (the "**Maximum Legal Rate**"). Solely to the extent necessary to prevent interest under this Agreement from exceeding the Maximum Legal Rate, any amount that would be treated as excessive under a final judicial interpretation of applicable law shall be deemed to have been a mistake and automatically canceled, and, if received by the Agency or Municipality, shall be refunded to the Company.

ARTICLE III
LIMITED OBLIGATION OF THE AGENCY

Section 3.01. No Recourse; Limited Obligation of the Agency

(a) No Recourse. All covenants, stipulations, promises, agreements and obligations of the Agency contained in this Agreement shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Agency and not of any member, director, officer, agent, servant or employee of the Agency in his individual capacity, and no recourse under or upon any obligation, covenant or agreement contained in this Agreement, or otherwise based on or in respect of this Agreement, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future member, director, officer, agent, servant or employee, as such, of the Agency or any successor public benefit corporation or political subdivision or any person executing this Agreement on behalf of the Agency, either directly or through the Agency or any successor public benefit corporation or political subdivision or any person so executing this Agreement. It is expressly understood that this Agreement is a corporate obligation, and that no such personal liability whatever shall attach to, or is or shall be incurred by, any such member, director, officer, agent, servant or employee of the Agency or of any successor public benefit corporation or political subdivision or any person so executing this Agreement under or by reason of the obligations, covenants or agreements contained in this Agreement or implied therefrom. Any and all such personal liability of, and any and all such rights and claims against, every such member, director, officer, agent, servant or employee under or by reason of the obligations, covenants or agreements contained in this Agreement or implied therefrom are, to the extent permitted by law, expressly waived and released as a condition of, and as a consideration for, the execution of this Agreement.

(b) Limited Obligation. The obligations and agreements of the Agency contained herein shall not constitute or give rise to an obligation of the State of New York or the Municipality, and neither the State of New York nor the Municipality shall be liable thereon. Furthermore, such obligations and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency payable solely from the revenues of the Agency derived and to be derived from the lease, sale or other disposition of the Project.

(c) Further Limitation. Notwithstanding any provision of this Agreement to the contrary, the Agency shall not be obligated to take any action pursuant to any provision hereof

unless (i) the Agency shall have been requested to do so in writing by the Company and (ii) if compliance with such request is expected to result in the incurrence by the Agency (or any of its members, directors, officers, agents, servants or employees) of any liability, fees, expenses or other costs, the Agency shall have received from the Company security or indemnity satisfactory to the Agency for protection against all such liability, however remote, and for the reimbursement of all such fees, expenses and other costs.

ARTICLE IV **EVENTS OF DEFAULT**

Section 4.01. Events of Default

Any one or more of the following events shall constitute an event of default under this Agreement, and the terms “*Event of Default*” or “*Default*” shall mean, whenever they are used in this Agreement, any one or more of the following events:

(a) Failure of the Company to pay any amount due and payable by it pursuant to this Agreement, the Lease Agreements or the Company Documents.

(b) Commencement by the Company of a Legal Challenge, as defined in Section 2.02(b), to those payments or the basis for those payments due pursuant to Exhibit “A.”

(c) Failure of the Company to observe and perform any other covenant, condition or agreement on its part to be observed and performed under this Agreement (other than as referred to in paragraph (a) above), the Lease Agreements, or any other Company Document and continuance of such failure for a period of thirty (30) days after written notice to the Company specifying the nature of such failure hereunder, or with respect to the Lease Agreements, continuance of such failure for the duration of any applicable cure period set forth therein after receipt of any required notice thereunder.

(d) Any warranty, representation or other statement by or on behalf of the Company contained in this Agreement or the Lease Agreements shall prove to have been false or incorrect in any material respect on the date when made or on the effective date of this Agreement or the Lease Agreements.

(e) The Company violates any federal, state or local environmental law or allows or causes any Hazardous Materials (as Hazardous Materials is defined and described in any federal, state or local law) to be released at, on, to, into or from the Project Facility, except as permitted by the Lease Agreements or within the terms and conditions of a permit, certificate, license or other

written approval of an authorized governmental body, and fails to remedy such violation within thirty (30) days; or if such failure cannot be cured within thirty (30) days, fails to commence a cure within thirty (30) days and thereafter diligently prosecute the cure thereof.

(f) The occurrence of any Event of Default or Default under this Agreement, the Lease Agreements or any other Company Documents.

(g) Failure of the Company to commence the acquisition, renovation, replacement, repair, equipping and completion of the Project Facility within eight (8) months of the date of this Agreement.

Section 4.02. Remedies on Company Default

Whenever any Event of Default under Section 4.01 shall have occurred and be continuing with respect to this Agreement, and/or the Company shall be in default under the Lease Agreements, the Agency may take whatever action at law or in equity, following applicable notice, as may appear necessary or desirable to collect the amount then in default, including but not limited to any and all available remedies under the Agency's Recapture Policy, or to enforce the performance and observance of the obligations, agreements and covenants of the Company under this Agreement and/or the Lease Agreements. Notwithstanding anything herein to the contrary, in the event the PILOT Agreement is terminated prior to December 31, 2023, the amount of benefits subject to recapture under the Agency's Recapture Policy is limited to any sales and use tax exemption realized to date and/or MRTE that was provided ("*Recapture Cap*"). Notwithstanding anything herein to the contrary, if the Lease Agreements is terminated for any reason, this Agreement shall automatically terminate without any further notice or action required hereunder and the Project Facility shall immediately become taxable and revert to the tax roll.

The payment schedule contained in Exhibit "A" is for the benefit of the Company and its Project Facility. In the event that the Company defaults hereunder, and the Lease Agreements cannot be terminated, and/or the Agency's participation in the Project and this Agreement is not or cannot be terminated, the Company, or any assignee, or successor shall no longer be entitled to make payments under this Agreement pursuant to Exhibit "A". In such an event, payments shall be made hereunder, for any remaining term of this Agreement, as if the Project Facility was privately owned and assessed and without any further regard to Exhibit "A".

Section 4.03. Recording of Lease Terminations and Other Documents

Whenever any Event of Default under Sections 4.01 shall have occurred and be continuing with respect to this Agreement or the Lease Agreements, the Agency may, upon notice to the Company provided for in this Agreement or the Lease Agreements, if any, terminate the Lease Agreements and record such termination or other necessary documents in the Onondaga County Clerk's Office, terminating the Agency's interest in the Project Facility and terminating this Agreement.

The recording of such a termination and any other documentation shall constitute delivery to, and acceptance of such, by the Company. In order to facilitate such a termination, the Company hereby appoints the Chairman or the Vice Chairman of the Agency as its agent for the purpose of executing and delivering all documents necessary to allow such termination by the Agency.

In the event that the Lease Agreements, for any reason, is extended by its terms, or for any reason this Agreement expires or terminates, but the Agency retains an interest or remains in title to the Project Facility, the Company shall continue to make payments in lieu of taxes to the Municipality, on behalf of the Agency, for as long as the Agency retains an interest in, or remains in title to, the Project Facility. Those payments shall be the equivalent of the real property taxes that would be due on the Project Facility if it were owned by the Company and the Agency had no interest therein. It is the intention of the parties hereto, that for so long as the Agency shall possess title to, or an interest in, the Property, the Company, or any permitted successors or assigns, shall make payments in lieu of taxes to the Municipality, on behalf of the Agency, that are either based upon Exhibit "A", or if Exhibit "A" is no longer applicable for any reason, are the equivalent of the real property taxes that would be due and owing if the Project Facility were privately owned and the Agency had no interest therein.

Section 4.04. Payment of Attorney's Fees and Expenses

If the Company should default in performing any of its obligations, covenants and agreements under this Agreement and the Agency or the Municipality should employ attorneys (whether in-house or outside counsel) or incur other expenses for the collection of any amounts payable hereunder or for the enforcement of performance or observance of any obligation or agreement on the part of the Company herein contained, the Company agrees that it will, on demand therefor, pay to the Agency and/or the Municipality the reasonable fees and disbursements of such attorneys and such other reasonable expenses so incurred.

Furthermore, should the Company bring a Legal Challenge on the Project Facility and/or Additional Property during the term of this Agreement, and the Agency and/or the Municipality waives its right to declare a default under this Agreement in regard to such Legal Challenge, or such Legal Challenge is determined not to be a default of this Agreement by any Court of competent jurisdiction, the Company agrees that in the event that the Company is unsuccessful in its Legal Challenge, it will, on demand, pay to the Agency and/or the Municipality the reasonable fees and disbursements of any attorneys employed (whether in-house or outside counsel) for the defense of such Legal Challenge as well as such other reasonable expenses so incurred.

Section 4.05. Remedies; Waiver and Notice

(a) No Remedy Exclusive. No remedy herein conferred upon or reserved to the Agency is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute.

(b) Delay. No delay or omission in exercising any right or power accruing upon the occurrence of any Event of Default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient.

(c) Notice Not Required. In order to entitle the Agency to exercise any remedy reserved to it in this Agreement, it shall not be necessary to give any notice, other than such notice as may be expressly required in this Agreement.

(d) No Waiver. In the event any provision contained in this Agreement should be breached by any party and thereafter duly waived by the other party so empowered to act, such waiver shall be limited to the particular breach so waived and shall not be deemed to be a waiver of any other breach hereunder. No waiver, amendment, release or modification of this Agreement shall be established by conduct, custom or course of dealing.

ARTICLE V
MISCELLANEOUS

Section 5.01. Term of Agreement

(a) General. This Agreement shall become effective and the obligations of the Agency and the Company shall arise absolutely and unconditionally upon the execution and delivery of this Agreement. This Agreement shall terminate on the earliest to occur of: (i) the same date that the

Agency Lease Agreement terminates; (ii) on any earlier date permitted under the Agency Lease Agreement; or (iii) upon the expiration on **June 30, 2034**, of the PILOT Schedule set forth in **Exhibit "A"** hereto. In the event of a termination of the Agency's interest in the Project Facility, the Company's payments due hereunder shall be pro-rated to the extent necessary to allow the Municipality to issue a supplemental PILOT Statement based upon the Agency's transfer of ownership or control of the Project Facility to the Company, and the loss of the Agency's tax exemption on the said Project Facility.

(b) Conflict. In the event of a conflict between this Agreement or any of its terms on the one hand, and the Lease Agreements or any other Project documents on the other hand, the provisions most favorable to the Agency shall govern. The Agency and the Company agree that the Agency's participation in this Agreement is for the benefit of the Company and that the Municipality must receive payments from the Company hereunder, during the entire term of this Agreement and/or the Agency's ownership or control of the Project Facility.

Section 5.02. Company Acts

Where the Company is required to do or accomplish any act or thing hereunder, the Company may cause the same to be done or accomplished with the same force and effect as if done or accomplished by the Company.

Section 5.03. Amendment of Agreement

This Agreement may not be amended, changed, modified or altered unless such amendment, change, modification or alteration is in writing and signed by the Agency and the Company.

Section 5.04. Notices

All notices, certificates or other communications hereunder shall be in writing, shall be sufficiently given, and shall be deemed given when (a) sent to the applicable address stated below by registered or certified mail, return receipt requested, and actually received by the intended recipient or by overnight courier or such other means as shall provide the sender with documentary evidence of such delivery, or (b) delivery is refused by the addressee as evidenced by the affidavit of the person who attempted to effect such delivery. The addresses to which notices, certificates, and other communications hereunder shall be delivered are as follows:

- (a) To the Agency:
City of Syracuse Industrial Development Agency
201 East Washington Street, 6th Floor
Syracuse, New York 13202
Attention: Chairman

With a copy to:

Bousquet Holstein PLLC
110 West Fayette Street, Suite 1000
Syracuse, New York 13202
Attn: Susan R. Katzoff, Esq.

And to:
Corporation Counsel
City of Syracuse
233 East Washington Street, Room 300
Syracuse, New York 13202

- (b) To the Company:

Towers Realty LR, LTD.
c/o Amtrust Realty Corp.
250 Broadway
New York, New York 10007
Attn: Anne Holker

With a copy to:

Lynn, D'Elia, Temes & Stanczyk LLC
100 Madison Street, Suite 1905
Syracuse, New York 13202
Attn: Timothy Lynn, Esq.

The Agency and Company may, by notice given hereunder to each of the others, designate any further or different addresses to which the subsequent notices, certificates or other communications to them shall be sent.

Section 5.05. Binding Effect

This Agreement shall inure to the benefit of, and shall be binding upon the Agency and the Company, and their respective successors and assigns.

Section 5.06. Severability

If any article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction, such article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion so adjudged invalid, illegal or unenforceable shall be deemed separate, distinct and independent and the remainder of this Agreement shall be and remain in full force and effect and shall not be invalidated or rendered illegal or unenforceable or otherwise affected by such holding or adjudication.

Section 5.07. Counterparts

This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 5.08. Applicable Law

This Agreement shall be governed by and construed in accordance with the laws of the State of New York. Venue of any action or proceeding brought hereunder shall be in the State or Federal Courts located in Onondaga County, New York.

Section 5.09. Assignment

This Agreement may not be assigned by the Company without the prior written consent of the Agency.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Agency and Company have caused this Agreement to be executed in their respective names on the date first above written and the Company hereby acknowledges receipt and review of this Agreement, and consents to, and approves of, the terms and provisions contained herein.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

By: 
Honora Spillane, Executive Director


TOWERS REALTY LR, LTD.

By: G-P Towers Realty LR, LLC, its general partner

By: _____
Nathan Aber, Manager

STATE OF NEW YORK)
COUNTY OF ONONDAGA) ss:

On the 27th day of December, in the year 2018, before me the undersigned, a Notary Public in and for said state, personally appeared **Honora Spillane**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual or he person upon behalf of which the individual acted, executed the instrument.


Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 2020

STATE OF NEW YORK)
COUNTY OF ONONDAGA) ss:

On the _____ day of December, in the year 2018, before me the undersigned, a notary public in and for said state, personally appeared **Nathan Aber**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or he person upon behalf of which the individual acted, executed the instrument.

Notary Public

IN WITNESS WHEREOF, the Agency and Company have caused this Agreement to be executed in their respective names on the date first above written and the Company hereby acknowledges receipt and review of this Agreement, and consents to, and approves of, the terms and provisions contained herein.

**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____
Honora Spillane, Executive Director

TOWERS REALTY LR, LTD.
By: G-P Towers Realty LR, LLC, its general partner

By:  _____
Nathan Aber, Manager

STATE OF NEW YORK)
COUNTY OF ONONDAGA) ss:

On the _____ day of December, in the year 2018, before me the undersigned, a Notary Public in and for said state, personally appeared **Honora Spillane**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual or he person upon behalf of which the individual acted, executed the instrument.

Notary Public

STATE OF NEW YORK)
COUNTY OF ONONDAGA) ss:
Notary Public

On the 21st day of December, in the year 2018, before me the undersigned, a notary public in and for said state, personally appeared **Nathan Aber**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or he person upon behalf of which the individual acted, executed the instrument.

ROBERT S. BLOOM
Notary Public State of New York
Qualified in New York County
No. 01BL4863773
Commission Expires June 23, 2017

 _____
Notary Public

EXHIBIT "A"

PILOT SCHEDULE

<i>Year</i>	<i>Amount</i>
1	\$1,201,852.68
2	\$1,225,889.73
3	\$1,250,407.53
4	\$1,275,415.68
5	\$1,300,923.99
6	\$1,326,942.47
7	\$1,353,481.32
8	\$1,380,550.95
9	\$1,408,161.97
10	\$1,436,325.21
11	\$1,533,842.73
12	\$1,634,686.42
13	\$1,738,950.33
14	\$1,846,730.91
15	\$1,958,127.14
Total	\$21,872,289.06

EXHIBIT B

ALL THAT TRACT OR PARCEL OF LAND situate in the City of Syracuse, County of Onondaga and State of New York and being a portion of Block #134 in said City, and being more particularly described as follows:

Beginning at a point in the southerly boundary of Madison Street at its intersection with the easterly boundary of South Warren Street; running thence S 89° 47' 10" E along said southerly boundary of Madison Street, a distance of 471.97 feet to its intersection with the westerly boundary of Montgomery Street; thence S 0° 06' 00" W along said westerly street boundary, a distance of 179.26 feet to a point; thence N 89° 49' 40" W through said Block 134, a distance of 471.84 feet to a point in the easterly boundary of South Warren Street; thence N 0° 03' 30" E along said easterly street boundary, a distance of 179.61 feet to the point of beginning, containing 84,677 square feet = 1.944 acres, more or less.



NYS DEPARTMENT OF TAXATION & FINANCE
OFFICE OF REAL PROPERTY TAX SERVICES

RP-412-a (1/95)

INDUSTRIAL DEVELOPMENT AGENCIES
APPLICATION FOR REAL PROPERTY TAX EXEMPTION
(Real Property Tax Law, Section 412-a and General Municipal Law, Section 874)

1. INDUSTRIAL DEVELOPMENT AGENCY (IDA)

Name City of Syracuse Industrial Development Ag.
Street 201 East Washington Street, 6th Floor
City Syracuse
Telephone no. Day (315) 473-3275
Evening () N/A
Contact Honora Spillane
Title Executive Director

2. OCCUPANT (IF OTHER THAN IDA)

(If more than one occupant attach separate listing)

Name Towers Realty LR, LTD.
Street c/o AmTrust Realty Corp., 250 Broadway
City New York
Telephone no. Day () 212-619-6919
Evening () N/A
Contact Nathan Aber
Title Manager

RECEIVED

DEC 28 2018

3. DESCRIPTION OF PARCEL

a. Assessment roll description (tax map no./roll year) 102.-12-01.3
b. Street address 100 Madison St. & Warren St. South
c. City, Town or Village Syracuse

d. School District Syracuse
e. County Onondaga
f. Current assessment \$34,560,000
g. Deed to IDA (date recorded; liber and page)
N/A lease/leaseback agreement -
see Schedule A

DEPT. OF ASSESSMENT

4. GENERAL DESCRIPTION OF PROPERTY (if necessary, attach plans or specifications)

a. Brief description (include property use) renovation, replacement and repair of two existing 21 story office buildings
b. Type of construction steel/wood
c. Square footage 471.79 x 179.31
d. Total cost \$19,401,479
e. Date construction commenced 2018
f. Projected expiration of exemption (i.e. date when property is no longer possessed, controlled, supervised or under the jurisdiction of IDA)
June 30, 2034

5. SUMMARIZE AGREEMENT (IF ANY) AND METHOD TO BE USED FOR PAYMENTS TO BE MADE TO MUNICIPALITY REGARDLESS OF STATUTORY EXEMPTION

(Attach copy of the agreement or extract of the terms relating to the project).

a. Formula for payment See attached PILOT Agreement

b. Projected expiration date of agreement June 30, 2034

c. Municipal corporations to which payments will be made

	Yes	No
County <u>Onondaga</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Town/City <u>Syracuse</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Village _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>
School District <u>Syracuse</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

d. Person or entity responsible for payment

Name Towers Realty LR, LTD.
 Title _____
 Address c/o AmTrust Realty Corp.
250 Broadway, New York, NY 10007

e. Is the IDA the owner of the property? Yes No (check one)

If "No" identify owner and explain IDA rights or interest in an attached statement. See Schedule A

Telephone _____

6. Is the property receiving or has the property ever received any other exemption from real property taxation? (check one) Yes No

If yes, list the statutory exemption reference and assessment roll year on which granted: exemption owned by SIDA assessment roll year 1997

7. A copy of this application, including all attachments, has been mailed or delivered on 12-28-18 (date) to the chief executive official of each municipality within which the project is located as indicated in Item 3.

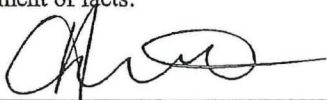
CERTIFICATION

I, Honora Spillane, Executive Director _____ of _____

Name	Title
<u>City of Syracuse Industrial Development Agency</u>	_____
Organization	_____

hereby certify that the information on this application and accompanying papers constitutes a true statement of facts.

12-29-18
Date


Signature

FOR USE BY ASSESSOR

1. Date application filed _____

2. Applicable taxable status date _____

3a. Agreement (or extract) date _____

3b. Projected exemption expiration (year) _____

4. Assessed valuation of parcel in first year of exemption \$ _____

5. Special assessments and special as valorem levies for which the parcel is liable:

Date

Assessor's signature

SCHEDULE "A"

Response to Item 3.g *Deed to IDA:* Memorandum of Company Lease and Memorandum of Agency Lease, both dated as of December 1, 2018, were each recorded in the office of the Clerk of Onondaga County on December 28, 2018 as Instrument No. 2018-00060039 and Instrument No. 2018-00060040, respectively.

Response to Item 5.e. *Is the IDA the owner of the property?*

No. The City of Syracuse Industrial Development Agency has a leasehold interest in the subject premises pursuant to a lease/leaseback arrangement as set forth in a certain Agency Lease and Company Lease each dated as of December 1, 2018, memorandums of which were filed as set forth above.

**GENERAL CERTIFICATE OF THE
CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY**

This certificate is made in connection with the execution by the City of Syracuse Industrial Development Agency (the "**Agency**") of the Project Agreement, the Company Lease, the Agency Lease, the PILOT Agreement and any other document now or hereafter executed by the Agency (collectively, the "**Agency Documents**") with respect to a project (the "**Project**") undertaken at the request of Towers Realty LR, LTD. (the "**Company**") consisting of: (A)(i) the acquisition or continuation of an interest in approximately 84,597 square feet of real property improved by two 21 story office buildings comprised in the aggregate of approximately 685,000 square feet of space (the "**Buildings**"), located at 100 Madison Street & Warren St. South in the City of Syracuse, New York (the "**Land**"); (ii) the renovation, replacement and repair of the existing square footage of the Buildings in two phases; the first phase to consist of the renovation and repair of approximately 84,000 square feet of existing office space and existing fitness room in the Buildings for tenant use including but not limited to supplemental HVAC, modification and/or replacement of entryways, structural and masonry repairs to electric vaults, boiler room upgrades, roof repairs, signage, and buildout of currently unoccupied office space ("**Phase 1**"); and the second phase to consist of the renovation and repair of approximately 210,000-310,000 square feet of existing office space and common area in the Buildings for tenant use including but not limited to bathroom upgrades, tenant space buildout and upgrades, common areas and corridor upgrades and external façade caulking ("**Phase 2**" and together with Phase 1, collectively, the "**Facility**"); (v) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "**Equipment**" and together with the Land and the Facility, the "**Project Facility**"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the "**Financial Assistance**"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation, replacement, repair, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

Capitalized terms used herein which are not otherwise defined herein and which are defined in the Agency Lease Agreement dated as of December 1, 2018 (the "**Agency Lease**"), between the Agency and the Company, and shall have the meanings ascribed to such terms in the Agency Lease except that, for purposes of this certificate: (A) all definitions with respect to any document shall be deemed to refer to such document only as it exists as of the date of this certificate and not as of any future date; and (B) all definitions with respect to any Person shall be deemed to refer to such Person only as it exists as of the date of this certificate and not as of any future date or to any successor or assign.

I, the undersigned Executive Director of the Agency, Do Hereby Certify:

1. I am an officer of the Agency and am duly authorized to execute and deliver this certificate in the name of the Agency.

2. The Agency is an industrial development agency duly established under Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "**State**"), as amended (the "**Enabling Act**") and Chapter 641 of the Laws of 1979 of the State (said Chapter with the Enabling Act, the "**Act**") (a certified copy of Chapter 641 of the Laws of 1979 of the State is attached hereto as **Exhibit "A"**), and it is a corporate governmental agency constituting a public benefit corporation of the State.

3. The Act empowers the Agency, among other things, to acquire, construct reconstruct, lease, improve, maintain, equip, sell and dispose of land and any building or other improvement, and all real and personal property, including, but not limited to, machinery and equipment deemed necessary in connection therewith, whether or not now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, commercial, recreation or industrial facilities, including industrial pollution control facilities, in order to advance job opportunities, health, general prosperity and the economic welfare of the people of the City of Syracuse and the State and to improve their standard of living. The Act further authorizes the Agency to lease any and all of its facilities on such terms and conditions as it deems advisable, to acquire, construct, lease, improve, and equip one or more projects as defined in the Act, to mortgage any or all of its facilities and to pledge the revenues and receipts from the sale or transfer of its facilities.

4. The Agency has full legal power and authority to own its property, conduct its business and execute, deliver, and perform its obligations under the Agency Documents and has taken all actions and obtained all approvals required in connection therewith by the Act and any other applicable laws and regulations, and no legislation has been enacted affecting the powers or authority of the Agency to execute and deliver the Agency Documents, affecting the financing of the Project, or affecting the validity thereof or of the Agency Documents, or contesting the existence and powers of the Agency or the appointment of the members and officers of the Agency to their respective offices.

5. Pursuant to the Act, the governing body of the City of Syracuse, New York, for whose benefit the Agency was established, duly filed or caused to be filed within six (6) months after the effective date of Chapter 641 of the Laws of 1979 of the State in the office of the Secretary of State of the State the Certificate of Establishment of the Agency pursuant to Section 926 of the New York General Municipal Law. The Certificate of Establishment of the Agency described in the preceding sentence also named the members and officers of the Agency as appointed by the Mayor of the City of Syracuse. Attached hereto as **Exhibit "B"** are certified copies of said Certificates of Establishment and copies of the Certificates of Appointment relating to all of the current members of the Agency, who are:

Michael Frame, Chairman
Steven Thompson, Vice Chairman
Rickey T. Brown, Secretary
Kathleen Murphy, Treasurer
Kenneth Kinsey, Member

6. Attached hereto as **Exhibit “C”** is a true, correct and complete copy of the by-laws of the Agency, together with all amendments thereto or modifications thereof; and said by-laws as so amended and modified are in full force and effect in accordance with their terms as of the date of this certificate.

7. That a resolution authorizing a public hearing (the “**Public Hearing Resolution**”) was adopted by the Agency on October 16, 2018 and remains in full force and effect and has not been rescinded, repealed or modified. A copy of the Public Hearing Resolution is attached hereto at **Exhibit “D.”**

8. Attached hereto as **Exhibit “E”** is proof of publication of a notice of the public hearing with respect to the Project (the “**Public Hearing Notice**”), required pursuant to Section 859-a of the Act and held on November 20, 2018, and proof of mailing of notice thereof pursuant to Section 859-a of the Act to the chief executive officers of the affected tax jurisdictions (as defined in Section 854(16) of the Act) on November 6, 2018.

9. That a resolution classifying the Project as a Type 1 Action pursuant to SEQRA, declaring the Agency lead agency for purposes of a coordinated review thereunder (the “**SEQRA Lead Agency Resolution**”) was adopted by the Agency on November 20, 2018 and remains in full force and effect and has not been rescinded, repealed or modified. A copy of the SEQRA Lead Agency Resolution is attached hereto at **Exhibit “F.”**

10. That a resolution determining that the acquisition, renovation, replacement, repair, equipping and completion of a certain project at the request of the Company will not have a significant effect on the environment (the “**SEQRA Resolution**”) was adopted by the Agency on November 20, 2018 and remains in full force and effect and has not been rescinded, repealed or modified. A copy of the SEQRA Resolution is attached hereto at **Exhibit “G.”**

11. That a resolution authorizing the undertaking of the acquisition, renovation, replacement, repair, equipping and completion of the Project, appointing the Company as agent of the Agency for the purpose of the acquisition, renovation, replacement, repair, equipping and completion of the Project, and authorizing the execution and delivery of an agreement between the Agency and the Company (the “**Inducement Resolution**”) was adopted by the Agency on November 20, 2018 and remains in full force and effect and has not been rescinded, repealed or modified. A copy of the Inducement Resolution is attached hereto at **Exhibit “H.”**

12. That a resolution approving a payment in lieu of tax schedule and authorizing the execution and delivery of certain documents by the Agency in connection with the Project was adopted by the Agency on December 18, 2018 (the “**PILOT Resolution**”) and remained in full

force and effect and has not been rescinded, repealed or modified. A copy of the PILOT Resolution is attached hereto to **Exhibit "I"**.

13. That a resolution authorizing the execution and delivery of certain documents by the Agency in connection with the Project was adopted by the Agency on December 18, 2018 (the "**Final Approving Resolution**") and remains in full force and effect and has not been rescinded, repealed or modified. A copy of the Final Approving Resolution is attached hereto at **Exhibit "J"**.

14. The execution, delivery and performance of all Agency Documents, certificates and documents required to be executed, delivered and performed by the Agency in order to carry out, give effect to and consummate the transactions contemplated by the Agency Documents have been duly authorized by all necessary action of the Agency, and the Agency Documents have been duly authorized, executed and delivered. The Agency Documents are in full force and effect on and as of the date hereof, and no authority or proceeding for the execution, delivery or performance of the Agency Documents has been materially amended, repealed, revoked or rescinded; and no event or circumstance has occurred or exists which constitutes, or with the giving of notice or the passage of time would constitute, a default on the part of the Agency under the Agency Documents.

15. The execution, delivery, and performance of the Agency Documents, the consummation of the transactions therein contemplated and compliance with the provisions of each do not and will not: (a) violate the Act or the by-laws of the Agency; (b) require consent (which has not heretofore been received) under or result in a breach or default of any credit agreement, purchase agreement, indenture, deed of trust, commitment, guaranty, lease, or other agreement or instrument to which the Agency is a party or by which the Agency may be bound or affected; or (c) conflict with or violate any existing law, rule, regulation, judgment, order, writ, injunction, or decree of any government, governmental instrumentality, or court, domestic or foreign, having jurisdiction over the Agency or any of its Property.

16. The Agency has not received written notice that any event of default has occurred and is continuing, or that any event has occurred which with the lapse of time or the giving of notice or both would constitute an event of default by any party to the Agency Documents.

17. There is no action, suit, proceeding or investigation at law or in equity, before or by any court, public board or body of the United States of America or the State of New York, pending or, to the best of my knowledge, threatened against or affecting the Agency (or to my knowledge any basis therefor): (a) wherein an unfavorable decision or finding would adversely affect: (i) the Inducement Resolution, the PILOT Resolution, the Final Approving Resolution, the Company Lease, the Agency Lease or the other Agency Documents; or (ii) the existence or organization of the Agency; or (iii) restrain or enjoin the financing, acquisition, renovation, replacement, or repair of the Project or the performance by the Agency of the Agency Documents; or (b) in any manner questioning the proceedings or authority of the financing of the Project, or affecting the validity thereof or of the Agency Documents, or contesting the existence and powers of the Agency or the appointment of the directors and officers of the Agency to their respective offices.

18. December 28, 2018 has been duly designated as the date for the Closing.

19. The Agency has complied with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to the Closing Date.

20. In accordance with the Act, the Agency has determined:

(a) to assist the Company's acquisition, renovation, replacement, repair, equipping and completion of the Project Facility;

(b) to grant the Financial Assistance to the Company;

(c) to designate the Company as the Agency's agent for the acquisition, renovation, replacement, repair, equipping and completion of the Project Facility and to authorize the Company to appoint additional agents;

(d) that the Project will promote employment opportunities and prevent economic deterioration in the City by the preservation of both full and part-time jobs; and

21. That I did officially cause all certificates necessary for the granting of the Financial Assistance and included in the official transcript of closing, to be executed, as required, in the name of the Agency by the signing of each of such certificates with the signature of the Executive Director of the Agency.

22. That I did officially cause the following Agency Documents to be executed in the name of the Agency by the signing of each of such Agency Documents with the signature of the Honora Spillane, Executive Director of the Agency:

(a) a Project Agreement between the Agency and the Company;

(b) a Company Lease from the Company to the Agency pursuant to which the Company agrees to lease the Land and the Facility to the Agency;

(c) an Agency Lease from the Agency to the Company pursuant to which the Agency agrees to sublease the Project Facility to the Company;

(d) a PILOT Agreement by and between the Agency and the Company.

23. No member, officer or employee of the Agency having power to: (i) negotiate, prepare, authorize or approve any of the Agency Documents; (ii) audit bills or claims under any of the Agency Documents; or (iii) appoint an officer or employee who has any of the powers or duties set forth in (i) or (ii):

(a) directly or indirectly owns any stock of the Company;

(b) is a partner, director or employee of the Company;

(c) is related to the Company within the meaning of Section 800.3(a) of the New York General Municipal Law.

No member, officer, or employee of the Agency has publicly disclosed, in a writing included as part of the official minutes of the Agency, any Interest (as defined in Section 800.3 of the New York General Municipal Law), direct or indirect, in the Company.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

WITNESS, as of the 1st day of December, 2018.

**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: 

Honora Spillane, Executive Director

EXHIBIT "A"

**CHAPTER 641 OF THE LAWS OF 1979
OF THE STATE OF NEW YORK**

LAWS OF NEW YORK, 1979

CHAPTER 641

AN ACT to amend the general municipal law, in relation to creating and establishing for the city of Syracuse industrial development agency and, providing for its functions and duties

Became a law July 11, 1979, with the approval of the Governor. Passed on Home Rule request pursuant to Article IX, section 2 (b) (2) of the Constitution, by a majority vote, three-fifths being present.

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The general municipal law is amended by adding a new section nine hundred twenty-six to read as follows:

§ 926. *City of Syracuse industrial development agency. (a) For the benefit of the city of Syracuse and the inhabitants thereof, an industrial development agency, to be known as the CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY, is hereby established for the accomplishment of any or all of the purposes specified in title one of article eighteen-A of this chapter. It shall constitute a body corporate and politic, and be perpetual in duration. It shall consist of five members who shall be appointed by the mayor of the city of Syracuse and its chairman shall be designated by such mayor. It shall have the powers and duties now or hereafter conferred by title one of article eighteen-A of this chapter upon industrial development agencies. It shall organize in a manner prescribed by and be subject to the provisions of title one of article eighteen-A of this chapter. The agency, its members, officers and employees, and its operations and activities shall in all respects be governed by the provisions of title one of article eighteen-A of this chapter.*

(b) The city shall have the power to make, or contract to make grants or loans, including but not limited to grants or loans of money, to the agency in such amounts, upon such terms and conditions and for such period or periods of time as in the judgment of the city and the agency are necessary or appropriate for the accomplishment of any of the purposes of the agency.

§ 2. This act shall take effect immediately.

EXHIBIT "B"

**AGENCY'S CERTIFICATE OF ESTABLISHMENT
AND
CERTIFICATES OF APPOINTMENT OF CURRENT MEMBERS**

STATE OF NEW YORK
DEPARTMENT OF STATE

I hereby certify that the annexed copy has been compared with the original document in the custody of the Secretary of State and that the same is a true copy of said original.



WITNESS my hand and official seal of the
Department of State, at the City of Albany, on
April 10, 2018.

A handwritten signature in black ink, appearing to read "B. Fitzgerald", written over a horizontal line.

Brendan Fitzgerald
Executive Deputy Secretary of State

CERTIFICATE OF THE CITY OF SYRACUSE
INDUSTRIAL DEVELOPMENT AGENCY

Pursuant to Article 18-A of the General Municipal Law, Lee Alexander, Mayor of the City of Syracuse, certifies as follows:

1) The name of the industrial development agency herein is the City of Syracuse Industrial Development Agency.

2) Chapter 641 of the Laws of 1979, the special act of the New York State Legislature establishing the City of Syracuse Industrial Development Agency, was adopted by the New York State Legislature on June 16, 1979 and signed by the Governor on July 18, 1979. ^{11th}

3) The names of the Chairman and the Members, respectively, of the City of Syracuse Industrial Development Agency and their terms of office are as follows:

(a)	Frank L. Canino	Chairman
	David M. Garber	Member
	David S. Michel	Member
	Erwin G. Schultz	Member
	Irwin L. Davis	Member

(b) The term of office of the Chairman and of the Members of the City of Syracuse Industrial Development Agency is at the pleasure of the Mayor and continues until a successor is appointed and has qualified.

4) The facts establishing the need for the creation of a City of Syracuse Industrial Development Agency are as follows:

Expansion of its industrial-commercial base is essential to the City of Syracuse, especially in a time of mounting economic pressures. To achieve this goal of expansion, the City has designed a comprehensive economic development program, requiring an Industrial Development Agency.

The existing potential for economic development will be augmented by the financial incentives of an Industrial Development Agency. Various City agencies and departments, such as the Department of Community Development and the Office of Federal and State Aid Coordination will interface with the Syracuse Industrial Development Agency to strengthen the business and industrial climate of the community.

Access to the Department of Community Development will make available to the Syracuse Industrial Development Agency an array of staff assistance, technical expertise, and various other development services. The City's Office of Federal and State Aid Coordination will provide assistance to it in locating, analyzing, and obtaining various forms of federal and state assistance and participation.

STATE OF NEW YORK
DEPARTMENT OF STATE

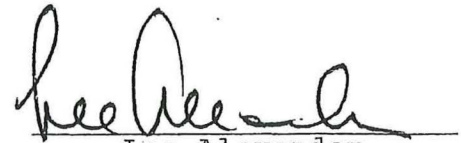
FILED JUL 20 1979

Carl A. Peterson

Secretary of State

The Syracuse Industrial Development Agency, in combination with, and utilizing these and other resources, will greatly enhance the City's ability to compete for, and successfully attract, the commercial and industrial enterprises necessary for continued economic health and growth.

July 20, 1979


Lee Alexander
Mayor

STATE OF NEW YORK
DEPARTMENT OF STATE

FILED JUL 20 1979


Secretary of State

STATE OF NEW YORK
DEPARTMENT OF STATE

I hereby certify that the annexed copy has been compared with the original document in the custody of the Secretary of State and that the same is a true copy of said original.

WITNESS my hand and official seal of the
Department of State, at the City of Albany, on
April 10, 2018.



A handwritten signature in black ink, appearing to read "B. Fitzgerald", written over a horizontal line.

Brendan Fitzgerald
Executive Deputy Secretary of State



OFFICE OF THE MAYOR

Ben Walsh, Mayor

FILED
STATE RECORDS

JAN 29 2018

DEPARTMENT OF STATE

CERTIFICATE OF APPOINTMENT TO THE
CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

Pursuant to Article 18-A of the General Municipal Law of the State of New York, Ben Walsh, Mayor of the City of Syracuse, hereby certifies the appointment of the following person as an Officer of the City of Syracuse Industrial Development Agency:


Mr. Steven P. Thompson - Member/Vice Chair

The following Officer of the City of Syracuse Industrial Development Agency shall no longer serve as Officer of said Agency :

Mr. Steven P. Thompson - Member/Secretary

No Member or Officer of the City of Syracuse Industrial Development Agency shall receive any compensation for the discharge of their duties as Member or Officer of the Agency, but shall be entitled to necessary expenses incurred in the discharge of their duties as such Member or Officer.

The appointment herein set forth shall be effective as of January 16, 2018.


Ben Walsh
Mayor, City of Syracuse

STATE OF NEW YORK

DEPARTMENT OF STATE

I hereby certify that the annexed copy has been compared with the original document in the custody of the Secretary of State and that the same is a true copy of said original.

WITNESS my hand and official seal of the
Department of State, at the City of Albany, on
April 10, 2018.



A handwritten signature in black ink, appearing to read "B. Fitzgerald", written over a horizontal line.

Brendan Fitzgerald
Executive Deputy Secretary of State



FILED
STATE RECORDS

JAN 29 2018

OFFICE OF THE MAYOR

DEPARTMENT OF STATE

Ben Walsh, Mayor

CERTIFICATE OF APPOINTMENT TO THE
CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

Pursuant to Article 18-A of the General Municipal Law of the State of New York, Ben Walsh, Mayor of the City of Syracuse, hereby certifies the appointment of the following person as a member of the City of Syracuse Industrial Development Agency:

Mr. Michael Frame - Member/Chair

The following Member and Officer of the City of Syracuse Industrial Development Agency shall no longer serve as Member or Officer of said Agency :

Mr. William A. Ryan - Member/Chair

No Member or Officer of the City of Syracuse Industrial Development Agency shall receive any compensation for the discharge of their duties as Member or Officer of the Agency, but shall be entitled to necessary expenses incurred in the discharge of their duties as such Member or Officer.

The appointment herein set forth shall be effective as of January 16, 2018.

A handwritten signature in black ink, appearing to read "Ben Walsh", is written over a horizontal line.

Ben Walsh
Mayor, City of Syracuse

STATE OF NEW YORK

DEPARTMENT OF STATE

I hereby certify that the annexed copy has been compared with the original document in the custody of the Secretary of State and that the same is a true copy of said original.



WITNESS my hand and official seal of the Department of State, at the City of Albany, on April 10, 2018.

A handwritten signature in black ink, appearing to read "Brendan Fitzgerald", written over a horizontal line.

Brendan Fitzgerald
Executive Deputy Secretary of State



FILED
STATE RECORDS

JAN 29 2018

OFFICE OF THE MAYOR

Ben Walsh, Mayor

DEPARTMENT OF STATE

CERTIFICATE OF APPOINTMENT TO THE
CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

Pursuant to Article 18-A of the General Municipal Law of the State of New York, Ben Walsh, Mayor of the City of Syracuse, hereby certifies the appointment of the following person as a member of the City of Syracuse Industrial Development Agency:

Mr. Rickey Brown - Member/Secretary

The following Member and Officer of the City of Syracuse Industrial Development Agency shall no longer serve as Member or Officer of said Agency:

Ms. M. Catherine Richardson - Member/Vice-Chair

No Member or Officer of the City of Syracuse Industrial Development Agency shall receive any compensation for the discharge of their duties as Member or Officer of the Agency, but shall be entitled to necessary expenses incurred in the discharge of their duties as such Member or Officer.

The appointment herein set forth shall be effective as of January 16, 2018.

Ben Walsh
Mayor, City of Syracuse

STATE OF NEW YORK

DEPARTMENT OF STATE

I hereby certify that the annexed copy has been compared with the original document in the custody of the Secretary of State and that the same is a true copy of said original.



WITNESS my hand and official seal of the Department of State, at the City of Albany, on April 10, 2018.

A handwritten signature in black ink, appearing to read "B. Fitzgerald", written over a horizontal line.

Brendan Fitzgerald
Executive Deputy Secretary of State



OFFICE OF THE MAYOR

Ben Walsh, Mayor

FILED
STATE RECORDS

JAN 29 2018

DEPARTMENT OF STATE

CERTIFICATE OF APPOINTMENT TO THE
CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

Pursuant to Article 18-A of the General Municipal Law of the State of New York, Ben Walsh, Mayor of the City of Syracuse, hereby certifies the appointment of the following person as a member of the City of Syracuse Industrial Development Agency:

Ms. Kathy Murphy

- Member/Treasurer

The following Member and Officer of the City of Syracuse Industrial Development Agency shall no longer serve as Member or Officer of said Agency:

Mr. Donald Schoenwald

- Member/Treasurer

No Member or Officer of the City of Syracuse Industrial Development Agency shall receive any compensation for the discharge of their duties as Member or Officer of the Agency, but shall be entitled to necessary expenses incurred in the discharge of their duties as such Member or Officer.

The appointment herein set forth shall be effective as of January 16, 2018.

A handwritten signature in black ink, appearing to read "Ben Walsh", is written over a horizontal line.

Ben Walsh

Mayor, City of Syracuse

STATE OF NEW YORK

DEPARTMENT OF STATE

I hereby certify that the annexed copy has been compared with the original document in the custody of the Secretary of State and that the same is a true copy of said original.



WITNESS my hand and official seal of the Department of State, at the City of Albany, on June 20, 2018.

A handwritten signature in black ink, appearing to read "B. Fitzgerald", written over a horizontal line.

Brendan Fitzgerald
Executive Deputy Secretary of State



FILED
STATE RECORDS

MAR 16 2018

OFFICE OF THE MAYOR

DEPARTMENT OF STATE

Stephanie A. Miner, Mayor

**CERTIFICATE OF APPOINTMENT TO THE
CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY**

Pursuant to Article 18-A of the General Municipal Law of the State of New York, Stephanie A. Miner, Mayor of the City of Syracuse, hereby certifies the appointment of the following person as a Member of the City of Syracuse Industrial Development Agency:

Mr. Kenneth Kinsey

- Member

The following Member and Officer of the City of Syracuse Industrial Development Agency shall no longer serve as Member or Officer of said Agency:

Ms. Pamela Hunter

- Member

No Member or Officer of the City of Syracuse Industrial Development Agency shall receive any compensation for the discharge of their duties as Member or Officer of the Agency, but shall be entitled to necessary expenses incurred in the discharge of their duties as such Member or Officer.

The appointment herein set forth shall be effective as of January 13, 2016.

Stephanie A. Miner
Mayor, City of Syracuse

EXHIBIT "C"

AGENCY'S BY-LAWS

**BY-LAWS OF
THE CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
(as amended August 18, 2009)**

Article I

THE AGENCY

Section 1. Name

The name of the agency shall be "City of Syracuse Industrial Development Agency", and it shall be referred to in these by-laws as the Agency.

Section 2. Seal

The seal of the Agency shall be in such form as may be determined by the members of the Agency.

Section 3. Office

The principal office of the Agency shall be located in the City of Syracuse, New York, County of Onondaga, and State of New York. The Agency may have such other offices at such other places as the members of the Agency may, from time to time, designate by resolution.

Article II

MEMBERS

Section 1. Members

(a) There shall be five members of the Agency. All references in these by-laws to members shall be references to Members of the Agency. The persons designated in the certificates of appointment filed in the office of the Secretary of State as members of the Agency and their successors in office and such other persons as may, from time to time, be appointed as

Members of the Agency by the Mayor of the City of Syracuse, or by special act of the Legislature, shall constitute all the members.

(b) Members shall hold office at the pleasure of the Mayor and shall continue to hold office until his or her successor is appointed and has qualified. The Mayor may remove any Member at his discretion, with or without cause.

(c) Upon the resignation or removal of a Member, a successor shall be selected by the Mayor.

(d) Members may resign at any time by giving written notice to the Mayor and to the Chairman of the Agency. Unless otherwise specified in the notice the resignation shall take effect upon receipt of the notice by the Chairman or the Mayor. Acceptance of the resignation shall not be necessary to make it effective.

Section 2. Meeting of the Members

(a) The Annual Meeting of the members shall be held on such date or dates as shall be fixed, from time to time, by the Members of the Agency. The first Annual Meeting of Members shall be held on a date within twelve (12) months after the filing of the Certificate of the Agency with the Secretary of State as required by General Municipal Law §856 (1) (a). Each successive Annual Meeting of Members shall be held on a date not more than twelve (12) months following the preceding Annual Meeting of Members.

(b) Regular meetings of the Agency may be held at such time and place as, from time to time, may be determined by the Members.

(c) Upon the written request of the Mayor, the Chairman or two (2) Members of the Agency, the Chairman of the Agency shall call a special meeting of the Members. Special meetings may be held on such date or dates as may be fixed in the call for such special meetings.

The call for a special meeting may be personally delivered to each Member of the Agency or may be mailed to the business or home address of such Member. A waiver of notice may be signed by any Member failing to receive a proper notice.

Section 3. Procedure at Meetings of Members

(a) The Chairman shall preside over the meetings of the Agency. In the absence of the Chairman, the Vice-Chairman shall preside. In the absence of both the Chairman and Vice-Chairman, any Member directed by the Chairman may preside.

(b) At all meetings of Members, a majority of the Members of the Agency shall constitute a quorum for the purpose of transacting business. If less than a quorum is present for any meeting, the Members then present may adjourn the meeting to such other time or until a quorum is present. Except to the extent provided for by law, all actions shall be by a majority of the votes cast, provided that the majority of the votes cast shall be at least equal to a quorum.

(c) When determined by the Agency that a matter pending before it is confidential in nature, it may, upon motion, establish an executive session and exclude any non-member from such session.

(d) Order of business

At all meetings of the Agency, the following shall be the order of business:

- (1) Roll Call;
- (2) Proof of Notice of Meeting;
- (3) Reading and approval of the minutes of the previous meeting;
- (4) bills and communications;
- (5) Report of the Treasurer;
- (6) Reports of Committees;

- (7) Unfinished business;
- (8) New business;
- (9) Adjournment.

The order of business may be altered or suspended at any meeting by the Members of the Agency.

(e) All resolutions shall be in writing and shall be recorded in the journal of the proceedings of the Agency.

Article III

OFFICERS AND PERSONNEL

Section 1. Officers

The officers of the Agency shall be Chairman or Co-Chairman, Vice-Chairman, Secretary and Treasurer and such other offices as may be prescribed, from time to time, by the Agency. The Chairman or Co-Chairman and other officers shall be appointed by the Mayor of the City of Syracuse and may be removed with or without cause at his discretion. Each officer shall be a Member of the Agency during his or her term of office.

Section 2. Chairman or Co-Chairmen

The Chairman shall be chief executive officer of the Agency, and shall serve as an ex officio member of all duly constituted committees, shall supervise the general management and the affairs of the Agency, and shall carry out the orders and resolutions of the Agency. Except as otherwise authorized by resolution of the Agency, the Chairman shall execute (manually and by facsimile signature) all agreements, contracts, deeds, bonds, notes or other evidence of indebtedness and any other instruments of the Agency on behalf of the Agency. The Mayor may from time to time appoint two Co-Chairmen in place of the Chairman. During their term of office the Co-

Chairmen shall share equally the duties, rights, powers and responsibilities of the Chairman. The action of either Co-Chairman or execution (manually or by facsimile signature) by either Co-Chairman of any agreement, contract, deed, bond, note or other evidence of indebtedness or any other instrument of the Agency on behalf of the Agency shall have the same force and effect as such action or execution by the Chairman.

Section 3. Vice-Chairman

The Vice-Chairman shall have all the powers and functions of the Chairman or Co-Chairmen in the absence or disability of the Chairman or Co-Chairmen, as the case may be. The Vice-Chairman shall perform such other duties as the Members of the Agency shall prescribe or as delegated by the Chairman or Co-Chairmen.

Section 4. Secretary

The Secretary shall keep the minutes of the Agency, shall have the custody of the seal of the Agency and shall affix and attest the same to documents when duly authorized by the Agency, shall attest to the giving or serving of all notices of the Agency, shall have charge of such books and papers as the Members of the Agency may order, shall attest to such correspondence as may be assigned, and shall perform all the duties incidental to his office.

Section 5. Treasurer

The Treasurer shall have the care and custody of all the funds and securities of the Agency, shall deposit such funds in the name of the Agency, in such bank or trust company as the members of the Agency may elect, shall sign such instrument as may require the Treasurer's signature, but only with the approval of the Chairman or Co-Chairman, as the case may be, shall at all reasonable times exhibit the books and accounts of the Agency to the Mayor or any Member of

the Agency, and at the end of each fiscal year shall present an annual report setting forth in full the financial condition of the Agency.

Section 6. Additional Personnel

The Agency, with the consent of the Mayor, may appoint an Administrative or Executive Director to supervise the administration of the business and affairs of the Agency, subject to the direction of the Agency. The Agency may, from time to time, employ such other personnel as it deems necessary to execute its powers, duties and functions as prescribed by the New York State Industrial Development Agency Act (General Municipal Law, Article 18-A), as amended, and all other laws of the State of New York applicable thereto.

Section 7. Compensation of Chairman, Co-Chairmen, Members, Officers, and Other Personnel

The Chairman, Co-Chairmen, Members and Officers shall receive no compensation for their services but shall be entitled to the necessary expenses, including traveling expenses, incurred in the discharge of their duties. The compensation of other personnel, including the Administrative Director, shall be determined by the Members of the Agency.

Article IV

AMENDMENTS

Section 1. Amendments to By-Laws

These by-laws may be amended or revised, from time to time, by a two-third (2/3) vote of the Agency, but no such amendment or revision shall be adopted unless written notice of the proposed action shall have been given by mail to each Member and the Mayor at least ten (10) days prior to the date of the meeting at which it is proposed that such action be taken; provided, however,

that this provision and other provisions relating to the appointment, renewal and terms of office of Members and officers may be amended only with the prior written approval of the Mayor.

Article V

MISCELLANEOUS

Section 1. Sureties and Bonds

In case the Agency shall so require, any officer, employee or agent of the Agency shall execute to the Agency a bond in such sum and with such surety or sureties as the Agency may direct, conditioned upon the faithful performance of his or her duties to the Agency and including responsibility for negligence and for the accounting for all property, funds or securities of the Agency which may come into the hands of the officer, employee or agent.

Section 2. Indemnification

(a) Upon compliance by a Member or Officer of the Agency (including a former Member or Officer, the estate of a Member or Officer or a judicially appointed personal representative thereof) (referred to in this Section 2 collectively as "Member") with the provisions of subdivision (i) of this Section 2, the Agency shall provide for the defense of the Member in any civil action or proceeding, state or federal, arising out of any alleged act or omission which occurred or allegedly occurred while the Member was acting within the scope of the public employment or duties of such Member. This duty to provide for a defense shall not arise where such civil action or proceeding is brought by or at the behest of the Agency.

(b) Subject to the conditions set forth in paragraph (a) of this subdivision, the Member shall be entitled to be represented by private counsel of the Member's choice in any civil action or proceeding whenever the chief legal officer of the Agency or other counsel designated by the

Agency determines that a conflict of interest exists, or whenever a court, upon appropriate motion or otherwise by a special proceeding, determines that a conflict of interest exists and that the Member is entitled to be represented by counsel of the Member's choice, provided, however, that the chief legal officer or other counsel designated by the Agency may require, as a condition to payment of the fees and expenses of such representation, that appropriate groups of such Members be represented by the same counsel. Reasonable attorneys' fees and litigation expenses shall be paid by the Agency to such private counsel from time to time during the pendency of the civil action or proceeding with the approval of a majority of the Members of the Agency eligible to vote thereon.

(c) Any dispute with respect to representation of multiple Members by a single counsel or the amount of litigation expenses or the reasonableness of attorneys' fees shall be resolved by the court upon motion or by way of a special proceeding.

(d) Where the Member delivers process and a written request for a defense to the Agency under subdivision (i) of this Section 2, the Agency shall take the necessary steps on behalf of the Member to avoid entry of a default judgment pending resolution of any question pertaining to the obligation to provide for a defense.

(e) The Agency shall indemnify and save harmless its Members in the amount of any judgment obtained against such Members in a State or Federal court, or in the amount of any settlement of a claim, provided that the act or omission from which such judgment or claim arose occurred while the Member was acting within the scope of the Member's public employment or duties; provided further that in the case of a settlement, the duty to indemnify and save harmless shall be conditioned upon the approval of the amount of settlement by a majority of the Members of the Agency eligible to vote thereon.

(f) Except as otherwise provided by law, the duty to indemnify and save harmless prescribed by this Section 2 shall not arise where the injury or damage resulted from intentional wrongdoing or recklessness on the part of the Member seeking indemnification.

(g) Nothing in this subdivision shall authorize the Agency to indemnify or save harmless any Member with respect to punitive or exemplary damages, fines or penalties; provided, however, that the Agency shall indemnify and save harmless its Members in the amount of any costs, attorneys' fees, damages, fines or penalties which may be imposed by reason of an adjudication that the Member, acting within the scope of the Member's public employment or duties, has, without willfulness or intent on the Member's part, violated a prior order, judgment, consent decree or stipulation of settlement entered in any court of the State or of the United States.

(h) Upon entry of a final judgment against the Member, or upon the settlement of the claim, the Member shall serve a copy of such judgment or settlement, personally or by certified or registered mail within thirty (30) days of the date of entry or settlement, upon the Chairman and the chief administrative officer of the Agency; and if not inconsistent with the provisions of this Section 2, the amount of such judgment or settlement shall be paid by the Agency.

(i) The duty to defend or indemnify and save harmless prescribed by this Section 2 shall be conditioned upon: (i) delivery by the Member to the Chairman of the Agency and the chief legal officer of the Agency or to its chief administrative officer of a written request to provide for such Member's defense together with the original or a copy of any summons, complaint, process, notice, demand or pleading within ten (10) days after the Member is served with such document, and (ii) the full cooperation of the Member in the defense of such action or

proceeding and in defense of any action or proceeding against the Agency based upon the same act or omission, and in the prosecution of any appeal.

(j) The benefits of this Section shall inure only to Members as defined in subdivision (a) of this Section 2 and shall not enlarge or diminish the rights of any other party.

(k) This Section 2 shall not in any way affect the obligation of any claimant to give notice to the Agency under Section 10 of the Court of Claims Act, Section 880 of the General Municipal Law, or any other provision of law.

(l) The Agency is hereby authorized and empowered to purchase insurance from any insurance company created by or under the laws of the State, or authorized by law to transact business in the State, against any liability imposed by the provisions of this Section 2, or to act as a self-insurer with respect thereto. The provisions of this Section 2 shall not be construed to impair, alter, limit or modify the rights and obligations of any insurer under any policy of insurance.

(m) All payments made under the terms of this Section 2, whether for insurance or otherwise, shall be deemed to be for a public purpose and shall be audited and paid in the same manner as other public charges.

(n) Except as otherwise specifically provided in this Section 2, the provisions of this Section 2 shall not be construed in any way to impair, alter, limit, modify, abrogate or restrict any immunity to liability available to or conferred upon any Member of the Agency by, in accordance with, or by reason of, any other provision of State or Federal statutory or common law. The benefits under this Section 2 shall supplement, and be available in addition to, defense or indemnification protection conferred by any law or enactment. This Section 2 is intended to confer upon Members of the Agency all of the benefits of Section 18 of the Public Officers Law

and to impose upon the Agency liability for costs incurred under the provisions hereof and thereof.

Section 3. Fiscal Year

The fiscal year of the Agency shall be fixed by the Members, subject to the applicable law.

Section 4. Powers of the Agency

The Agency shall have all the powers of an Industrial Development Agency authorized by Article 18-A of the General Municipal Law and shall have the power to do all things necessary or convenient to carry out its purposes and exercise the powers authorized herein.

EXHIBIT "D"

PUBLIC HEARING RESOLUTION

RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on October 16, 2018, at 8:30 o'clock a.m. in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by the Chairman and upon the roll being duly called, the following members were:

PRESENT: Michael Frame, Kathleen Murphy, Rickey T. Brown and Kenneth Kinsey

EXCUSED: Steven Thompson

THE FOLLOWING PERSONS WERE ALSO PRESENT: Staff Present: Honora Spillane, Susan Katzoff, Esq., Meghan Ryan, Esq., Judith DeLaney, John Vavonese, Debra Ramsey-Burns; Others Present: Lauryn LaBorde, Aggie Lane, Timothy Lynn, Esq., Tom Iorizzo, Bob Wilmott, Max Eberts, Jennifer Granzow, Mary Spitzer, Patrick Parker

The following resolution was offered by Rickey T. Brown and seconded by Kenneth Kinsey:

RESOLUTION AUTHORIZING A PUBLIC HEARING

WHEREAS, the City of Syracuse Industrial Development Agency (the "**Agency**") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "**State**"), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the "**Act**"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, for the purpose of promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to grant "financial assistance" (as defined in the Act) in connection with the acquisition, reconstruction and equipping of one or more "projects" (as defined in the Act); and

WHEREAS, Towers Realty LR, Ltd. (the "**Company**") is a Florida limited liability company authorized to do business in the State of New York; and

WHEREAS, the Company previously submitted an application in November 2017 requesting the Agency undertake a certain project and confer certain the financial assistance; and

WHEREAS, due to unexpected delays and changes in the market, the Company is working with the Agency to revise the scope of project and anticipate completing same within the next two weeks; and

WHEREAS, the parties are desirous of finalizing all necessary approvals prior to year's end and therefore requested the board consider the authorization of a public hearing contingent upon the Company and the Executive Director of the Agency finalizing the project scope sufficient to satisfy the requirements of the General Municipal Law of the State of New York; and the Company submitting a final, signed revised, supplemental or new application all prior to the date of publication of the public hearing notice; and

WHEREAS, the authorization and holding of a public hearing does not commit the Agency to take any further action on the proposed project or financial assistance; and

WHEREAS, the Agency has not approved undertaking the project or granting any financial assistance; and

WHEREAS, the grant of financial assistance to the project is subject to, among other things, the Agency finding after a public hearing pursuant to Section 859-a of the Act that the Project will serve the public purposes of the Act by promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State or increasing the overall number of permanent, private sector jobs in the State.

NOW, THEREFORE, be it resolved by the members of the City of Syracuse Industrial Development Agency, as follows:

(1) The Agency hereby directs that pursuant to Section 859-a of the Act, a public hearing with respect to the project and any requested financial assistance shall be scheduled with notice thereof published, and such notice, as applicable, shall further be sent to affected tax jurisdictions within which the project is located *conditioned upon* the Company and the Executive Director of the Agency finalizing the project scope sufficient to satisfy the requirements of the General Municipal Law of the State of New York and the Company submitting a final, signed revised, supplemental or new application prior to the date of publication of the public hearing notice.

(2) The Agency authorizes the executive director to work with Bousquet Holstein PLLC, as Agency counsel, as well as the Company to finalize the project description.

(3) The Secretary or the Executive Director of the Agency is hereby authorized to and may distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

(3) A copy of this Resolution shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	<u>AYE</u>	<u>NAY</u>
Michael Frame	X	
Kathleen Murphy	X	
Rickey T. Brown	X	
Kenneth Kinsey	X	

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ONONDAGA)

I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “*Agency*”) held on October 16, 2018, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Agency this 20 day of October, 2018.

City of Syracuse Industrial Development Agency


Riekey T. Brown, Secretary

(S E A L)

EXHIBIT "E"

**NOTICE OF PUBLIC HEARING WITH EVIDENCE OF PUBLICATION AND COPIES
OF LETTERS TO AFFECTED TAX JURISDICTIONS PURSUANT TO SECTIONS
859-a OF THE ACT**

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Section 859-a of the New York General Municipal Law, will be held by the City of Syracuse Industrial Development Agency (the "Agency") on the 20th day of November, 2018, at 8:30 a.m., local time, at 233 East Washington Street, Common Council Chambers, City Hall, Syracuse, New York, in connection with the following matter:

Towers Realty LR, Ltd., or an entity to be formed (the "Company"), requested the Agency undertake a project (the "Project") consisting of: (A)(i) the acquisition or continuation of an interest in approximately 84,597 square feet of real property improved by two 21 story office buildings comprised in the aggregate of approximately 685,000 square feet of space (the "Buildings"), located at 100 Madison Street & Warren St. South in the City of Syracuse, New York (the "Land"); (ii) the renovation and reconstruction of the Buildings in two phases; the first phase to consist of the renovation and reconstruction of approximately 84,000 square feet of office space in the Buildings for tenant use and improvements including but not limited to supplemental HVAC, modification and/or replacement of entryways, structural and masonry repairs to electric vaults, boiler room upgrades, roof repairs, signage, fitness room and buildout of new space ("Phase 1"); and phase two to consist of the renovation and reconstruction of approximately 316,330 square feet of office space in the Buildings for tenant use and improvements including but not limited to bathroom upgrades, tenant space buildout and upgrades, common areas and corridor upgrades and external façade caulking ("Phase 2" and together with Phase 1 collectively, the "Facility"); (v) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "Equipment" and together with the Land and the Facility, the "Project Facility"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (as limited by Section 874 of the General Municipal Law) (collectively the "Financial Assistance"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, construction, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

The Company is the initial owner or operator of the Project Facility.

The Agency will at the above-stated time and place hear all persons with views with respect to the proposed Financial Assistance to the Company, the proposed owner/operator, the location of the Project Facility and the nature of the Project.

A copy of the application filed by the Company with the Agency with respect to the Project, including an analysis of the costs and benefits of the Project, are available for public inspection during the business hours at the office of the Agency located at 201 East Washington Street, 6th Floor, Syracuse, New York.

Dated: November 6, 2018

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

THE POST-STANDARD

LEGAL AFFIDAVIT

INV#: 0008887281

ADVANCE

MEDIA NEW YORK

syracuse.com | THE POST-STANDARD

NYup.com

BOUSQUET HOLSTEIN PLLC
KAREN KELLER
110 W FAYETTE ST STE 1000
SYRACUSE, NY 13202

Name: BOUSQUET HOLSTEIN PLLC

Sales Rep: Pamela Gallagher

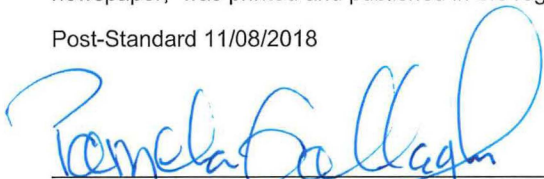
Account Number: 12145

INV#: 0008887281

Date	Position	Description	P.O. Number	Ad Size
11/08/2018	Other Legals NY	NOTICE OF PUBLIC HEARING NOTICE IS HEREBY GIVEN that	C2147L.00010	1 x 156.00 CL

State of New York, County of Onondaga ss. Pamela Gallagher, of the City of Syracuse, in said County, being duly sworn, doth depose and says: this person is the Principal Clerk in the office of THE POST-STANDARD, a public newspaper, published in the City of Syracuse, Onondaga County, New York and that the notice, is an accurate and true copy of the ad as printed in said newspaper, was printed and published in the regular edition and issue of said newspaper on the following days, viz.:

Post-Standard 11/08/2018



Pamela Gallagher

Principal Clerk

An Authorized Designee of the President, Timothy R. Kennedy

Subscribed and sworn to before me, this 8th day of November
2018



NOTARY PUBLIC

FOR QUESTIONS CONCERNING THIS AFFIDAVIT,
PLEASE CONTACT PAMELA GALLAGHER AT
(315) 470-2051 OR Legals@Syracuse.com

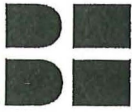
ANNE PETRO
Notary Public - State of New York
No. 01PE6366489
Qualified in Onondaga County
Commission Expires: 10-30-2021

Date	Position	Description	P.O. Number	Ad Size
11/08/2018	Other Legals NY	NOTICE OF PUBLIC HEARING NOTICE IS HEREBY GIVEN that a	C2147L.00010	1 x 156.00 CL

NOTICE OF PUBLIC HEARING NOTICE IS HEREBY GIVEN that a public hearing pursuant to Section 859-a of the New York General Municipal Law, will be held by the City of Syracuse Industrial Development Agency (the "Agency") on the 20th day of November, 2018, at 8:30 a.m., local time, at 233 East Washington Street, Common Council Chambers, City Hall, Syracuse, New York, in connection with the following matter: Towers Realty LR, Ltd., or an entity to be formed (the "Company"), requested the Agency undertake a project (the "Project") consisting of: (A)(i) the acquisition or continuation of an interest in approximately 84,597 square feet of real property improved by two 21 story office buildings comprised in the aggregate of approximately 685,000 square feet of space (the "Buildings"), located at 100 Madison Street & Warren St. South in the City of Syracuse, New York (the "Land"); (ii) the renovation and reconstruction of the Buildings in two phases; the first phase to consist of the renovation and reconstruction of approximately 84,000 square feet of office space in the Buildings for tenant use and improvements including but not limited to supplemental HVAC, modification and/or replacement of entryways, structural and masonry repairs to electric vaults, boiler room upgrades, roof repairs, signage, fitness room and buildout of new space ("Phase 1"); and phase two to consist of the renovation and reconstruction of approximately 316,330 square feet of office

square feet of office space in the Buildings for tenant use and improvements including but not limited to bathroom upgrades, tenant space buildout and upgrades, common areas and corridor upgrades and external façade caulking ("Phase 2" and together with Phase 1 collectively, the "Facility"); (v) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "Equipment" and together with the Land and the Facility, the "Project Facility"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (as limited by Section 874 of the General Municipal Law) (collectively the "Financial Assistance"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, construction, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement. The Company is the initial owner or operator of the Project Facility. The Agency will at the above-stated time and place hear all persons with views with respect to the proposed Financial Assistance to the Company, the proposed owner/operator,

the location of the Project Facility and the nature of the Project. A copy of the application filed by the Company with the Agency with respect to the Project, including an analysis of the costs and benefits of the Project, are available for public inspection during the business hours at the office of the Agency located at 201 East Washington Street, 6th Floor, Syracuse, New York. Dated: November 6, 2018 CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY



BOUSQUET HOLSTEIN PLLC

110 WEST FAYETTE STREET • ONE LINCOLN CENTER • SUITE 1000 • SYRACUSE, NEW YORK 13202 • PH: 315.422.1500 • FX: 315.422.3549*

November 6, 2018

VIA CERTIFIED MAIL
7017 0530 0000 5692 7127

Honorable Benjamin Walsh
Mayor, City of Syracuse
City Hall
233 East Washington Street
Syracuse, New York 13202

VIA CERTIFIED MAIL
7017 0530 0000 5692 7134

Honorable J. Ryan McMahon, II
County Executive, Onondaga County
John Mulroy Civic Center, 14th Floor
421 Montgomery Street
Syracuse, New York 13202

Re: City of Syracuse Industrial Development Agency (the "Agency")
Towers Realty LR, Ltd. (the "Company")
AXA Towers Project

Dear Mayor and County Executive:

Enclosed herewith please find a Notice of Public Hearing in relation to the above-referenced project. The proposed project (the "**Project**") consists of: (A)(i) the acquisition or continuation of an interest in approximately 84,597 square feet of real property improved by two 21 story office buildings comprised in the aggregate of approximately 685,000 square feet of space (the "**Buildings**"), located at 100 Madison Street & Warren St. South in the City of Syracuse, New York (the "**Land**"); (ii) the renovation and reconstruction of the Buildings in two phases; the first phase to consist of the renovation and reconstruction of approximately 84,000 square feet of office space in the Buildings for tenant use and improvements including but not limited to supplemental HVAC, modification and/or replacement of entryways, structural and masonry repairs to electric vaults, boiler room upgrades, roof repairs, signage, fitness room and buildout of new space ("**Phase I**"); and phase two to consist of the renovation and reconstruction of approximately 316,330 square feet of office space in the Buildings for tenant use and improvements including but not limited to bathroom upgrades, tenant space buildout and upgrades, common areas and corridor upgrades

LAURENCE G. BOUSQUET
PHILIP S. BOUSQUET
CECELIA R. S. CANNON
CHRISTINE WOODCOCK DETTOR
JEAN S. EVERETT #
AARON D. FRISHMAN •
DAVID A. HOLSTEIN
SUSAN R. KATZOFF
EMILEE K. LAWSON HATCH ###
SHARON A. McAUUFFE
L. MICHA ORDWAY, JR.
STEVEN A. PAQUETTE
J.P. PARASCHOS
PAUL M. PREDMORE
JAMES L. SONNEBORN
RYAN S. SUSER
THOMAS E. TAYLOR **
JOHN L. VALENTINO
ROBERT K. WEILER
JOSHUA S. WERBECK

OF COUNSEL:

VIRGINIA A. HOVEMAN
KAVITHA JANARDHAN
GARY J. LAVINE **
BRYN LOVEJOY-GRINNELL
SIDNEY L. MANES
JANA K. McDONALD †
ANNA V. PUTINTEVA
CATERINA A. RANIERI
EVA K. WOJTALEWSKI

ASSOCIATES:

CAMERON T. BERNARD
REBECCA R. COHEN ...
GEORGIA G. CRINNIN
GREGORY D. ERIKSEN
COLLEEN M. GIBBONS
GWEN Z. GOU
NATALIE P. HEMPSON-ELLIOTT
CASEY A. JOHNSON
IRENE K. KABUNDUH
JULIA J. MARTIN
AIDAN C. MITCHELL-EATON
KEVIN M. SAYLES
MICHAEL W. TYSZKO
JANE YUE ZHANG

ALSO ADMITTED TO CO BAR *
ALSO ADMITTED TO DC BAR **
ALSO ADMITTED TO MA ...
ALSO ADMITTED TO IL BAR
ALSO ADMITTED TO FL BAR
ALSO ADMITTED TO CA BAR
ALSO ADMITTED TO THE NJ BAR
ALSO ADMITTED TO DC, FL & NJ BAR †
ALSO ADMITTED TO DC, MA & PA BAR ‡
ALSO ADMITTED TO CO & MA BAR ††
NOT FOR SERVICE OF PROCESS †

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November 6, 2018
Page 2

and external façade caulking ("**Phase 2**" and together with Phase 1 collectively, the "**Facility**"); (v) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "**Equipment**" and together with the Land and the Facility, the "**Project Facility**"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (as limited by Section 874 of the General Municipal Law) (collectively the "**Financial Assistance**"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, construction, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

General Municipal Law Section 859-a requires that notice of the Public Hearing be given to the chief executive officer of each affected tax jurisdiction in which the Project is located.

As stated in the notice, the public hearing is scheduled for **November 20, 2018** at 8:30 a.m. in the Common Council Chambers at City Hall.

Very truly yours,

Susan R. Katzoff

SRK/llm
Enclosure

cc: Meghan Ryan, Esq., City of Syracuse, via email (w/Enclosure)
Honora Spillane, City of Syracuse Industrial Development Agency, via email
(w/Enclosure)
Judy DeLaney, City of Syracuse Industrial Development Agency, via email
(w/Enclosure)

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Section 859-a of the New York General Municipal Law, will be held by the City of Syracuse Industrial Development Agency (the "Agency") on the 20th day of November, 2018, at 8:30 a.m., local time, at 233 East Washington Street, Common Council Chambers, City Hall, Syracuse, New York, in connection with the following matter:

Towers Realty LR, Ltd., or an entity to be formed (the "Company"), requested the Agency undertake a project (the "Project") consisting of: (A)(i) the acquisition or continuation of an interest in approximately 84,597 square feet of real property improved by two 21 story office buildings comprised in the aggregate of approximately 685,000 square feet of space (the "Buildings"), located at 100 Madison Street & Warren St. South in the City of Syracuse, New York (the "Land"); (ii) the renovation and reconstruction of the Buildings in two phases; the first phase to consist of the renovation and reconstruction of approximately 84,000 square feet of office space in the Buildings for tenant use and improvements including but not limited to supplemental HVAC, modification and/or replacement of entryways, structural and masonry repairs to electric vaults, boiler room upgrades, roof repairs, signage, fitness room and buildout of new space ("Phase 1"); and phase two to consist of the renovation and reconstruction of approximately 316,330 square feet of office space in the Buildings for tenant use and improvements including but not limited to bathroom upgrades, tenant space buildout and upgrades, common areas and corridor upgrades and external façade caulking ("Phase 2" and together with Phase 1 collectively, the "Facility"); (v) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "Equipment" and together with the Land and the Facility, the "Project Facility"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (as limited by Section 874 of the General Municipal Law) (collectively the "Financial Assistance"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, construction, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

The Company is the initial owner or operator of the Project Facility.

The Agency will at the above-stated time and place hear all persons with views with respect to the proposed Financial Assistance to the Company, the proposed owner/operator, the location of the Project Facility and the nature of the Project.

A copy of the application filed by the Company with the Agency with respect to the Project, including an analysis of the costs and benefits of the Project, are available for public inspection during the business hours at the office of the Agency located at 201 East Washington Street, 6th Floor, Syracuse, New York.

Dated: November 6, 2018

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Honorable Benjamin Walsh
Mayor, City of Syracuse
City Hall
233 East Washington Street
Syracuse, New York 13202



9590 9402 3800 8032 2236 03

2. Article Number (Transfer from service label)

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PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X CSO TISS Agent Addressee

B. Received by (Printed Name) _____ C. Date of Delivery 11/18

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

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1. Article Addressed to:

Honorable J. Ryan McMahon, II
County Executive, Onondaga County
John Mulroy Civic Center, 14th Floor
421 Montgomery Street
Syracuse, New York 13202



9590 9402 3349 7227 5113 69

2. Article Number (Transfer from service label)

7017 0530 0000 5692 7134

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X Pamela Bey Agent Addressee

B. Received by (Printed Name) T. BEY C. Date of Delivery 11/7/18

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type
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 - Adult Signature Restricted Delivery
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 - Registered Mail Restricted Delivery
 - Return Receipt for Merchandise
 - Signature Confirmation™
 - Signature Confirmation Restricted Delivery

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EXHIBIT "F"

SEQRA LEAD AGENCY RESOLUTION

SEQRA LEAD AGENCY RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on November 20, 2018, at 8:30 o'clock a.m. in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by the Chairman and upon the roll being duly called, the following members were:

PRESENT: Michael Frame, Steven Thompson, Kathleen Murphy, Rickey T. Brown, Kenneth Kinsey

THE FOLLOWING PERSONS WERE ALSO PRESENT: **Staff Present:** Honora Spillane, Meghan Ryan, Esq., Judith DeLaney, John Vavonese, Susan Katzoff, Esq., Debra Ramsey-Burns; **Others Present:** Aggie Lane, Jennifer Granzon, Mitch Latimer, Bob Wilmott, Rich Puchalski, Patrick Portor, Christopher Bianch, Max Eberts, Sue Stanczyk, Steve Case, Timothy Lynn, Esq., Kevin McAuliffe, Esq., Chris Geiger; **Media:** Channel 9.

The following resolution was offered by Kenneth Kinsey and seconded by Kathleen Murphy:

RESOLUTION CLASSIFYING A CERTAIN PROJECT AS A TYPE I ACTION AND DECLARING THE INTENT OF THE CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY TO BE LEAD AGENCY FOR PURPOSES OF A COORDINATED REVIEW PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT

WHEREAS, the City of Syracuse Industrial Development Agency (the "**Agency**") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "**State**"), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the "**Act**"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, for the purpose of promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, and to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to grant "financial assistance" (as defined in the Act) in connection with the acquisition, reconstruction, improvement, maintaining and equipping of one or more "projects" (as defined in the Act); and

WHEREAS, by application dated November 2018 (the "**Application**"), Towers Realty LR, LTD., a Florida limited partnership authorized to do business in the State of New York, or an entity to be formed (the "**Company**"), requested the Agency undertake a project (the "**Project**") consisting of: (A)(i) the acquisition or continuation of an interest in approximately 84,597 square feet of real property improved by two 21 story office buildings comprised in the aggregate of approximately 685,000 square feet of space (the "**Buildings**"), located at 100 Madison Street & Warren St. South in the City of Syracuse, New York (the "**Land**"); (ii) the renovation, replacement and repair of the existing square footage of the Buildings in two phases; the first phase to consist of the renovation and repair of approximately 84,000 square feet of existing office space and existing fitness room in the Buildings for tenant use including but not limited to supplemental HVAC, modification and/or replacement of entryways, structural and masonry repairs to electric vaults, boiler room upgrades, roof repairs, signage, and buildout of currently unoccupied office space ("**Phase 1**"); and the second phase to consist of the renovation and repair of approximately 210,000-310,000 square feet of existing office space and common area in the Buildings for tenant use including but not limited to bathroom upgrades, tenant space buildout and upgrades, common areas and corridor upgrades and external façade caulking ("**Phase 2**" and together with Phase 1, collectively, the "**Facility**"); (v) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "**Equipment**" and together with the Land and the Facility, the "**Project Facility**"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the "**Financial Assistance**"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation, replacement, repair, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as "**SEQRA**"), the Agency is required to make a determination whether the "action" (as said quoted term is defined in SEQRA) to be taken by the Agency may have a "significant impact on the environment" (as said quoted term is utilized in SEQRA) and the preliminary agreement of the Agency to undertake the Project constitutes such an action; and

WHEREAS, to aid the Agency in determining whether undertaking the Project may have a significant impact upon the environment, the Company has prepared and submitted to the Agency an Environmental Assessment Form (the "**EAF**") with respect to the Project, a copy of which is attached here as Exhibit A, with a copy of the EAF on file at the office of the Agency; and

WHEREAS, the Agency has examined the EAF in order to classify the Project; and

WHEREAS, the Agency has not approved the Project or the grant of Financial Assistance to the Project; and

NOW, THEREFORE, be it resolved by the members of the City of Syracuse Industrial Development Agency as follows:

(1) Based upon an examination of the EAF prepared by the Company, the criteria contained in 6 NYCRR §617.7(c), and based further upon the Agency's knowledge of the area surrounding the Project Facility, all the representations made by the Company in connection with the Project, and such further investigation of the Project and its environmental impacts as the Agency has deemed appropriate, the Agency makes the following findings and determinations with respect to the Project pursuant to SEQRA:

(A) The Project consists of the components described above in the third WHEREAS clause of this resolution; and

(B) The Project constitutes a "Type I Action" (as said quoted term is defined in SEQRA); and

(C) As a consequence of the foregoing, the Agency hereby declares its intent to act as "Lead Agency" (as said term is defined in SEQRA) with respect to a coordinated agency review of the Project pursuant to SEQRA; and

(D) The Agency is the only "involved agency" (as said term is defined in SEQRA) and is hereby authorized to take such actions as are necessary and appropriate to assist the Agency in fulfilling the requirements under SEQRA for the Project and to work with the Company's environmental consultant in connection therewith.

(2) A copy of this Resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

(3) This Resolution shall take effect immediately

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	<u>AYE</u>	<u>NAY</u>
Michael Frame	X	
Steven Thompson	X	
Kathleen Murphy	X	
Rickey T. Brown	X	
Kenneth Kinsey	X	

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ONONDAGA)

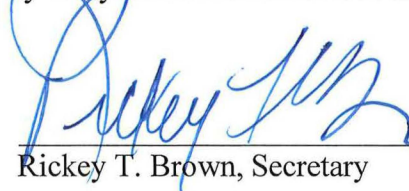
I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “Agency”) held on November 20, 2018, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Agency this 19 day of December, 2018.

City of Syracuse Industrial Development Agency



Rickey T. Brown, Secretary

(S E A L)