

Kettle Ltd.

SPECIMEN PARAMETRIC WILDFIRE INSURANCE POLICY

DECLARATIONS

POLICY NUMBER: FIP240208

INSURED: Snow Lion at Vail Condominiums Association, Inc.

INSURER: Arch Syndicate 1955 (ASL 1955)

INSURED PERIL: Wildfire

INSURED LOCATION: The geometric polygon encompassing the Insured's parcel or parcels as identified in Exhibit 3.

CALCULATION AGENT: Kettle Ltd.

INSURER'S SHARE: One hundred percent (100%)

EFFECTIVE DATE: 12:00:00 AM, Pacific Standard Time ("PST"), March 1, 2024

POLICY PERIOD: The period from the Effective Date to the earlier of 11:59:59 PM, Pacific Standard Time ("PST"), on March 1, 2025, and the Early Termination Date, if any.

TERRITORY: This Policy shall apply to losses occurring in the State of Colorado.

LIMITS OF INSURANCE: Event Payment Amount of USD 2,500,000 each and every Triggering Event, subject to the Aggregate Limit not to exceed USD 2,500,000 in the aggregate for the Policy Period.

PREMIUM: The Premium for the Policy Period is USD \$43,750.

PARAMETRIC WILDFIRE INSURANCE COVERAGE FORM

I. INSURING AGREEMENT

Upon the Insured's certification that it has sustained at least USD 10,000 of Ultimate Net Loss resulting from a Triggering Event, and always subject to the terms, conditions and limitations herein, the parametric insurance afforded by this Policy shall indemnify the Insured in the Event Payment Amount for such Triggering Event, subject to the Annual Aggregate Limit.

II. LIMITS OF INSURANCE

- A. Regardless of the number of Triggering Events, the Aggregate Limit shown in the Declarations is the most the Insurer will pay for all loss occurring during the Policy Period.
- B. Subject to A. above, the most the Insurer will pay for loss from any one Triggering Event is the Event Payment Amount shown in the Declarations, which is the agreed amount of the loss. Regardless of the number of claims, losses, persons or organizations to which this Policy may apply, neither the Insured nor an Additional Insured may receive more than one Event Payment Amount for a Triggering Event, subject to the Aggregate Limit.
- C. Subject to B. above, the determination of whether an Event Payment Amount is payable under this insurance shall be made in accordance with the terms of the Event Reporting and Payment condition herein.

III. DEFINITIONS

- A. **"AGGREGATE LIMIT"** means the liability of the Insurer for the sum of all loss during the Policy Period, regardless of the number of Triggering Events, and shall not exceed USD 2,500,000 in the aggregate for the Policy Period.
- B. **"BUSINESS DAY"** means any day other than Saturday, Sunday or any other day declared by the United States Postal Services as a Holiday.
- C. **"CALCULATION AGENT"** means Kettle Ltd.
- D. **"DATE OF OCCURRENCE"** means with respect to any Wildfire Event, the first date and time (UTC), as determined by the Reporting Agency, that the Wildfire caused damage to the Insured Location.
- E. **"EVENT REPORT"** means a report provided by the Calculation Agent to the Insured as described in the second paragraph of the Event Reporting and Payment section, herein substantially in the form of Exhibit 2, hereto.
- F. **"EVENT PAYMENT AMOUNT"** means the amount payable for each Triggering Event, which shall be the liability of the Insurer for each Triggering Event under this Policy, subject always to the Aggregate Limit.
- G. **"FIRE INCIDENT DATA"** means the fire perimeter geometries, including incident name, incident start date, and incident end date, as reported by the Reporting Agency.

H. “CERTIFIED NOTICE OF SUSPECTED WILDFIRE EVENT AND PROOF OF

LOSS” means a notice described in the first paragraph of the Event Reporting and Payment section, herein substantially in the form of Exhibit 1 hereto, and properly certified by an officer of the Insured.

I. “REPORTING AGENCY” means the National Interagency Fire Center. If the Reporting Agency or any successor ceases to provide Fire Incident Data or materially changes the methodology, determination or reporting of a fire incident in any way that, in the opinion of the Calculation Agent, makes such data unsuitable for the purposes intended herein, then a successor Reporting Agency for the purposes of this Policy shall be appointed from among the following reporting agencies:

(i) Federal agencies (*e.g.*, the U.S. Forest Service).

(ii) Local Fire Departments.

J. “TRIGGERING EVENT” means a Wildfire Event with a Date of Occurrence during the Policy Period that causes Ultimate Net Loss at the Insured Location as determined by the Calculation Agent. The Calculation Agent shall determine whether a Triggering Event has occurred by determining whether the Insured Location is within or intersects the boundaries of an active fire incident reported by the Reporting Agency, or by one of the successors reporting agencies described in I. above.

K. “ULTIMATE NET LOSS” means direct or indirect physical loss or damage to property, business interruption, extra expense and any other expenses associated therewith, all in connection with the property at the Insured Location, sustained by the Insured and resulting from a Triggering Event.

L. “UTC” means the Coordinated Universal Time as determined by the National Institute of Standards and Technology of the United States Department of Commerce.

M. “WILDFIRE EVENT” means an uncontrollable fire, wildland fire, forest fire, brush fire, desert fire, firestorm or any other series of fires, regardless of origin, which is predominately fueled by indigenous vegetation. Wildfire Event does not include planned fires or planned burning of any kind or nature. However, a Wildfire Event will include a planned fire that becomes uncontrollable, and thus otherwise meets the definition of Wildfire Event.

IV. EVENT REPORTING AND PAYMENT

A. Within sixty (60) days of a suspected Wildfire Event, the Insured will give notice to the Insurer substantially in the form of the Certified Notice of a Suspected Wildfire Event and Proof of Loss attached hereto as Exhibit 1. If the Insured fails to provide a Certified Notice of Suspected Wildfire Event and Proof of Loss for a suspected Wildfire Event within the time period set forth in the preceding sentence, there shall be no coverage provided under this Policy, even if it is later determined that any unreported suspected Wildfire Event would have in fact been a Wildfire Event hereunder.

B. Within fifteen (15) Business Days of the Insurer’s receipt of the Insured’s initial Certified Notice of a Suspected Wildfire Event and Proof of Loss, the Calculation Agent will prepare and deliver to the Insured and the Insurer a report: (i) which confirms whether a Wildfire

Event has occurred, and if applicable, its Date of Occurrence; and (ii) if a Wildfire Event has been determined to have occurred, the Calculation Agent will confirm whether such Wildfire Event is a Triggering Event (the “Event Report”) as set forth on Exhibit 2. Notwithstanding the foregoing, if the Calculation Agent appoints any Reporting Agency other than the National Interagency Fire Center as a successor Reporting Agency pursuant to III.I above, the Calculation Agent will prepare and deliver to the Insured and the Insurer the Event Report within fifteen (15) Business Days of the date that such Reporting Agency reports the Fire Incident Data for the Wildfire Event. The determination by the Calculation Agent shall be final. The Insured and the Insurer agree to accept as final and not subject to challenge the Event Report issued by the Calculation Agent for determination of any payment under this Policy.

- C. If the Calculation Agent determines that a Wildfire Event is a Triggering Event, the Insurer shall pay to the Insured the applicable Event Payment Amount within ten (10) Business Days following delivery by the Calculation Agent of the Event Report.
- D. Upon payment by the Insurer of any amount due to the Insured as set forth above in this section, the Insured and the Insurer shall be fully and finally released from any further obligations under this Policy with respect to such Triggering Event.
- E. The occurrence of multiple Triggering Events during the Policy Period will permit multiple recoveries under this Policy, subject always to the Aggregate Limit.

V. EXCLUSIONS

This Policy does not cover loss directly or indirectly caused by, resulting from, contributing to, or made worse by:

- A. Perils or causes of loss other than wildfire.
- B. War and military action.
- C. Nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled.
- D. Any chemical, biological, bio-chemical or electromagnetic weapon.
- E. Use or operation, as a means for inflicting harm, of any computer, computer system, computer software program, malicious code, computer virus or process or any other electronic system.
- F. Any fraudulent or dishonest acts committed independently, or in an act of collusion, by the Insured, its partners, officers, directors, members, trustees, employees, or any other authorized representative, committed at any time.
- G. Cyber Attack Exclusion Clause (CL380).
- H. Sanction Limitation and Exclusion Clause (LMA3100).
- I. War and Civil War Exclusion Clause (NMA464).

VI. CONDITIONS

A. **PREMIUM:** The Premium for the Policy Period is USD 43,750. The Premium is net of any other fees, taxes and expenses. The Premium for the Policy Period is fully earned on the Effective Date and shall be due and payable in full to the Insurer within thirty (30) days after the Effective Date. The Premium shall be deemed to have been paid only when actually received by the Insurer or transferred to its account.

B. **CURRENCY:** United States Dollars.

C. **CANCELLATION:**

By Insurer: The Insurer may cancel this Policy with fifteen (15) Business Days written notice, in the event of the Insured's failure to pay any amount of Premium due hereunder.

By Insured: The Insured may cancel this Policy with fifteen (15) Business Days written notice, in the event the Insurer's Financial Strength rating is downgraded by at least two of the agencies listed below as follows:

Agency	To or Below a Rating of
Standard & Poor's	BBB
Moody's	Baa3
A.M. Best	B+

In the event that any loss payments are due and payable hereunder at the time of any cancellation, the amount of any due, but unpaid Premium shall be offset against the amount of such loss payment before remittance to the Insured.

The effective date of termination pursuant to this Cancellation section shall be referred to as the "Early Termination Date."

D. **INSPECTION RIGHTS:** The Calculation Agent and/or Insurer may examine the Insured's books and records as they relate to this Policy at any time during the Policy Period and up to two (2) years thereafter. The Calculation Agent and/or Insurer may also, using an independent adjusting service of its choosing, audit all claims of damage to the property at the Insured Location.

E. **PRIOR OR SUBSEQUENT LOSSES:** The Insurer is not liable hereunder for any loss or damage:

(i) occurring before this Policy becomes effective; or

(ii) occurring after the expiration of this Policy, except loss or damage resulting from a Triggering Event in progress at the time this Policy expires.

F. **CONCEALMENT, MISREPRESENTATION OR FRAUD:** This Policy shall be void if, whether before or after a loss, the Insured has intentionally concealed or misrepresented any

material fact or circumstances concerning:

- (i) This Policy;
- (ii) Its exposure to economic loss under this Policy;
- (iii) Its interest in this insurance; or
- (iv) Any claim under this Policy.

G. SCREENING CONDITION: Any coverage bound is subject to the Insurer's screening of the Insured regarding international trade control sanctions and anti-money laundering due diligence procedures.

H. ECONOMIC OR TRADE SANCTIONS: The Insurer shall not be deemed to provide coverage and shall not be liable to pay any loss hereunder to the extent that the provision of such coverage or payment of loss would expose the Insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulation of any jurisdiction applicable to the Insurer.

I. CONFORMANCE TO STATUTE: Terms of this Policy which are in conflict with the laws and regulations of the state wherein this Policy is issued or delivered are amended to conform to the minimum requirements of such laws and regulations.

J. OFFSET: The Insurer may set off against any amounts due to the Insured under this Policy any amounts due from the Insured under this Policy.

K. ASSIGNMENT: Neither this Policy nor any rights or obligations hereunder may be assigned by the Insured without the prior written consent of the Insurer.

L. APPLICABLE LAW AND JURISDICTION: The State of California.

M. ARBITRATION: It shall be a condition precedent to any right of action hereunder that any dispute between the Insured and the Insurer arising out of the provisions of this Policy or concerning its interpretation or validity, or any claim made under this Policy shall be submitted to arbitration.

To the extent permitted by applicable law, the following rules shall apply:

- (i) The arbitration proceedings shall be conducted in English and shall be governed by the AAA rules.
- (ii) The seat of the arbitration shall be the State of California, unless otherwise agreed by the parties. Any motion to compel arbitration or to enforce an arbitral award made pursuant hereto, shall be subject to the exclusive jurisdiction of the federal or state courts in the State of California.
- (iii) Any party may initiate arbitration by giving written notice to the other party of its intention to do so, together with the name of its selected arbitrator.
- (iv) Within 30 days of receiving such notice, the other party shall appoint an arbitrator. In the

absence of this appointment, the complainant may request the entity responsible for appointments (specified below) to appoint a second arbitrator on behalf of the respondent.

(v) Once appointed, the first and second arbitrators must appoint by mutual agreement a third arbitrator within thirty (30) days following the appointment of the second arbitrator. If they fail to do so, then either of the arbitrators or either of the parties may request that the entity responsible for appointments appoint a third arbitrator. Once appointed, the third arbitrator will preside over the arbitration panel.

(vi) The arbitrators shall be officials or former officials of insurance or reinsurance companies not under the control or management of any of the parties to this Policy.

(vii) The arbitrators shall not be bound by judicial formalities or formal rules of evidence and shall give due consideration to the customs and usage of the insurance and reinsurance business.

(viii) A majority decision in writing shall be final and binding.

(ix) Unless otherwise allocated by the arbitrators, all costs of the arbitration proceedings, including the fees of the arbitrators, shall be borne equally by the parties.

(x) This Article will remain in force even if this Policy is cancelled.

N. WAIVER OF JURY TRIAL: Each party waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any suit, action or proceeding relating to this Policy. Each party certifies: (i) that no representative, agent or attorney of the other party has represented, expressly or otherwise, that such other party would not, in the event of such suit, action or proceeding, seek to enforce the foregoing waiver; and (ii) acknowledges that it and the other party have been induced to enter into the Policy, as applicable, by, among other things, the mutual waivers and certifications of this section.

O. NOTICES: All reports, notices, requests, demands, approvals and other communications required or permitted to be given under this Policy shall be in writing (including facsimile transmission or electronic mail) and shall be deemed to have been duly given: (i) when received, if delivered by hand, against written receipt; (ii) when received, if sent by facsimile transmission or electronic mail between 9:00 AM and 5:00 PM Pacific Standard Time ("PST") on a business day, provided such transmission is confirmed by the transmitting machine or e mail system of the sender; (iii) five (5) days after being mailed, if mailed by prepaid, first-class certified mail, return receipt requested; or (iv) if sent by overnight courier, two (2) days after delivery to a recognized major overnight courier service, fees prepaid. In each case, notices shall be addressed as follows:

(i) If to the Insured: _____

(ii) If to the Insurer: _____

EXHIBITS:

EXHIBIT 1 – Certified Notice of Suspected Named Wildfire Event and Proof of Loss

EXHIBIT 2 - Event Report

EXHIBIT 3 - Insured Location

Exhibit 1

Certified Notice of Suspected Wildfire Event and Proof of Loss

Policy No. (the "Policy"): _____

Policy Period: _____

Name of Insured: _____

Date of Suspected Wildfire Event: _____

Estimated Ultimate Net Loss Amount: _____

The undersigned submits this Proof of Loss, confirming that it has sustained loss or damage constituting Ultimate Net Loss pursuant to the terms and conditions of the Policy in an amount that equals or exceeds USD 10,000. The undersigned has determined its estimated Ultimate Net Loss based on the Insured's Wildfire loss sustained during the Triggering Event, as limited by the Event Payout Amount and the Policy Period Aggregate Limit and all other terms and conditions of the Policy. All words that are capitalized, but not defined in this Proof of Loss are as defined in the Policy.

I, _____, on behalf of the Insured certify as follows:

(i) the Insured has an insurable interest in the risk that is the subject of the Policy and has either had the risk of loss with respect to that interest continuously throughout the duration of the Policy Period, or acquired the risk of loss during the Policy Period in the ordinary course of its business;

(ii) the Insured has sustained Ultimate Net Loss that equals or exceeds USD 10,000 in connection with the Insured Location resulting from a Wildfire Event.

(iii) the loss that the Insured sustained resulting from the Wildfire Event does not exceed the value of the Insured's insurable interest; and

(iv) the attached imagery of structural damage accurately depicts the same damage caused by the Wildfire Event.

Signed: _____

Title: _____

Date: _____

Exhibit 2

Event Report

Policy No. (the “Policy”):

Policy Period:

Name of Insured:

Date of Wildfire Event:

Event Summary

[Description of Wildfire Event]

Calculation Agent Determination

The Wildfire Event [was] / [was not] a Triggering Event under the Policy at the following Insured Location.

Longitude	Latitude	Payout Amount

Signed: _____

Title: _____

Date: _____

Exhibit 3

Insured Location



(-106.39864861326122, 39.64380680041273), (-106.39835801676325, 39.64352206610033),
(-106.39789620505185, 39.64360955840979), (-106.39779651200935, 39.64393858407979),
(-106.39815268284605, 39.64413661048795), (-106.39864861326122, 39.64380680041273)