1. Insuring Agreement:

This policy is subject to the same warranties, terms and conditions (except as regards the premium, the limits of liability, and the renewal agreement, if any, and except as otherwise provided in this policy) as are contained in the primary or underlying policy(ies), as scheduled herein. However, any revision to the primary or underlying policy(ies) made after the original issue date of said primary policy(ies) under item 7 of this policy, shall not be binding on this excess insurance without the consent of the .

2. Excess Layer participation and Primary Layer:

(a) Provided always that liability attaches hereon only after the primary Insurer(s) have paid or have admitted liability the full amount of their limit, the shall not be liable for more than part of excess of <<ExcessOf>> any one occurrence.

If coverage is provided for the peril(s) of earthquake and/or flood, the shall not be liable, in any one policy year for more than part of excess of

This annual aggregate limit shall apply separately to each peril.

(b) Coverage hereunder shall not apply until the amount of net loss arising out of any one occurrence exceeds which in turn is excess over a net loss of deductible amount as set forth in the primary policy.

3. Ultimate Net Loss and Loss Occurrence:

For the purpose of this insurance, certain of their terms are defined and limited as follows:

(a) net loss means the ultimate net loss by any peril or combination of perils Insured against after deducting any salvage and recoveries from any source other than this policy, including other valid collectible insurances excepting however the policy(ies) of the primary Insurer(s).

(b) loss occurrence means the total loss by any peril or combination of perils Insured against arising out of a single event.

4. Excess Limits of Liability “Drop Down” Clause:

(a) In the event the annual aggregate limits provided for earthquake and/or flood in any underlying insurance are diminished or exhausted in any one policy year, the coverage provided under this policy will respond as excess of the remaining limits. In such event, the deductible provisions of the primary policy(ies) will apply to the combination of all policies.

(b) In no event, however, shall the be liable for more than the limits of liability specified in paragraph 2.(a) of this excess form.

(c) It is a condition of this policy that the policy(ies) of the primary and underlying excess Insurers shall be maintained in full effect during the currency of this policy except for any reduction or exhaustion of the aggregate limits contained therein solely by losses during the policy.

Sublimits:

There is no coverage under this policy for coverages for which the underlying policies impose dollar or percentage limit (commonly called a sublimit) less than the total limit over which this policy is excess.

For the purpose of attachment of coverage, sublimited coverages excluded by this policy, but provided by the underlying policies, shall be recognized by this policy as eroding or exhausting the occurrence limits of the underlying policies. Nothing herein, however, shall be deemed to extend coverage in this policy to include loss from the sublimited coverages.
5. Maintenance of Underlying Limits and Uncollectibility of Other Insurance

1) Maintenance of Primary and Underlying Excess Policy(ies) and Limits:

It is a condition precedent to recovery under this policy that the policy(ies) and limit(s) of the primary and all underlying excess Insurer(s) be maintained in full force and effect, except for any reduction or exhaustion of any underlying aggregate limits of liability contained therein, solely by the amount of loss(es) paid or admitted during the policy year. Only losses which, except for the amount thereof, would have been payable under this policy may contribute to the satisfaction, reduction or exhaustion of underlying amounts and/or deductibles.

In the event of such reduction of the aggregate limits of liability of the primary and underlying excess insurance’s this policy shall pay excess over the reduced aggregate limit. In the event of exhaustion of aggregate limits of liability of the primary and underlying excess insurance’s this policy, subject to all its provisions, shall continue in force as primary insurance in respect of the peril for which the aggregate limit of liability has been so exhausted and the deductible or self-Insured amount applicable to that peril shall apply to this policy.

2) Uncollectibility of Other Insurance:

Notwithstanding any of the terms of this policy that might be construed otherwise, the insurance provided by this policy shall always be excess over the maximum monetary limits of the primary and underlying excess insurance (reduced only by reduction of any underlying aggregate limits as provided for in clause 1 herein) regardless of the uncollectibility (in whole or in part) of any underlying Insured amounts for any reason, including, but not limited to, the financial impairment or insolvency of an underlying Insurer(s).

The risk of uncollectibility (in whole or in part) of other insurance, whether because of financial impairment or insolvency of an underlying or other Insurer(s) or for any other reason, is expressly retained by the assured and is not in any way or under any circumstances Insured or assumed by Insurer(s).

6. Ensuing Loss Exclusion

In no event shall the be liable for any loss or damage caused directly or indirectly by fire, explosion or excluded perils whether the same be caused by or attributable to earthquake or otherwise.

7. Schedule of Primary and/or Underlying Excess Insurer(s) Limit or Policy (ies) limits:

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<th>Insurer(s)</th>
<th>Policy Number</th>
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8. Warranty:

It is a condition of this policy that the policy(ies) of the primary Insurer(s) shall be maintained in full effect during the currency of this policy. Failure by the Insured to comply with the foregoing condition shall not invalidate this policy, but, in the event of such failure, it is agreed that the liability of the Insurer(s) shall attach in excess of the amounts specified in paragraph 2. (b) of this excess form, irrespective of any defense which the underlying carrier(s) may assert because of failure to comply with any condition of its policy(ies), and irrespective of the inability of underlying Insurer(s) to pay by reason of bankruptcy or insolvency.

9. Notification of Claims:

The assured, upon knowledge of any accident or occurrence likely to give rise to a claim hereunder, shall give immediate written advice thereof to Catalytic Risk Managers & Insurance Agency, LLC., 2381 Rosecrans, Ave., Suite 330, El Segundo, California 90245, attention Richard Lakey.
10. Other Insurance:

This policy shall not cover to the extent of any other insurance, whether prior to or subsequent hereto in date and by whomsoever effected, directly or indirectly covering the same property against the same perils. This insurance shall apply only as excess and in no event as contributing insurance, and then only after all other insurance has been exhausted.

11. Cancellation Clause

This insurance may be canceled by the assured at anytime by written notice or by surrender of this contract of insurance. This insurance may also be canceled by or on behalf of the by delivering to the assured or by mailing to the assured, by registered, certified or other first class mail, at the Insured’s address as shown in this insurance, written notice stating when, not less than (90) ninety days except 10 days for non-payment of premium, , hereafter, the cancellation shall be effective. The mailing of such notice as aforesaid shall be sufficient proof of notice and this Insurance shall terminate at the date and hour specified in such notice.

If this insurance shall be canceled by the assured the shall retain the customary short rate proportion of the premium hereon, except that if this insurance is on an adjustable basis the shall receive the earned premium hereon or the customary short rate proportion of any minimum premium stipulated herein whichever is the greater.

If this insurance shall be canceled by or on behalf of the the shall retain the pro rata proportion of the premium hereon, except that if this insurance is on an adjustable basis the shall receive the earned premium hereon or the pro rata proportion of any minimum premium stipulated herein whichever is the greater.

Payment or tender of any unearned premium by the shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practicable. If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period limitation permitted by such law.

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12. U.S.A. & Canada

LAND, WATER AND AIR EXCLUSION

Notwithstanding any provision to the contrary within the policy of which this endorsement forms part (or within any other endorsement which forms part of this policy), this policy does not Insure land (including but not limited to land on which the Insured property is located), water or air, howsoever and wherever occurring, or any interest or right therein.

seepage and/or pollution and/or contamination Exclusion

Notwithstanding any provision to the contrary within the policy of which this endorsement forms part (or within any other endorsement which forms part of this policy), this policy does not Insure:

(a) any loss, damage, cost or expense, or

(b) any increase in Insured loss, damage, cost or expense, or

(c) any loss, damage, cost, expense, fine or penalty, which is incurred, sustained or imposed by order, direction, instruction or request of, or by any agreement with, any court, government agency or any public, civil or military authority, or threat thereof, (and whether or not as a result of public or private litigation), which arises from any kind of seepage or any kind of pollution and/or contamination, or threat thereof, whether or not caused by or resulting from a peril Insured, or from steps or measures taken in connection with the avoidance, prevention, abatement, mitigation, remediation, clean-up or removal of such seepage or pollution and/or contamination or threat thereof.

The term “any kind of seepage or any kind of pollution and/or contamination” as used in this endorsement includes (but is not limited to):

(a) Seepage of, or pollution and/or contamination by, anything, including but not limited to, any material designated as a “hazardous substance” by the United States Environmental Protection Agency or as a “hazardous material” by the United States Department of Transportation, or defined as a “toxic substance” by the Canadian Environmental Protection Act for the purposes of part II of that act, or any substance designated or defined as toxic, dangerous, hazardous or deleterious to persons or the environment under any other federal, state, provincial, municipal or other law, ordinance or regulation; and
(b) the presence, existence, or release of anything which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

Debris Removal Endorsement

This endorsement contains provisions, which may limit or prevent recovery under this policy for loss where costs or expenses for debris removal are incurred.

Nothing contained in this endorsement shall override any seepage and/or pollution and/or contamination exclusion or any radioactive contamination exclusion or any other exclusion applicable to this policy.

Any provision within this policy (or within any other endorsement which forms part of this policy) which Insures debris removal is canceled and replaced by the following:

1. In the event of direct physical damage to or destruction of property, for which hereon agree to pay, or which but for the application of a deductible or underlying amount they would agree to pay (herein referred to as “damage or destruction”), this policy also Insures, within the sum Insured, subject to the limitations and method of calculation below, and to all terms and conditions of the policy, costs or expenses;

   (a) which are reasonably and necessarily incurred by the assured in the removal, from the premises of the assured at which the damage or destruction occurred, of debris which results from the damage or destruction; and

   (b) of which the assured becomes aware and advises the amount thereof to hereon within one year of the commencement of such damage or destruction.

2. In calculating the amount, if any, payable under this policy for loss where costs or expenses for removal of debris are incurred by the assured (subject to the limitations in paragraph 1 above).

(a) the maximum amount of such costs or expenses that can be included in the method of calculation set out in (b) below shall be the greater of US $25,000 (twenty-five thousand dollars) or 10% (ten percent) of the amount of the damage or destruction from which such costs or expenses result; and

(b) the amount of such costs or expenses as limited in (a) above shall be added to:

   (i) the amount of the Damage or Destruction
   (ii) all other amounts of loss, which arise as a result of the same occurrence, and for which hereon also agree to pay, or which but for the application of a deductible or underlying amount they would agree to pay; and the resulting sum shall be the amount to which any deductible or underlying amount to which this Policy is subject and the limit (or applicable sub-limit) of this Policy, shall be applied.

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