

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**CONDOMINIUM PROPERTY FORM  
ADDITIONAL POLICY PROVISIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY POLICY - WINDSTORM AND HAIL

This policy is amended as follows:

1. Covered Property

Covered Property, as defined in this policy, is limited to property in which each of *the* condominium unit owners has an undivided interest.

2. Conditions:

a. The insurance will not be prejudiced:

- (1) by any act or neglect of any occupants or owners of the buildings, when such act or neglect is not within the control of the Insured (or unit owners collectively); or
- (2) by failure of the insured or unit owners collectively to comply with any warranty or condition with regard to any portion of the premises over which the Insured (or unit owners collectively) has no control.

No action or omission by a unit owner, unless within the scope of the unit owner's authority on behalf of the association, will void the policy or be a condition to recovery under the policy.

b. Loss Payment

A claim under this policy must be submitted by and adjusted with you. If you designate an insurance trustee, we will pay the insurance trustee designated for that purpose. If you have not designated an insurance trustee, we will pay the association, but not an individual unit owner or lienholder.

c. Other Insurance

If at the time of loss there is other insurance in the name of a Unit Owner covering the same property covered by this policy, the insurance afforded by this policy will be primary, and not contributing with the other insurance.

d. Subrogation (Transfer of Rights of Recovery Against Others to Us) We waive our rights of subrogation against:

- (1) any Unit Owner, or members of the household;
- (2) members of the association;
- (3) members of the board of directors;
- (4) the developer in his capacity as unit owner or board member, but not as developer.

e. Mortgage Clause

- (1) Subject to the provisions of the Mortgage Clause of this policy, we will adjust any loss with you, but we will make loss payment to the insurance trustee designated by the governing body of the association.
- (2) Our payment to the insurance trustee will be a complete discharge of our liability for loss under this policy.
- (3) If the Condominium is terminated, we will make payment for loss or damage to building or structures to each mortgage holder shown in the Declarations as their interest may appear.

- (4) If the Condominium is terminated, we will make payment for loss or damage to each mortgage holder shown in the Declarations as their interest may appear. All other loss payment conditions remain the same.

f. Cancellation

If this policy covers a condominium association, and the condominium property contains at least one residence or the condominium declarations conform with the Texas Uniform Condominium Act, then the notice of cancellation, as described in the policy, will *be* provided to you 30 days before the effective date of cancellation. We will also provide 30 days written notice to any mortgage holder named in the Declarations or each unit-owner to whom we issued a certificate or memorandum of insurance by mailing or delivering the notice to each at the last mailing address known to us.