



UNIT OWNERS REINSURANCE CERTIFICATE

This Certificate is an accompanying document to the Policy Wording and must be read as one document. This document details the contract terms entered into by the insurer(s). For further details of your insurance cover please refer to the Additional Warranties, Terms, Clauses and Conditions section of this Certificate.

POLICY DETAILS

Policy Number: AURA21SANDS-1/3001

Reinsured Royalstar Assurance Ltd, John F Kennedy Drive, PO Box N 4391, Nassau, Bahamas

Original Insured: The Individual Proprietors of Units at the Sands Resort

Risk Location Address:

Grace Bay, Providenciales, Turks and Caicos

Original Insured Mailing Address:

Grace Bay, Providenciales, Turks and Caicos

Broker: McGill and Partners

Inception: 31st January 2021

Expiry: 31st January 2022

Both Days at 12.00am Local Standard Time of the Property Insured

VALUES

Currency	USD	Sum Reinsured
Coverage A - Dwelling:		Nil
Coverage C - Personal Property:		\$ 3,532,000
Coverage D - Loss of Use/Loss of Rent Receivables:		\$ 1,152,261
Total Sum Reinsured		\$ 4,684,216

See Attached Schedule of Values For Further Breakdown (If Applicable)

ORIGINAL DEDUCTIBLES

Peril	Amount	Basis
Windstorm, Hurricane, Earthquake & Flood	3%	of the Total Sum Insured Per Unit any one loss occurrence
All Other Perils	\$ 500	any one loss occurrence Per Unit





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PREMIUM

Order	100%
Premium	\$ 49,184.27 Annual (100%)
Payment Terms	PPC - 90 Days From Inception

Insuring Agreement Wording AURA Unit Owners Wording 2021

In consideration of the premium charged, and subject to the terms and conditions of this Contract as set out in this contract and its attachments and/or endorsements applicable thereto, this Contract reinsures the Reinsured's interest in those payments made within the terms and conditions of the Original Policy Number TBC (or renewal or replacement thereof excluding Premium and Sum Reinsured, all ex gratia and without prejudice settlements) exceeding the Excess amount as set out in this contract up to the SUM REINSURED/ LIMITS OF INDEMNITY amount shown above.

Furthermore the terms and conditions of this Reinsurance Contract override any conditions contained in Certificates issued by Reinsurers unless specifically otherwise agreed.

Reinsurers hereon agree that, if so requested, claim(s) payments hereon shall take place at the same time as settlement or advance of funds under the original policy.

Reinsurers agree to waive advice of Reinsured's retention.

Additional Warranties, Terms, Clauses and Conditions:

Values Declared (And Incorrect Declaration Penalty) Condition as attached.

Pre-Existing Damage Endorsement as attached.

Premium Payment Clause – 90 Days
LMA 5393 Communicable Disease Endorsement
Loss Assessment - No Cover Provided

LMA 5073 - Claims Control Clause.
LMA 5170 – Insolvency Clause (Reinsurance)
LMA 5022 – Law & Jurisdiction
Summons, Notice or Process:

It is agreed that any summons, notice or process to be served upon the Underwriters for the purpose of instituting any legal proceedings against them in connection with this insurance may be served upon the person or persons named in the Certificate who have authority to accept service on their behalf.

Loss of Rental Income Extension as attached

Overseas Law & Jurisdiction: Turks and Caicos

US Classification: Non-regulated – Non US risk

Nominee: Royalstar Assurance Ltd, John F Kennedy Drive, PO Box N 4391, Nassau, Bahamas

Loss Payee: [Redacted]

Security: Aura Underwriting issues this reinsurance Certificate which is provided by Certain Underwriters at Lloyd's, London in accordance with the authorisation granted under Binding Authority Agreement no. B1311DIGAURA2021



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Signed:

Date: 5th February 2021



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Thomas Green – Director
For and on behalf of Participating Underwriters / Insurers

DISCLOSURE OF MATERIAL FACTS- Please note that it is your duty to disclose all material facts to Underwriters prior to inception of the policy, and to keep them advised of any changes to such facts or any new facts throughout the currency of the policy, and upon renewal of the policy. Underwriters reserve the right to cancel this policy from inception without notice in the event of misrepresentation or non-disclosure of any material fact. A material fact is a fact which may influence an Underwriter's judgment in their assessment of a risk. If you are in any doubt as to whether a fact is material we recommend that it be disclosed.

SEVERAL LIABILITY NOTICE

The subscribing reinsurers' obligations under contracts of reinsurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing reinsurers are not responsible for the subscription of any co-subscribing reinsurer who for any reason does not satisfy all or part of its obligations.

08/94
LSW1001 (Reinsurance)

Pre Existing Damage Exclusion

This (re)insurance excludes loss, damage, cost or expense of whatever nature arising from or as a result of damage caused directly or indirectly by an occurrence that pre-dated the binding of this Policy. If the underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this (re)insurance, the burden of proving the contrary shall be on the original insured.

Law & Jurisdiction

This (Re)insurance shall be governed by the laws of Turks and Caicos and subject to the exclusive jurisdiction of the courts of Turks and Caicos.

LMA5022
14/09/2005

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Premium Payment Clause

Notwithstanding any provision to the contrary within this contract or any endorsement hereto, in respect of non-payment of premium only the following clause will apply.

The (Re)Insured undertakes that premium will be paid in full to (Re)Insurers within **90** days of inception of this contract (or, in respect of instalment premiums, when due).

If the premium due under this contract has not been so paid to (Re)Insurers by the **90th** day from the inception of this contract (and, in respect of instalment premiums, by the date they are due) (Re)Insurers shall have the right to cancel this contract by notifying the (Re)Insured via the broker in writing. In the event of cancellation, premium is due to (Re)Insurers on a pro rata basis for the period that (Re)Insurers are on risk but the full contract premium shall be payable to (Re)Insurers in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this contract.

It is agreed that (Re)Insurers shall give not less than **15** days prior notice of cancellation to the (Re)Insured via the broker. If premium due is paid in full to (Re)Insurers before the notice period expires, notice of cancellation shall automatically be revoked. If not, the contract shall automatically terminate at the end of the notice period.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

LSW3001
30/9/08

Insolvency Clause (Reinsurance)

IN THE EVENT of the insolvency of the reinsured Company, this reinsurance shall be payable directly to the Company, or to its Statutory Successor (being its liquidator, receiver, conservator or other statutory successor) as instructed by the Statutory Successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the Statutory Successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the Statutory Successor of the Company shall give written notice to the Underwriters of the pendency of a claim against the Company indicating the policy or bond reinsured which claim would involve a possible liability on the part of the Underwriters within a reasonable time after such claim is filed in the conservation or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Underwriters may investigate such claim and interpose, at their own expense, in the proceeding where such claim is to be adjudicated any defence or defences that they may deem available to the Company or its Statutory Successor. The expense thus incurred by the Underwriters shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defence undertaken by the Underwriters.

LMA 5170
16 March 2011

Claims Control Clause

Notwithstanding anything contained in the Reinsurance Agreement and/or the Policy wording to the contrary, it is a condition precedent to any liability under this Policy that:-

- a) The Reinsured shall, upon knowledge of any circumstances which may give rise to a claim against this Policy, advise the Reinsurers thereof by e-mail, facsimile or in writing immediately and in any event within 30 days.
- b) The Reinsured shall furnish the Reinsurers with all information respecting any claim or claims notified in accordance with a) above and shall thereafter keep the Reinsurers fully informed as regards all developments relating thereto as soon as reasonably practicable.
- c) The Reinsurers shall have the right to appoint adjusters and/or representatives on their behalf to control all negotiations, adjustments and settlements in connection with such claim or claims.
- d) No settlement and/or compromise shall be made and no liability admitted without the prior written approval of the Reinsurers.

LMA5073
29 June 2007

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Values Declared (And Incorrect Declaration Penalty) Condition

The premium for this policy has been based on a statement of values declared to and agreed by underwriters at the inception of this (re)insurance and stated in the Quote ("the Declared Values").

If the Declared Values are less than 85% of the full replacement value immediately before the loss ("the Correct Values") then any recovery under this policy will be limited to a percentage of the full claim, that percentage being the same as the proportion of the Declared Values to the Correct Values, so if the Declared Values are 70% of the Correct Values then only 70% of the claim will be payable.

Example 1

Declared Value: \$600,000
Correct Value: \$1,000,000
Proportion of Declared Value to Correct Value: 60%

Full claim amount before deductible applied: \$250,000
Payable claim amount before deductible applied: \$150,000

Only 60% of the claim is payable because the Declared Values are 60% of the Correct Values.

Example 2

Declared Value: \$900,000
Correct Value: \$1,000,000
Proportion of Declared Value to Correct Value: 90%

Full claim amount before deductible applied: \$250,000
Payable claim amount before deductible applied: \$250,000

Full claim is payable because the Declared Values are more than 85% of the Correct Values.

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Rental Income Extension

In consideration of the premium paid, and subject to the EXCLUSIONS, CONDITIONS AND LIMITATIONS of the Policy to which this Extension is attached, and also to the following ADDITIONAL CONDITIONS AND EXCLUSIONS, this Policy is extended to cover loss resulting from necessary untenantability caused by Direct Physical Loss or Damage, as covered by the Policy to which this Extension is attached, to property insured by this Policy.

In the event of such Direct Physical Loss or Damage, the Underwriters shall be liable for the actual loss sustained by the Insured resulting directly from such necessary untenantability, but not exceeding the reduction in Rental Income, as defined hereafter, less charges and expenses which are not necessary during the period of untenantability, for only such length of time as would be required, with the exercise of due diligence and dispatch to repair, rebuild or replace such part of the property as has been destroyed or damaged. However, such length of time shall not exceed **12 (Twelve)** months commencing with the date of such Direct Physical Loss or Damage and not limited by the expiration of this Policy.

For the purpose of this Extension "Rental Income" is defined as the sum of:

- (a) the anticipated gross rental income from tenant occupancy of the described property as furnished and equipped by the Insured, and
- (b) the amount of all charges which are the legal obligations of the tenants and which would otherwise be obligations of the Insured, and
- (c) the fair rental value of any portion of such property which is occupied by the Insured.

In determining Rental Income due consideration shall be given to the rental experience before the date of damage or destruction and the probable experience thereafter had no loss occurred.

CONDITIONS

1. Direct Loss or Damage

No claim shall be payable under this Extension unless and until a claim has been paid, or liability admitted, in respect of Direct Physical Loss or Damage to property insured under the Policy to which this Extension is attached and which gave rise to loss of Rental Income.

This Condition shall not apply if no such payment shall have been made, or liability admitted, solely owing to the operation of a Deductible in said Policy which excludes liability for losses below a specified amount.

2. Values Declared (and Incorrect Declaration Penalty)

The premium for this Extension has been based on a statement of individual values declared to and agreed by the Underwriters at the inception of the Policy and stated in the Schedule.

If any of the individual values declared are less than the equivalent amount of the Co-insurance percentage, as stated in the Schedule, of the Rental Income values, then any recovery otherwise due hereunder shall be reduced in the same proportion that the individual value(s) declared bear to the value(s) that should have been declared and the Insured shall co-insure for the balance.

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EXCLUSIONS

This Extension does not insure against:

1. increase in loss resulting from interference at the insured premises, by strikers or other persons, with rebuilding, repairing or replacing the property or with the resumption or continuation of operation;
2. increase in loss caused by the suspension, lapse, or cancellation of any lease, license, contract, or order, unless such results directly from the insured untenability, and then the Underwriters shall be liable for only such loss as affects the Insured's income during, and limited to, the period of untenability covered under this Policy;
3. increase in loss caused by the enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property insured hereunder;
4. any other consequential loss.

14/12/05
LMA5042 (amended)
Form approved by Lloyd's Market Association

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Communicable Disease Endorsement

1. Notwithstanding any other provision of this policy to the contrary, this policy does not (re)insure any loss, damage, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.
2. For the purposes of this endorsement, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:
 - 2.1. for a Communicable Disease, or
 - 2.2. any property (re)insured hereunder that is affected by such Communicable Disease.
3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
 - 3.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
 - 3.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
 - 3.3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property (re)insured hereunder.
4. This endorsement applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

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

LMA5393 (Amended)
25 March 2020