

THIS ENDORSEMENT CHANGES THE AGREEMENT. PLEASE READ IT CAREFULLY.

FMIT PROPERTY TURNKEY RECOVERY COVERAGE

It is agreed the Designated Member's coverage provided by the Coverage Agreement to which this endorsement is attached is amended by the following additional terms and conditions. Unless otherwise specified herein, all terms used in this endorsement shall have the meaning set forth in the Coverage Agreement. In the event of a conflict between any of the terms or conditions of the Coverage Agreement and this endorsement, this endorsement will control how coverage shall be applied. All references to "you" or "your(s)," shall mean the Designated Member, and all references to the "FMIT," "Trust," "we," or "our" shall refer to the Florida Municipal Insurance Trust.

I. COVERAGE

In the event of direct physical loss or damage to covered property, the parties agree the FMIT may indemnify the Designated Member, at the Designated Member's optional election and the FMIT's acceptance of such election, for first-party property coverage owed under the Property Coverage Agreement through this FMIT Property Turnkey Recovery Coverage endorsement (hereafter, "FMIT Turnkey Recovery Coverage" or "Turnkey Coverage"). For property that suffers direct physical loss or damage covered by the Property Coverage Agreement, Turnkey Coverage shall pay the cost to repair or replace the property through means of FMIT's designated third party FMIT Turnkey Recovery Manager ("Turnkey Manager"). The Turnkey Manager, under additional direction of the Member, will manage applicable response & recovery projects and directly pay the covered and required repair or replacement costs for materials, supplies, professional and manual labor service providers, and other eligible FMIT claim approved costs. Additionally, the Turnkey Manager may facilitate, administer and/or procure all construction labor, construction or repair-related services, supplies, materials or other requirements within the scope of the covered loss or damage amount, as determined and authorized by FMIT for each Turnkey Coverage claim. However, at all times, FMIT reserves and retains the right to discharge indemnification owed for all or any portion of each Turnkey Coverage claim under this endorsement through payment of the loss or damage amount, less amounts already paid pursuant to this endorsement, as determined by FMIT for the covered property loss pursuant to the Property Coverage Agreement.

FMIT Turnkey Recovery Coverage is part of the Designated Member's purchased Property Coverage Agreement to which this endorsement is attached. Turnkey Coverage is not a separate product, service or commodity requiring further procurement for its application to insured property and covered loss or damage claims arising under the agreed terms of the Property Coverage Agreement.

II. CONDITIONS

The Designated Member agrees it shall comply with all coverage conditions, terms, limits, exclusions, or deductibles and Turnkey Coverage program requirements established by FMIT as part of the Property Coverage Agreement and as follows:

- A. The availability of Turnkey Coverage requires a prior determination by FMIT that:

1. Coverage for the cause of loss and damages is established by FMIT for the respective building or property pursuant to the Property Coverage Agreement;
 2. The covered building or property, if subject to Coinsurance Condition requirements of the Property Coverage Agreement at the time of the loss occurrence, has been reviewed and approved for Turnkey Coverage by FMIT;
 3. The loss or damage amount required to repair or place the covered property can be adjudicated and reduced to a reasonably certain estimated sum in advance of the repair or replacement, although subject to reasonable adjustments as specified herein; and
 4. Limitations on the availability of construction-related services necessary for Turnkey Coverage have not arisen and/or impacted the covered location at the time Turnkey Coverage is under consideration due to Named Storm events, widespread catastrophic loss, demand surge or other circumstances beyond the reasonable control FMIT.
- B. The Designated Member must provide a completed and signed Turnkey Coverage Memorandum of Understanding and Election Form (“Turnkey MOU”) to FMIT no later than 120 days after the date of covered loss occurrence. After such 120-day period expires, FMIT may, in its sole discretion, agree in writing to grant reasonable written requests for extension of the 120-day period.
- C. Turnkey Coverage shall apply according to each individually Scheduled Location, building or covered structure for which FMIT has adjudicated a covered loss. Each covered Scheduled Location, building or property shall be deemed an individual Turnkey Claim, unless the FMIT agrees in writing to aggregate Turnkey Coverage on different terms such as multiple Scheduled Locations, multiple buildings at Scheduled Locations, or otherwise.
- D. Each Turnkey Claim shall be evidenced by a completed and signed Turnkey MOU. The Turnkey MOU shall be completed by the Turnkey Manager and the Member to memorialize the Turnkey Claim, and shall include:
1. A Turnkey Claim(s) Description. This shall provide a reasonably detailed description of the covered property at issue and the repair or replacement work required to indemnify the Designated Member for all covered loss or damage; and
 2. A Turnkey Coverage Scope of Loss Estimate. This shall provide a reasonably detailed estimate of the covered amount of costs required to repair or replace each covered property forming the Turnkey Claim. This amount establishes anticipated loss costs to perform the required repair or replacement and is subject to amendment with FMIT’s written approval as determined by FMIT pursuant to this endorsement and the Property Coverage Agreement.
- E. Upon completion of the repair or replacement pursuant to the Turnkey MOU, Turnkey Manager shall execute and deliver a Turnkey Claim Completion Affidavit to the Designated Member. Within ninety (90) days following issuance of the Turnkey Claim Completion Affidavit, no further FMIT coverage shall be owed, nor shall further claims

for loss or damage related to the Turnkey Claim be permitted. However, nothing herein shall affect the terms of specific construction warranties of workmanship or quality or other warranties or indemnifications offered by any third party, including Turnkey Manager, any entity or any individual who, by contract or otherwise, provided services, supplies, materials or other construction-related elements for the Turnkey Claim.

- F. By electing Turnkey Coverage, the Designated Member agrees factors beyond the parties' control may affect availability of this optional coverage, such as unforeseeable changes or disruptions to construction labor forces, materials or supplies; unforeseeable weather or environmental factors; applicable local, state or federal building laws or regulations; unforeseeable local, state or federal legislation or state or federal judicial actions; or other issues not here listed. FMIT makes no representations or warranties regarding the impact these or other factors may have upon each Turnkey Claim. Accordingly, FMIT may discharge the indemnity obligation owed for all or any portion of each Turnkey Coverage claim though payment of the loss or damage amount, less amounts already paid pursuant to this endorsement, as determined by FMIT pursuant to the Property Coverage Agreement.
- G. If the Designated Member suspends or terminates Turnkey Coverage for any Turnkey Claim before completion as contemplated under Condition E. of this endorsement, the coverage amount owed under this endorsement shall not exceed the Actual Cash Value of the loss or damage amount for each covered property, less amounts already paid pursuant to this endorsement, as determined by FMIT pursuant to the Property Coverage Agreement.

III. DEDUCTIBLE

Coverage pursuant to this endorsement shall apply subject to the corresponding deductible amount provided in the Declarations, or applicable Extensions and Endorsements according to the cause of loss and Property Coverage Agreement coverage part applicable to the claimed loss or damage.

IV. EXCLUSIONS

Coverage provided pursuant to this endorsement shall be subject to all exclusions of the Property Coverage Agreement including those exclusions arising by any endorsements thereto, where applicable to the cause of loss and claimed loss or damage. In addition, the following exclusions shall apply:

- A. Appraisal and the related provisions for such procedures are excluded from this part of the Property Coverage Agreement and shall not be permitted on covered property for which a Turnkey Coverage Election has been made.