

A Custom Insurance Program

PREPARED FOR:

**Glenwood Commercial Center Condominium
Association**

326 Highway 133 - Suite 120
Carbondale, CO 81623

PRESENTED BY:

MEGHAN WILSON, CIC



201 Centennial Dr., Fourth Floor
Glenwood Springs, CO 81601
Phone 970-945-9111 or Toll Free 800-255-6390
Fax 970-945-2350



We are pleased to present this proposal, which is valid until 04/17/2020

CAI GOLD SPONSOR OF THE ROCKY MOUNTAIN CHAPTE



Your Mountain West team is available to assist you when you need to make a change to your policy, require claim service, and/or have any questions. The primary duties are listed below for each individual; however, all of these members are available at any time for any issue.

Meghan Wilson, CIC, Commercial Lines Producer

meghanw@mtnwst.com

- Visits to review and discuss operational changes in your organization
- Presentation of coverage recommendations and competitive pricing options
- Review of contracts and provides insurance recommendations to your firm on an ongoing basis
- Analysis of claims data
- Offers risk management recommendations

Stefan Hodgden, Account Executive

stefanh@mtnwst.com

- Serves as your primary contact for insurance solutions
- In-house review and analysis of coverage
- Manages the insurance placement process to provide coverage options and competitive pricing

Dawndrea Morse, Account Manager

dawndream@mtnwst.com

- Serves as additional contact for insurance questions and assistance
- Primary contact for billing and general accounting questions, and policy changes
- Receives and reviews certificate of insurance and evidence of insurance requests to be certain adequate coverage and limits are in effect. Coordinates issuance of certificates and evidence forms within 24 hours of receipt
- Serves as an additional contact for filing of new claims
- Monitors claim status to conclusion

Employee Benefits Department

- Provides expertise and creative solutions for employer groups with 20 or more benefits-eligible employees
- Scope of service includes group medical, dental, vision, life and disability benefit plans
- Help clients with employee paid supplemental plans such as accident and critical illness

Personal Insurance

- Provides a wide range of personal insurance products that include homeowner's, automobile, recreational vehicles and personal umbrellas
- Offers a complimentary review of your current personal insurance program

In the event the individuals listed are unavailable, we have a full staff at your service. Please contact our office and ask our friendly receptionists to direct you to the appropriate team member. We also offer a full range of products for your employee benefits needs, as well as your personal insurance. We look forward to a successful partnership providing you with your insurance needs!

COVERAGE TYPE

Bare Walls
 As Originally Conveyed
 All-In

PROPERTY COVERAGE

2550 Highway 82 / Glenwood Springs, CO / 81601			Location #1 Blanket Limits	Buildings #1-4
Coverage	Limit	Co-Insurance	Valuation	Deductible
Building	\$6,072,000**	Waived	Replacement Cost	\$5,000
Loss of Association Income	\$100,000	Waived	Replacement Cost	\$5,000
Building Ordinance or Law – Coverage A	Included	N/A	Replacement Cost	N/A
Building Ordinance or Law – Coverage B	\$1,000,000	N/A	Actual Cost	N/A
Building Ordinance or Law – Coverage C	\$500,000	N/A	Replacement Cost	N/A
Backup - Sewers & Drains	\$100,000	Waived	Replacement Cost	\$1,000
Equipment Breakdown	Included	Waived	Replacement Cost	\$5,000

****Replacement Cost per Square Foot \$111**

Protective Safeguard Endorsement applies to Fire Sprinkler System.

Failure to maintain the protective safeguards in good working order or failure to notify the insurer of even a temporary impairment in protection suspends coverage until the protection is restored.

Standard Property insurance does not include Flood, Earthquake or Earth Movement coverage.

Ordinance or Law Coverage Explanation

In the event of covered damage to a building, the owner may have three ordinance/law-related exposures not covered by the usual commercial property form:

Coverage A: Coverage for loss to the undamaged portion of the building

- If the loss is only PARTIAL but the remaining part of the building must be demolished, this covers the value of the undamaged portion. Coverage A is usually included within the limit of insurance showing in the declaration as applicable to the covered building property. Coverage A does not increase the limit of insurance and it does not cover cost to demolish.

Coverage B: Coverage for demolition cost

- If the loss is only PARTIAL but the remaining part of the building must be demolished, this covers the cost to demolish the undamaged portion. This coverage will pay the cost to demolish and clear the site of undamaged parts of the property caused by enforcement of building, zoning or land use, and ordinance or law.

Coverage C: Coverage for the increased cost of construction

- This coverage will pay for the increased cost to repair, reconstruct or remodel damage or undamaged portions of the building when the increased cost is the consequence of building, zoning or land use laws.

GENERAL LIABILITY	
Coverage	Proposed Cincinnati Insurance Company
General Aggregate	\$2,000,000
Per Occurrence	\$1,000,000
Products/Completed Operations Aggregate	\$2,000,000
Personal & Advertising Injury	\$1,000,000
Fire Legal Liability	\$500,000
Medical Payments	\$5,000
Hired and Non-Owned Auto	\$1,000,000

Exposure Type	Premium Basis Exposure
Commercial Condominiums (46 Units)	(Area) 53,647

No Deductible – Occurrence Form

Today's litigious society requires careful business planning. Accident victims look for someone else to pay for bodily injury and property damage. Even if a suit is eventually dismissed or proved groundless, the high cost of defense can bankrupt even the most secure business.

DIFFERENCE IN CONDITIONS	
Coverage	Proposed IMU / One Beacon Insurance
Stop Loss Limit	\$5,000,000
Building	\$5,000,000
Building Ordinance or Law – Coverage A	Included
Building Ordinance or Law	\$1,000,000
Building Ordinance or Law	\$500,000
Business Income & Extra Expense	\$100,000
Flood/Earthquake Deductible	\$25,000
Deductible All Other Perils	\$5,000

Difference in Conditions or "DIC" insurance is designed to provide broad direct physical damage coverage for losses not normally included in a standard property policy. The intent of DIC is to cover catastrophic perils such as flood and water damage, earthquake or collapse.

DIRECTORS & OFFICERS LIABILITY	
Coverage	Proposed Travelers
General Aggregate Limit	\$1,000,000
Per Loss Limit	\$1,000,000
Self-Insured Retention (Deductible)	\$2,500
Additional Defense Outside Limit of Liability	None
Property Manager Coverage <ul style="list-style-type: none"> • Silver Mountain Properties 	Included

This pays on behalf of the insured director or officer for loss arising from claims during the policy period by reason of wrongful acts made while acting in their individual or collective capacities as directors or officers.

THIS COVERAGE IS WRITTEN ON A “CLAIMS-MADE BASIS”

“Claims-made coverage” means an insurance policy that provides coverage only if a claim is made during the policy period or any applicable extended reporting period. A claim made during the policy period could be charged against a claims-made policy even if the injury or loss occurred many years prior to the policy period. If a claims-made policy has a retroactive date, an occurrence prior to that date is not covered.

FIDELITY/CRIME	
Coverage	Proposed Travelers (Limit/Deductible)
Employee Dishonesty	\$75,000 / \$ 500
Forgery or Alteration	\$75,000 / \$ 500
Computer Fraud	\$75,000 / \$ 500
Funds Transfer Fraud	\$75,000 / \$ 500
Property Manager Employee Dishonesty Coverage <ul style="list-style-type: none"> • Silver Mountain Properties 	Included

There are many different types of bonds, commonly known as contract, surety or fiduciary. They are primarily written to guaranty or assure the performance of a contract in construction, according to plans and specifications. Miscellaneous bonds are written to guaranty performance in accordance to laws, regulations and ordinances. Crime coverage is also categorized as a type of bond.

UMBRELLA LIABILITY	
Coverage	Proposed Greenwich Insurance Co.
General Aggregate Limit	\$5,000,000
Per Occurrence Limit	\$5,000,000
Self-Insured Retention (Deductible)	\$0

SCHEDULE OF UNDERLYING POLICIES				
Description	Company/Policy	Policy Term	Policy	Limit
Automobile Liability	Cincinnati / EPP0383045	04/18/20 to 04/18/21	Combined Single Limit	\$1,000,000
General Liability	Cincinnati / EPP0383045	04/18/20 to 04/18/21	Each Occurrence	\$1,000,000
			General Aggregate	\$2,000,000
			Products & Comp Ops	\$2,000,000
			Personal Injury	\$1,000,000
Directors & Officers	Travelers/106502909	04/18/20 to 04/18/21	Occurrence/Aggregate	\$1,000,000

Commercial Umbrella Liability, also known as Excess, provides coverage in addition to the limits of an insured's General Liability, Automobile Liability, Directors and Officers, and Employers Liability (underlying or primary) policies. Umbrellas also protect against exclusions and gaps in the primary policies that serve as underlying insurance. Covered losses that are not included in primary policies are subject to a self-insured retention (SIR) which is similar to a deductible.

Damages arising out of Construction are excluded. This does not apply to operations, maintenance, or non-structural interior modifications. Construction means any construction, remodeling, upgrades, landscaping or repairs performed, or products installed into or on real property, including structures, common areas, streets, or utilities. We recommend that the Association make sure that contractors have appropriate insurance when doing any type of work for the Association.

**PREMIUM SUMMARY FOR
Glenwood Commercial Center Condominium Association**

Coverage	Expiring Annual Premium	Proposed Annual Premium	Accept or Decline (note below)
Package: Includes Property & General Liability	\$15,525	\$16,293	Accepted
Hired & Non-Owned Auto	Included in Package	Included in Package	/
Difference In Conditions	\$2,455	\$2,455	Accepted
Fidelity/Crime	\$1,664 Combined Policy	\$1,673 Combined Policy	Accepted
Directors & Officers Liability			
Umbrella/Excess Liability	\$946	\$946	Accepted
Total Premium	\$20,590	\$21,367	
Cost per Unit	\$447.61	\$464.50	

CURRENT POLICY TERMS

Coverage	Insuring Company	Policy Period	A.M. Best Rating
Package: Includes Property & General Liability	Cincinnati Insurance	04/18/19 to 04/18/20	A+
Hired & Non-Owned Auto	Cincinnati Insurance	04/18/19 to 04/18/20	A+
Difference In Conditions	One Beacon Insurance	04/18/19 to 04/18/20	A
Fidelity/Crime	Travelers	04/18/19 to 04/18/20	A++
Directors & Officers Liability	Travelers	04/18/19 to 04/18/20	A++
Umbrella/Excess Liability	Greenwich Insurance	04/18/19 to 04/18/20	A

RENEWAL POLICY TERMS

Coverage	Insuring Company	Policy Period	A.M. Best Rating
Package: Includes Property & General Liability	Cincinnati Insurance	04/18/20 to 04/18/21	A+
Hired & Non-Owned Auto	Cincinnati Insurance	04/18/20 to 04/18/21	A+
Difference In Conditions	One Beacon Insurance	04/18/20 to 04/18/21	A
Fidelity/Crime	Travelers	04/18/20 to 04/18/21	A++
Directors & Officers Liability	Travelers	04/18/20 to 04/18/21	A++
Umbrella/Excess Liability	Greenwich Insurance	04/18/20 to 04/18/21	A

COVERAGE OPTIONS		
Coverage	Annual Premium	Accept or Decline (note below)
IMU Difference In Conditions Policy Add Terrorism coverage	\$294	Decline
Pinnacol Assurance Add Workers Compensation policy \$1M/\$1M/\$1M limits	\$425**	Decline

**Indication only: requires separate application and underwriter approval.

Please note Accept or Decline as appropriate, sign and return to bind coverage.
The following documents are required to bind coverage:

- Signed and completed proposal
- Signed and completed Cincinnati Terrorism form (if coverage declined)
- Signed and completed Statement of Values
- Signed and completed IMU Terrorism form (if coverage declined)
- **Updated tenant list for all buildings**

Named Insured: Glenwood Commercial Center Condominium Association

SIGNATURE:



DATE: 04/16/2020

This is not a contract of insurance. No coverage is provided by this summary, nor does it replace any provisions of any policy ultimately delivered. The policy alone determines the scope of insurance protection. Please read your policy carefully and review its Declarations for complete information on coverage. If you would like to discuss this account or obtain sample forms and endorsements please contact your agent.



March 24, 2020

Glenwood Commercial Center Condominium Association
c/o Silver Mountain Properties
326 Highway 133 - Suite 120
Carbondale, CO 81623

FEE DISCLOSURE

You are hereby informed in accordance with Colorado Division of Insurance Regulation 1-2-9 that a fee is being charged to you for one of the following services:

- Risk Management
- Financial Planning
- Investment Counseling
- Qualified Retirement Plan Design or Administration
- Estate Planning
- Third Party Employee Benefit Plans
- **Other services for which the agency does not receive a commission from the insurance company.**

You are under no obligation to purchase any insurance product through the agent in exchange for receiving the specific services.

The State of Colorado requires that we obtain your signature based upon this disclosure. Please sign in the below area and return to our office prior to 04/17/2020.

If you have any questions please let us know.

Sincerely,

Meghan Wilson

Meghan Wilson, CIC
Commercial Lines Agent

A handwritten signature in black ink, appearing to read "Meghan Wilson".

04/16/2020

Signature of Authorized Representative

Date



DISCLOSURE FORM - CLAIMS-MADE POLICY IMPORTANT NOTICE TO POLICYHOLDER

THIS DISCLOSURE FORM IS NOT YOUR POLICY. IT DESCRIBES SOME OF THE MAJOR FEATURES OF OUR CLAIMS-MADE POLICY FORM. READ YOUR POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES, AND WHAT IS AND IS NOT COVERED. ONLY THE PROVISIONS OF YOUR POLICY DETERMINE THE SCOPE OF YOUR INSURANCE PROTECTION.

DEFINITIONS

1. "Claims-made coverage" means an insurance policy that provides coverage only if a claim is made during the policy period or any applicable extended reporting period. A claim made during the policy period could be charged against a claims-made policy even if the injury or loss occurred many years prior to the policy period. If a claims-made policy has a retroactive date, an occurrence prior to that date is not covered.
2. "Extended reporting period" means a period allowing for making claims after expiration of a claims-made policy. This is also known as a "tail".
3. "Occurrence coverage" means an insurance policy that provides liability coverage only for injury or damage that occurs during the policy term, regardless of when claim is actually made. A claim made in the current policy year could be charged against a prior policy year, or may not be covered, if it arises from an occurrence prior to the effective date.
4. "Retroactive date" means the date on a claims-made policy which denotes the commencement date of coverage under the policy.

YOUR POLICY

Your policy is a claims-made policy. It provides coverage only for injury or damage, occurring after the policy retroactive date (if any) shown on your policy and the incident is reported to your insurer prior to the end of the policy period. Upon termination of your claims-made policy an extended reporting period option may be available at the company's discretion.

There is no difference in the kinds of injury and damage covered by occurrence or claims-made policies. Claims for damages may be assigned to different policy periods, however, depending on which type of policy you have.

If you make a claim under your claims-made policy, the claim must be a demand for damages by an injured party. Your policy contains specific reporting requirements. Under most circumstances, a claim is considered made when it is received and recorded by you or by us. Sometimes a claim may be deemed made at an earlier time. This can happen when another claim for the same injury or damage has already been made, or when the claim is received and recorded during an extended reporting period.

PRINCIPAL BENEFITS

This policy provides coverage for Directors & Officers Liability up to the maximum dollar limit specified in the policy.

The principal benefits and coverages are explained in detail in your claims-made policy. Please read it carefully and consult your insurance producer about any questions you might have.

EXCEPTIONS, REDUCTION AND LIMITATIONS

Your claims-made policy contains certain exceptions, reductions and limitations. Please read them carefully and consult your insurance producer about any questions you might have.

RENEWALS AND EXTENDED REPORTING PERIODS

Your claims-made policy has some unique features relating to renewal, extended reporting periods and coverage for events with long periods of exposure. If there is a retroactive date in your policy, no event or occurrence prior to that date will be covered under the policy even if reported during the policy period. It is therefore important for you to be certain that there are no gaps in your insurance coverage. These gaps can occur in several ways. Among the most common are:

1. If you switch from an occurrence policy to a claims-made policy, the retroactive date in your claims-made policy should be no later than the expiration date of the occurrence policy.
2. When replacing a claims-made policy with a claims-made policy, you should consider the following:
 - a. The retroactive date in the replacement policy should extend far enough back in time to cover any events with long periods of liability exposure, or
 - b. If the retroactive date in the replacement policy does not extend far enough back in time to cover events with long periods of liability exposure, you should consider purchasing extended reporting period coverage under the old claims-made policy.
3. If you replace this claims-made policy with an occurrence policy, you may not have insurance coverage for a claim arising during the period of claims-made coverage unless you have purchased an extended reporting period under the claims-made policy

Extended reporting period coverage may be offered to you for at least one year after the expiration of the claims-made policy at a premium not to exceed 200% of your last policy premium.

CAREFULLY REVIEW YOUR POLICY REGARDING THE AVAILABLE EXTENDED REPORTING PERIOD COVERAGE, INCLUDING THE LENGTH OF COVERAGE, THE PRICE AND THE TIME PERIOD DURING WHICH YOU MUST PURCHASE OR ACCEPT ANY OFFER FOR EXTENDED REPORTING PERIOD COVERAGE.

PROOF OF DELIVERY

Policy Type: Directors & Officers Liability
Insuring Company: Travelers
Policy Effective Date: 04/18/2020

I hereby certify that the above disclosure form was delivered to Glenwood Commercial Center Condominium Association.

By: *Meghan Wilson*

Meghan Wilson

Date: 03/24/2020



Mountain West Insurance & Financial Services, LLC

**Two Rivers Park Plaza, 201 Centennial, 4th Floor
Glenwood Springs, CO 81601
PO Box 1576 Glenwood Springs, CO 81602
(800) 255-6390 Toll Free
(970) 945-9111 Office
www.mtnwst.com**

Thank you for the opportunity to be of service to you.

This is not a contract of insurance. No coverage is provided by this summary, nor does it replace any provisions of any policy ultimately delivered. The policy alone determines the scope of insurance protection. Please read your policy carefully and review its Declarations for complete information on coverage. If you would like to discuss this account or obtain sample forms and endorsements please contact your agent.

WORKERS COMPENSATION

But, We Don't Have Any Employees!

In addition to your association master policy, we have included a Workers Compensation and Employers Liability quotation. This insurance would cover Colorado mandated medical and income benefits for employees who become injured or sick as a consequence of their employment. The estimated annual premium for this one year policy is \$300 to \$500. This is the minimum premium and is based on your having no employees as of the policy commencement date. Unless you have employees during the policy period, it will be your final, total premium.

Even though you have no employees, currently, and do not anticipate hiring any, you still need this important coverage. Here are the two principal reasons for that and the answers to frequently asked questions.

Reason #1: Employees of Independent Contractors

- **Isn't the contractor responsible for its own employees?** Normally, independent contractors with employees are required, by State law, to maintain Workers Compensation insurance. However, when a contractor fails to maintain the required insurance, a sick or injured employee may -- and often does -- recover direct from the association...even though he or she is not an association employee.
- **Doesn't a certificate of insurance protect us?** Obtaining a certificate of insurance from each contractor, indicating the existence of Workers Compensation insurance, is a sound measure. However, all it means is that the required coverage is in force on a particular date. It provides no guarantee that coverage will remain in force.
- **If coverage lapses, doesn't the contractor's insurer notify us?** Most certificates of insurance impose a "best efforts" or "reasonable efforts" standard on the insurer regarding the notification of certificate holders. This does not guarantee timely notification.
- **Isn't a hold-harmless agreement from the contractor effective?** Obtaining a properly drafted, enforceable hold-harmless agreement from each contractor can be an effective measure and one we recommend. Under this type of agreement, the contractor guarantees to insulate your association from liability for the injuries and illnesses of its employees. However, an agreement is only as good as the contractor's solvency. If the contractor is not financially up to its legal obligations, its agreements are worthless.
- **Can a contractor drop its insurance and rely on ours?** Anyone who is legally required to maintain Workers Compensation insurance, and fails to do so, is subject to the fines and other penalties prescribed by the District of Columbia Workers Compensation statute. These penalties are intended to be far more burdensome than simple compliance. A prudent and financially sound contractor is unlikely to risk noncompliance. However, financial distress and simple oversight are frequent causes of noncompliance. Even many contractors who are insured attempt to treat some of their employees as independent contractors. This common practice, intended to save on Workers Compensation insurance costs, is virtually impossible for you to detect.

Reason #2: Part-time, Casual, Seasonal and Unanticipated Employees

- **Are all employees covered by Workers Compensation?** The *State of Colorado* Workers Compensation statute determines the scope and application of its benefits. This is usually based on some combination of number of employees, number of hours an employee works each week and types or categories of employment. Each State's statute is unique and only an examination of your statute can provide this information.
- **Is it possible to have an employee and not know it?** A person performing services for you may or may not be an employee for Workers Compensation purposes. What appears to be an independent contractor relationship -- and which may indeed be one for all other purposes -- could be an employment relationship where Workers Compensation is concerned. Aside from any other considerations, courts and Workers Compensation commissions lean toward an employment relationship whenever the person in question is otherwise uninsured.
- **Who can tell us when we need Workers Compensation?** Your insurance or legal advisor can help you with your Workers Compensation requirements. The chief source of information is District of Columbia's Workers Compensation statute. In addition to a plain reading of the statute, there is undoubtedly case law, which has provided interpretations of the statute when necessary.

The only certainty of full compliance with Workers Compensation requirements and the protection of your community's financial resources is this inexpensive coverage. Without it, some degree of unnecessary risk persists. With it, you avoid a potentially severe loss, a possible assessment needed to pay it and the punitive aspects of noncompliance.



STATEMENT OF VALUES

DATE (MM/DD/YYYY)
03/24/2020

AGENCY Mountain West Insurance - Glenwood PO Box 1576 Glenwood Springs, CO 81602 CODE: 05-019 AGENCY CUSTOMER ID GLENCOM-02	PHONE (A/C, No, Ext): (970) 945-9111 FAX (A/C, No): (970) 945-2350	COMPANY Cincinnati Insurance Company INSURED / APPLICANT Glenwood Commercial Center HEADQUARTERS ADDRESS NAIC CODE: 10677 POLICY NUMBER EPP0383045	PAGE 1 OF 1 EFFECTIVE DATE 04/18/2019
SUBCODE: GLENCOM-02		COINS % APPLICABLE CAUSES OF LOSS <input type="checkbox"/> 80% <input type="checkbox"/> BASIC <input type="checkbox"/> EARTHQUAKE COV <input type="checkbox"/> 90% <input type="checkbox"/> BROAD <input type="checkbox"/> FLOOD <input type="checkbox"/> 100% <input type="checkbox"/> SPECIAL <input type="checkbox"/> SPRINKLER LEAKAGE EXCL <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> VANDALISM EXCL	

APPLICABLE FORM NUMBERS (Attach completed forms and endorsements that require completion to provide necessary information affecting rates or loss costs)

CLASS CODE	LOC #	BLDG #	DESCRIPTION AND ADDRESS OF PROPERTY	ACV/RC ¹	SUBJECT ²	100% VALUES	RATE OR LOSS COST ³	PREMIUM
	1	1	DESC: Building A ADDRESS: 2550 Hwy 82, Glenwood Springs, CO 81601	R	B	\$1,258,136.00		
	1	2	DESC: Building B ADDRESS: 2550 Hwy 82, Glenwood Springs, CO 81601	R	B	\$1,340,225.00		
	1	3	DESC: Building C ADDRESS: 2550 Hwy 82, Glenwood Springs, CO 81601	R	B	\$1,601,457.00		
	1	4	DESC: Building D ADDRESS: 2550 Hwy 82, Glenwood Springs, CO 81601	R	B	\$1,872,182.00		
			DESC: ADDRESS:					
			DESC: ADDRESS:					
			DESC: ADDRESS:					
			DESC: ADDRESS:					
			DESC: ADDRESS:					
			DESC: ADDRESS:					
			DESC: ADDRESS:					
TOTAL						\$	N/A	\$

INSTRUCTIONS

1. ACV (Actual Cash Value) or RC (Replacement Cost): If other valuation basis applies, provide necessary information.

2. SUBJECT:
 B = Building S = Stock F = Furniture & Fixtures M = Machinery
 BPP = Your Business Personal Property PPO = Personal Property of Others
 BI = Business Income R = Rental Income Other - specify

3. RATE OR LOSS COST: For class rated property, attach class rate information form or equivalent information for each location. For specifically rated property, attach specific rate or loss cost information if known.

SIGNATURE

ALL VALUES AND LOCATION INFORMATION ARE CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

INSURED'S SIGNATURE: _____
 TITLE: Association Manager
 DATE: 04/16/2020


March 24, 2020

Cincinnati Insurance Company
PO Box 145496
Cincinnati, OH 45250

RE: Rejection of Terrorism Coverage for Policy Number
Glenwood Commercial Center Condominium Association, Inc.
Package Policy GEPP0383045
Effective: 04/18/2020 – 04/18/2021

To Whom It May Concern:

I hereby reject the offer of terrorism coverage as defined in *The Act. I understand that an exclusion of certified terrorism losses will be made part of this policy. This signed rejection will be final for the remainder of this policy period.

 _____ Signature	04/16/2020 _____ Date
Association Manager _____ Title	

* The Act: under the Terrorism Insurance Act of 2002, effective November 26, 2002, you have a right to purchase insurance coverage for losses arising out of certified acts of terrorism, as defined in Section 102(1) of The Act. Coverage provided by this policy for losses caused by certified acts of terrorism is partially reimbursed by the United State under a formula established by federal law.



Atlantic Specialty Insurance Company
605 Highway 169 North, Suite 800

Insured Name: GLENWOOD COMMERCIAL CENTER CONDOMINIUM Policy/Quote Number: _____
Insured Address: 326 HIGHWAY 133 STE 120
CARBONDALE , CO 816231568

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE**


You are hereby notified that under the Terrorism Risk Insurance Act (the Act), as amended, that you have a right to purchase insurance coverage for losses resulting from acts of terrorism, as defined in Section 102(1) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security, and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020 OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM TO BE CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

SELECTION OR REJECTION OF TERRORISM INSURANCE COVERAGE

The prospective premium required for your terrorism coverage is \$246.
If you wish to reject this offer of coverage, you should check the box below, sign this notice and send it to your agent. An **exclusion** of terrorism losses, as defined by the Act, will then be made part of your policy.

 I hereby reject the offer of terrorism coverage. I understand that I will have no coverage for losses arising from acts of terrorism, as defined in the act.

If your policy includes Inland Marine Coverage in one or more of these states: CA, ME, MO, OR, or WI, the following statement applies:

The terrorism exclusion makes an exception for (and thereby continues your coverage for) direct property damage fire losses resulting from an act of terrorism. Therefore, if you reject the offer of terrorism coverage, that rejection does not apply to direct property damage fire losses resulting from an act of terrorism - the coverage in your policy for such fire losses will continue. If such a loss occurs, and is certified under the Act, the loss will be reimbursed by the United States under the formula detailed above.

The portion of your Inland Marine policy premium attributable to coverage for direct property damage from fire resulting from terrorism in these states is \$148. This amount is included in your policy premium and cannot be rejected.



Policyholder/Applicant's Signature

Courtney Nel

Print Name

Atlantic Specialty Insurance Company
Insurance Company

04/16/2020

Date

If you have any questions about this notice, please contact your agent.