



AMERICAN FAMILY INSURANCE COMPANY  
 350 HIGHWAY 133 # 1  
 CARBONDALE CO 81623-1650

AmFam.com

1-800-MY AMFAM (692-6326)

May 19, 2022



000746EC124DAA1021390712 200372 001  
 MOUNTAIN SAGE TOWNHOMES HOA  
 0326 HIGHWAY 133 STE 120  
 CARBONDALE CO 81623-2507

*Regarding your Commercial Liability Umbrella Policy*

**Our offer to renew your insurance policy is enclosed**  
 Your renewal bill will be sent separately

Policy number	Billing account number	Renewal Date
91001-11686-61	664-432-944-08	7/23/2022

Thank you for choosing American Family Insurance. We truly value you as our customer. Enclosed is our offer to renew the policy noted above.

For a summary of the policy coverage and limits provided, please see the enclosed Renewal Declarations. If you would like a more detailed explanation of the coverage, please refer to your policy and endorsements. We have also included other important and/or state specific notices relating to this policy.

Please review all of the enclosed information carefully. Contact your agent if you would like to make changes to your policy.

This renewal offer is only available to you if the premium for the prior term has been paid in full. To accept our renewal offer and to maintain continuous coverage, we must receive payment by the date shown on your renewal billing notice. **Your renewal bill will be sent separately from this notice.**

Thank you for placing your trust in American Family Insurance. If you have questions about this information, please contact your agent listed below or call us at 1-800-MY AMFAM (1-800-692-6326).

Commercial - Farm/Ranch Division  
 1-800-MY AMFAM (1-800-692-6326)

**AMERICAN FAMILY INSURANCE COMPANY**

**Your American Family Agent is:**

The Ben Kelloff Agency, Inc  
 350 HIGHWAY 133 # 1  
 Carbondale CO 81623-1650  
 970-963-5711

[bkelloff@amfam.com](mailto:bkelloff@amfam.com)

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## You may elect to purchase terrorism insurance coverage



No action is required if you do not want to add this coverage

American Family Insurance Company  
6000 American Parkway  
Madison WI 53783  
For customer service and claims service  
24 hours a day, 7 days a week  
**1-800-MY AMFAM (1-800-692-6326)**  
[amfam.com](http://amfam.com)

Policy number	Renewal date
91001-11686-61	7/23/2022

The Terrorism Risk Insurance Reauthorization Act (TRIA) of 2015 was signed into law in January, 2015. This law extended the Terrorism Risk Insurance Program, which is effective through 2020. To comply with the provisions of TRIA and guidelines of the United States Treasury, we are enclosing a new Terrorism Insurance Coverage and Disclosure of Premium form. This disclosure contains the updated provisions of the 2015 reauthorization of the federal program. The premium rate is unchanged.

Under this program, you have a right to purchase insurance coverage for loss resulting from "Certified Acts of Terrorism," as defined by TRIA. Our records indicate you have not elected to purchase this coverage on the policy listed above. If you do not wish to change your current election, no further action is required.

If you want to add coverage for Certified Acts of Terrorism, complete the Coverage Options section on page 2 of the enclosed Disclosure Form, sign, date and return the attached form. Please use one of the following methods to return the form:

- **Mail:** Use the enclosed addressed envelope or mail to American Family Insurance Company, 6000 American Parkway, Madison, WI 53783-0001.
- **Fax\*:** 1-866-656-1032 or 1-866-656-1033.

An additional premium will be charged. The premium cost is shown on page 2 of the Disclosure Form. We will endorse the coverage to your policy, effective on the renewal date indicated above.

All other terms and conditions of your policy remain unchanged.

Thank you again for being our customer. If you have questions about this notice, please contact your agent listed below.

Commercial Lines  
1-800-MY AMFAM (1-800-692-6326), ext. 76000

*American Family Insurance Company*

### Your American Family Agent is:

The Ben Kelloff Agency, Inc

[bkelloff@amfam.com](mailto:bkelloff@amfam.com)

350 HIGHWAY 133 # 1  
Carbondale CO 81623-1650  
970-963-5711

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**\* Before choosing to FAX the completed form, please note:**

Data transmitted by FAX cannot be guaranteed to be secure, timely, or free from computer virus or other damaging code. American Family takes great pride in ensuring a positive customer experience and takes great care to keep your personal data secure. By submitting the completed form by FAX, you acknowledge that American Family cannot ensure or guarantee that any information transmitted will be secure.

# OFFER OF TERRORISM INSURANCE COVERAGE AND DISCLOSURE OF PREMIUM



American Family Insurance Company  
6000 American Parkway  
Madison WI 53783

For customer service and claims service  
24 hours a day, 7 days a week

1-800-MY AMFAM (1-800-692-6326)  
amfam.com

Thank you for insuring with American Family Insurance. This notice provides you with important information about the Terrorism Risk Insurance Program Reauthorization Act of 2019. Please read the information below about the Act and notify American Family of your decision to accept or reject the coverage for "certified acts of terrorism".

## Some Background

On Nov. 26, 2002, President Bush signed the Terrorism Risk Insurance Act into law, which requires insurance carriers to make coverage available to policyholders for losses due to "certified acts of terrorism". This Act has been reauthorized since then, and the latest reauthorization occurred in December of 2019 when President Trump signed the Terrorism Risk Insurance Program Reauthorization Act of 2019 into law. The most recent reauthorization extends the current program through December 31, 2027.

As an American Family customer, you have the right, under the recently reauthorized Act, to purchase insurance coverage for losses resulting from "certified acts of terrorism", which are defined as: any act that is 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. The criteria contained in that law for certifying an act of terrorism includes the following:

- The act is a violent act or an act that is dangerous to human life, property or infrastructure;
- The act results in aggregate property and casualty insurance losses in excess of \$5 million; and
- The act is 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.

## Further Explanation

Where coverage is provided under the Act for losses resulting from "certified acts of terrorism", such losses may be partially reimbursed by the United States Government as established by the Act. You should also understand that your policy may contain exclusions (not part of the Act) that might affect your coverage. For example, if a "certified act of terrorism" occurs and results in damage that you're not covered for under other portions of your policy, the terrorism coverage may not apply to the loss because you need to have underlying coverage to qualify for a "certified act of terrorism" loss covered by the Act.

You should also be aware that the reauthorized Act contains a \$100 billion cap that limits United States Government reimbursement as well as insurers' liability for losses resulting from "certified acts of terrorism" to \$100 billion per calendar year. What this means is, if the combined insured losses for all insurers exceeds \$100 billion, your coverage may be reduced due to the cap.

Per the Act, the United States Government generally reimburses 80% of covered terrorism losses exceeding the statutorily established deductible paid by American Family Insurance. The premium 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.

## Disclosure Of Premium

Policy	Premium Charge for Certified Acts of Terrorism
Commercial Liability Umbrella Policy	2.00% of the total premium

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### TERRORISM INSURANCE COVERAGE OPTIONS

Our records indicate you previously elected not to purchase coverage for "certified acts of terrorism" for the policy referenced above. If you do not wish to make any changes regarding this coverage will continue to be excluded throughout the renewal term of your policy.

However, if you want to add coverage for "certified acts of terrorism," please indicate your decision to accept coverage for "certified acts of terrorism" by:

1. Checking the box below;
2. Signing this notice; and
3. Returning this notice in the provided envelope.

**I wish to purchase coverage** for "certified acts of terrorism." I understand that as a result, I will be charged an additional premium for adding coverage for "certified acts of terrorism" to this policy.

*If you choose to purchase coverage for "certified acts of terrorism", you must notify us before your policy's effective date by signing and returning this notice in the enclosed envelope. (Exception: If we send you a new disclosure form after your policy's effective date, and you wish to change your election, we will endorse your policy to reflect your new coverage election.)*

Your decision to accept coverage for "certified acts of terrorism" applies to the term of this policy. You will receive an offer and disclosure at each renewal as required by the Act.

**Only if you are accepting coverage for "certified acts of terrorism", please sign and return this notice.**

<b>Insured's Signature</b>		
<b>Named Insured</b> Mountain Sage Townhomes HOA		<b>Date</b>
<b>Policy Number</b> 91001-11686-61	<b>Producer ID</b> 200372	<b>Policy Expiration Date</b> 07/23/2022

# Renewal Declarations Commercial Liability Umbrella Policy

Please read your policy



American Family Insurance Company  
6000 American Parkway  
Madison WI 53783

For customer service and claims service  
24 hours a day, 7 days a week

1-800-MY AMFAM (1-800-692-6326)  
amfam.com

## Named Insured And Mailing Address

Mountain Sage Townhomes HOA  
326 Highway 133 Ste 120  
Carbondale CO 81623-1568

## Policy Information

Policy number	Policy period	Billing account number
91001-11686-61	7/23/2022 to 7/23/2023 12:01 A.M. Standard Time at your mailing address shown above.	664-432-944-08

## Business and Operations Information

Year Started: 2007

Description of Business and Operations:

Form of Business: Corporation

In return for the payment of the premium, and subject to all of the terms of this policy, we agree with you to provide the insurance as stated in this policy.

**Automatic Renewal** - If the **policy period** is shown as **12 months**, this policy will be renewed automatically upon payment of the renewal premium when due subject to the premiums, rules and forms in effect for each succeeding policy period. If this policy is terminated we will give you written notice in compliance with the policy provisions or as required by law.

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Policy Number: 91001-11686-61

<b>Premium Information</b>	
<b>Advance Premium Per Term (Excluding Terrorism):</b>	\$1,337.35
<b>Certified Acts of Terrorism Premium:</b>	\$0.00
<b>Total Advance Premium Per Term:</b>	\$1,337.35

<b>Policy Level Coverages</b>	
<b>Limits Of Insurance</b>	
Aggregate Limit .....	\$5,000,000
Each Occurrence Limit .....	\$5,000,000
Personal And Advertising Injury Limit .....	\$5,000,000
<b>Self-Insured Retention (Each Occurrence) .....</b>	<b>\$10,000</b>
<b>Directors And Officers Liability Coverage</b>	
Named Association .....	Mountain Sage Townhomes HOA
Extended Reporting Period .....	



Policy Number: 91001-11686-61

Underlying Policy Details - Businessowners Policy	
<b>Policy Detail</b>	
Policy Number .....	910011168146
Carrier .....	American Family
Certified Acts Of Terrorism .....	
Contract State .....	CO
Effective Date .....	7/23/2021
Expiration Date .....	7/23/2022
<b>Policy Coverages</b>	

**Agent Information**

The Ben Kelloff Agency, Inc

bkelloff@amfam.com

350 HIGHWAY 133 # 1  
Carbondale CO 81623-1650  
970-963-5711

AUTHORIZED  
REPRESENTATIVE

*William B. West*  
President

*[Signature]*  
Secretary

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Policy Number: 91001-11686-61

Forms And Endorsements		
Form Number	Edition Date	Title
CU 00 00	08 21	Commercial Liability Umbrella Policy (Jacket)
CU 00 01	04 13	Commercial Liability Coverage Form
CU 01 46	09 00	Colorado Changes - Representations Or Fraud
CU 21 12	09 00	Abuse Or Molestation Exclusion
CU 21 23	02 02	Nuclear Energy Liability Exclusion Endorsement
CU 21 24	11 16	Exclusion -Non-Owned Aircraft
CU 21 26	04 13	Exclusion - Cross Suits Liability
CU 21 27	12 04	Fungi Or Bacteria Exclusion
CU 21 35	01 15	Exclusion Of Certified Acts Of Terrorism And Exclusion Of Other Acts Of Terrorism Committed Outside The United States
CU 21 50	03 05	Silica Or Silica-Related Dust Exclusion
CU 21 52	12 05	Total Pollution Exclusion With A Building Heating, Cooling And Dehumidifying Equipment Exception And A Hostile Fire Exception
CU 21 56	06 06	Auto Exclusion Of Terrorism Coverage
CU 21 71	06 15	Exclusion - Unmanned Aircraft
CU 21 86	05 14	Exclusion - Access Or Disclosure Of Confidential Or Personal Information And Data-Related Liability - With Limited Bodily Injury Exception
CU 24 30	04 13	Amendment Of Insured Contract Definition
CU 70 05	08 18	Directors And Officers Liability (Condominiums, Co-Ops, Associations) - Follow Form Endorsement
CU 71 01	10 01	Punitive Damage Exclusion
CU 71 02	07 10	Lead Liability Exclusion
CU 71 08	01 06	Asbestos Exclusion
CU 71 17	08 18	Liquor Liability Exclusion
CU 71 21	08 18	Marijuana Exclusion
CU 72 05	08 18	Unimpaired Aggregate Endorsement
IL 00 17	11 98	Common Policy Conditions
IL 01 25	11 13	Colorado Changes - Civil Union
IL 02 28	09 07	Colorado Changes - Cancellation and Nonrenewal
IL 75 26	12 05	Colorado Endorsement Change
IL 75 40	03 16	Non Stacking of Limits
PLCF 23556	08 18	Commercial Umbrella Notice Of No Employers Liability Coverage
PLCF 28841	12 20	Offer Of Terrorism Insurance Coverage And Disclosure Of Premium

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**DIRECTORS AND OFFICERS LIABILITY (CONDOMINIUMS, CO-OPS, ASSOCIATIONS) -  
FOLLOW FORM ENDORSEMENT**

**THIS ENDORSEMENT PROVIDES CLAIMS-MADE COVERAGE. COST OF DEFENSE ERODES THE LIMIT OF LIABILITY. PLEASE READ THE ENTIRE ENDORSEMENT CAREFULLY.**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

**SCHEDULE**

<b>Named Association:</b>	
<b>Extended Reported Period:</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

- A.** Subject to the provisions below, this policy will pay the "ultimate net loss" in excess of the "retained limit" for which the insured is legally liable when those damages arise out of a "claim" or "suit" covered by the Directors And Officers Liability (Condominiums, Co-Ops, Associations) Endorsement that is attached to the "underlying insurance" policy. Coverage under this policy will follow the insuring agreement, terms, exclusions, definitions, and conditions of the Directors And Officers Liability (Condominiums, Co-Ops, Associations) Endorsement as applied to the Businessowners Coverage Form and any applicable state amendatory endorsements on the "underlying insurance" policy except the definitions of "ultimate net loss" and "underlying insurance" which are defined in the Commercial Liability Umbrella Coverage Form provided that:
1. This insurance applies only if a "claim" is first made during the policy period;
  2. This insurance does not apply to any liability which occurs prior to the Retroactive Date specified in the underlying Directors And Officers Liability (Condominiums, Co-Ops, Associations) Endorsement;
  3. This insurance does not apply to liability arising out of any prior litigation, demand, circumstance or situation which has been the subject of any written notice given under any similar insurance or is pending as of inception of this policy;
  4. No coverage exists for the claims first made against the insured after the end of the policy period unless an Automatic Extended Reporting Period applies as outlined in section
- G.** of the underlying Directors And Officers Liability (Condominiums, Co-Ops, Associations) Endorsement OR you have purchased an Optional Extended Reporting Period as outlined in section **G.** of the underlying Directors And Officers Liability (Condominiums, Co-Ops, Associations) Endorsement.
- 5.** The Automatic or Optional Extended Reporting Periods do not reinstate or increase our limit of insurance or extend policy limits.
- This insurance is subject to the policy period, limits of insurance, and premium of this Commercial Liability Umbrella Coverage Form. Coverage provided by this policy will be no broader than the coverage provided by the Directors And Officers Liability (Condominiums, Co-Ops, Associations) Endorsement that is attached to the "underlying insurance" policy.
- B. Section III - Limits of Insurance** is amended as follows:
1. Paragraph 2. is deleted and replaced by the following:
  2. The Aggregate Limit is the most we will pay for the sum of all "ultimate net loss" under:
    - a. Coverage **A**, except "ultimate net loss" because of "bodily injury" or "property damage" arising out of the ownership, maintenance or use of a "covered auto";
    - b. Coverage **B**; and
    - c. Directors And Officers Liability (Condominiums, Co-Ops, Associations) Endorsement coverage

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- C. We have the duty to pay defense costs incurred (after you pay the applicable "retained limit") for the defense of any "claim" or "suit" that is controlled by us. Any payment of defense costs is included in the aggregate limit, it is not in addition to the aggregate limit.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**UNIMPAIRED AGGREGATE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL LIABILITY UMBRELLA COVERAGE PART**

The underlying aggregate limit(s) of all "underlying insurance", where applicable, shall be unimpaired at the beginning of the policy period of this policy shown in the Declarations and, for the purposes of this policy, only "occurrences" taking place during the policy period of this policy shall be considered in determining the extent of any exhaustion of such underlying aggregate limits(s).

This endorsement does not change any other provision of the policy.

**EXAMPLE**

The "underlying insurance" is a Businessowners policy that is effective 11/1/2018-10/31/2019 with a \$1,000,000 aggregate limit.

The Commercial Liability Umbrella policy is effective 1/1/2019-12/31/2019.

There was a \$300,000 loss on 11/15/2018. Because this loss occurred before the effective date of the Commercial Liability Umbrella policy, the loss would not be considered in determining the exhaustion of the "underlying insurance" for the umbrella policy period.

There was a \$900,000 loss on 2/1/2019. Because this loss occurred during the Commercial Liability Umbrella policy period, the loss would be considered in determining the exhaustion of the "underlying insurance". This would leave \$100,000 of additional loss that would need to be incurred prior to the umbrella being affected.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## TOTAL POLLUTION EXCLUSION WITH A BUILDING HEATING, COOLING AND DEHUMIDIFYING EQUIPMENT EXCEPTION AND A HOSTILE FIRE EXCEPTION

This endorsement modifies insurance provided under the following:

### COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

Exclusion i. under Paragraph 2. **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to:

#### i. Pollution

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

This exclusion does not apply to:

- (a) "Bodily injury" if sustained within a building which is or was at any time owned or occupied by, or rented or loaned to, any insured and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests; or

- (b) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire" unless that "hostile fire" occurred or originated:

- (i) At any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste; or
- (ii) At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of, "pollutants".

For the purposes of this insurance, hostile fire means one that becomes uncontrollable or breaks out from where it is intended to be.

- (2) "Pollution cost or expense".

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION – ACCESS OR DISCLOSURE OF  
CONFIDENTIAL OR PERSONAL INFORMATION AND  
DATA-RELATED LIABILITY – WITH  
LIMITED BODILY INJURY EXCEPTION**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

**A. Exclusion 2.t. of Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

**2. Exclusions**

This insurance does not apply to:

**t. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability**

Damages arising out of:

- (1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph (1) or (2) above.

However, unless Paragraph (1) above applies, this exclusion does not apply to damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

**B. The following is added to Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Access Or Disclosure Of Confidential Or Personal Information**

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.



COMMERCIAL LIABILITY UMBRELLA  
CU 21 12 09 00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## ABUSE OR MOLESTATION EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability and Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of:

1. The actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any insured, or
2. The negligent:
  - a. Employment;
  - b. Investigation;
  - c. Supervision;
  - d. Reporting to the proper authorities, or failure to so report; or
  - e. Retention;
 of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by Paragraph 1. above.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION OF CERTIFIED ACTS OF TERRORISM AND EXCLUSION OF OTHER ACTS OF TERRORISM COMMITTED OUTSIDE THE UNITED STATES**

This endorsement modifies insurance provided under the following:

### COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

**A. The following exclusion is added:**

This insurance does not apply to:

**TERRORISM**

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism", or out of an "other act of terrorism" that is committed outside of the United States (including its territories and possessions and Puerto Rico), but within the "coverage territory". However, with respect to an "other act of terrorism", this exclusion applies only when one or more of the following are attributed to such act:

1. The total of insured damage to all types of property exceeds \$25,000,000 (valued in US dollars). In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the terrorism and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or
2. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
  - a. Physical injury that involves a substantial risk of death; or
  - b. Protracted and obvious physical disfigurement; or
  - c. Protracted loss of or impairment of the function of a bodily member or organ; or
3. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or

4. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
5. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

With respect to this exclusion, Paragraphs 1. and 2. describe the thresholds used to measure the magnitude of an incident of an "other act of terrorism" and the circumstances in which the threshold will apply for the purpose of determining whether this exclusion will apply to that incident.

**B. The following definitions are added:**

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part or underlying insurance to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part or underlying insurance.
2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
  - a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act;
  - b. The act resulted in damage:
    - (1) Within the United States (including its territories and possessions and Puerto Rico); or

- (2) Outside of the United States in the case of:
- (a) An air carrier (as defined in Section 40102 of title 49, United States Code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs; or
  - (b) The premises of any United States mission; and
- c. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is 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.
3. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not a "certified act of terrorism".
- Multiple incidents of an "other act of terrorism" which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership shall be considered to be one incident.
- C. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

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**COMMERCIAL LIABILITY UMBRELLA  
CU 21 71 06 15**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – UNMANNED AIRCRAFT**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

**A. Exclusion 2.j. Aircraft Or Watercraft** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

**2. Exclusions**

This insurance does not apply to:

**j. Aircraft Or Watercraft**

**(1) Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **j.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

**(2) Aircraft (Other Than Unmanned Aircraft) Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **j.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **j.(2)** does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
  - (i)** Less than 50 feet long; and
  - (ii)** Not being used to carry persons or property for a charge;
- (c)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (d)** The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described in this Paragraph **j.(2)** exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described in this Paragraph **j.(2)** will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance; or

(e) Aircraft that is:

- (i) Chartered by, loaned to, or hired by you with a paid crew; and
- (ii) Not owned by any insured.

B. The following exclusion is added to Paragraph 2. **Exclusions of Coverage B – Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Unmanned Aircraft**

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a. The use of another's advertising idea in your "advertisement"; or
- b. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

C. The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

- 1. Designed;
- 2. Manufactured; or
- 3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

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**COMMERCIAL LIABILITY UMBRELLA  
CU 24 30 04 13**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **AMENDMENT OF INSURED CONTRACT DEFINITION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL LIABILITY UMBRELLA COVERAGE PART**

Paragraph 9. of the **Definitions** section is replaced by the following:

9. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees";
- g. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. However, such part of a contract or agreement shall only be considered an "insured contract" to the extent your assumption of the tort liability is permitted by law. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraphs f. and g. do not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
- (3) That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a "covered auto" over a route or territory that person or organization is authorized to serve by public authority.

**FACTS**

**WHAT DOES AMERICAN FAMILY INSURANCE DO WITH YOUR PERSONAL INFORMATION?**



**Why?** Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

**What?** The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and income
- Account balances and payment history
- Credit history and credit based insurance scores
- Drivers license records and claims history

When you are no longer our customer, we continue to share your information as described in this notice.

**How?** All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons American Family Insurance chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does American Family Insurance share?	Can you limit this sharing?
<b>For our everyday business purposes—</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes—</b> to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	Yes	No
<b>For our affiliates' everyday business purposes—</b> information about your transactions and experiences	Yes	No
<b>For our affiliates' everyday business purposes—</b> information about your creditworthiness	Yes	Yes
<b>For our affiliates to market to you</b>	Yes	Yes
<b>For nonaffiliates to market to you</b>	Yes	Yes

**To limit our sharing** Call 1-888-312-2263 – when prompted you will be asked to provide your first name, middle initial (if applicable), last name, address, city, state and at least one of your policy numbers. Please also indicate if you are requesting to limit sharing for others on your policies. Please indicate their full names.

**Please note:**

If you are a new customer, or receiving this notice from us for the first time, we can begin sharing your information 30 days from the date we sent this notice. When you are no longer our customer, we continue to share your information as described in this notice.

However, you can contact us at any time to limit our sharing.

**Questions?** Please go to our website at [www.amfam.com/privacy-security](http://www.amfam.com/privacy-security)

**Who we are**

**Who is providing this notice?** This privacy notice is provided by American Family Mutual Insurance Company, S.I. and the affiliates as listed under the "Other important information" section of this notice (referred to collectively as "American Family Insurance").

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<b>What we do</b>	
<b>How does American Family Insurance protect my personal information?</b>	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
<b>How does American Family Insurance collect my personal information?</b>	We collect your personal information, for example, when you <ul style="list-style-type: none"> <li>• Apply for insurance</li> <li>• Pay insurance premiums</li> <li>• File an insurance claim</li> <li>• Give us your contact information</li> <li>• Use your credit or debit card</li> </ul>
<b>Why can't I limit all sharing?</b>	Federal law gives you the right to limit only <ul style="list-style-type: none"> <li>• sharing for affiliates' everyday business purposes—information about your creditworthiness</li> <li>• affiliates from using your information to market to you</li> <li>• sharing for nonaffiliates to market to you</li> </ul> State laws and individual companies may give you additional rights to limit sharing. (See below for more on your rights under state law.)
<b>What happens when I limit sharing for an account I hold jointly with someone else?</b>	Your limit-sharing request will only apply to the names received in your request.

<b>Definitions</b>	
<b>Affiliates</b>	Companies related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> <li>• The affiliates of American Family Mutual Insurance Company, S.I. include the companies identified under the "Other important information" section of this notice, and other affiliated companies within Homesite Group Incorporated and PGC Holdings Corp.</li> </ul>
<b>Nonaffiliates</b>	Companies not related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> <li>• Nonaffiliates we share with can include our sales agents, mortgage companies and direct marketing companies.</li> </ul>
<b>Joint marketing</b>	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <ul style="list-style-type: none"> <li>• Our joint marketing partners include other financial services companies and insurance companies.</li> </ul>

<b>Other important information</b>	
<b>For Nevada residents only.</b> You have the right to place your telephone number on American Family Insurance's internal do not call list, which means we can contact you by telephone only in response to a specific request from you for information or in order to service any existing American Family Insurance business. For additional information about the Nevada do not call requirements, or to add your telephone number to our internal do not call list, contact American Family Insurance at 1-877-216-9232. For information on the Nevada state do not call law, contact the Nevada Bureau of Consumer Protection, Office of the Nevada Attorney General, 555 E. Washington St., Ste. 3900, Las Vegas, NV 90101, Phone: 1-702-486-3132, email: <a href="mailto:BCPINFO@ag.state.nv.us">BCPINFO@ag.state.nv.us</a>	
<b>For Vermont residents only.</b> We will not disclose information about your creditworthiness to our affiliates and will not disclose your personal information, financial information, credit report, or health information to nonaffiliated third parties to market to you, other than as permitted by Vermont law, unless you authorize us to make those disclosures. Additional information concerning our privacy policies can be found at <a href="http://www.amfam.com/privacy-security">www.amfam.com/privacy-security</a> or call 1-800-692-6326.	
<b>For Georgia residents only.</b> NOTICE: The laws of the State of Georgia prohibit insurers from unfairly discriminating against any person based upon his or her status as a victim of family violence.	
<b>For New Mexico residents only.</b> We are prohibited from disclosing information related to domestic abuse. In New Mexico an individual has certain rights as a Protected Person under N.M. Admin Code 13.7.5 and N. M. S. A 1978, § 59A-16B-4. If you would like to exercise any of those rights or want an explanation of those rights, please contact American Family Insurance at 1-800-MYAMFAM ext. 78082.	



**Other important information – continued**

**For our customers in AK, AZ, CA, CT, GA, IL, ME, MA, MN, MT, NV, NJ, NC, OH, OR, SC and VA only.**

You have the right to review information in your file. You may do so by writing to us at the address at the end of this section and providing us with your complete name, address, date of birth, and all policy numbers under which you are insured. Within 30 days of receipt of your request, we will contact you and inform you of the nature of recorded information that can be reasonably located and retrieved about you in our files. If you believe there is information in our file that is incorrect, you have the right to notify us and request that it be corrected, amended or deleted from your file. Use this address for requesting information in your file or for questions about the information in your file: **American Family Insurance, Attn: Consumer Affairs Department, 6000 American Pkwy., Madison, Wisconsin 53783-0001.**

**American Family Insurance Legal Entities:**

In addition to American Family Mutual Insurance Company, S.I., this privacy notice is provided by the following companies, which are all affiliates of American Family Mutual Insurance Company, S.I.: American Standard Insurance Company of Wisconsin, American Family Life Insurance Company, American Family Brokerage, Inc., American Family Insurance Company, American Standard Insurance Company of Ohio, and Midvale Indemnity Company. All companies are collectively referred to as "American Family Insurance" in this notice.

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# OFFER OF TERRORISM INSURANCE COVERAGE AND DISCLOSURE OF PREMIUM



American Family Insurance Company  
6000 American Parkway  
Madison WI 53783

For customer service and claims service  
24 hours a day, 7 days a week

**1-800-MY AMFAM (1-800-692-6326)**  
**amfam.com**

Dear Policyholder:

Thank you for choosing American Family for your insurance needs. We value your business and want to make you aware of an important exclusion that applies to your new Commercial Liability Umbrella policy.

A review of your current policies indicates that we do not provide you with Employers Liability coverage. Employers Liability coverage is usually provided under a standard Workers Compensation policy. The Commercial Liability Umbrella policy automatically excludes Employers Liability coverage unless there is an underlying Insurance policy that provides the coverage. Therefore, your new Umbrella policy will exclude Employers Liability Coverage.

We will consider rescinding this decision if you can provide us, prior to the renewal date, proof of Employers Liability coverage with us or another carrier with limits at least equal to, or greater than:

- \$500,000 Bodily Injury By Accident, Each Accident
- \$500,000 Bodily Injury By Disease, Each Employee
- \$500,000 Bodily Injury By Disease, Policy Limit

If you have any questions with regards to this matter, please feel free to contact your agent or us. Your continued interest in American Family is appreciated.

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