

A Custom Insurance Program

PREPARED FOR:

#4 South Cornet Creek Condominiums, Inc
c/o Jarmik Property Management
PO Box 3071
Telluride, CO 81435

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 03/19/21

CAI GOLD SPONSOR OF THE ROCKY MOUNTAIN CHAPTER



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

Direct Line 970-384-8239

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

Terri S. O'Hara-Montag, CIC, Account Executive

Direct Line 970-384-8223

terrim@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

Samantha Burk, Account Manager

Direct Line 970-384-8229

samib@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
- Works with all parties to expedite claim resolution

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!

CURRENT POLICY TERMS

Coverage	Insuring Company	Policy Period	A.M. Best Rating
Commercial Package	Allianz Global Corp	03/21/2020 - 03/21/2021	A
Fidelity/Crime	Travelers Insurance	03/21/2019 - 03/21/2022	A++
Directors & Officers Liability	Travelers Insurance	03/21/2020 - 03/21/2021	A++

RENEWAL POLICY TERMS

Coverage	Insuring Company	Policy Period	A.M. Best Rating
Commercial Package	Allianz Global Corp	03/21/2021 - 03/21/2022	A
Fidelity/Crime	Travelers Insurance	03/21/2019 - 03/21/2022	A++
Directors & Officers Liability	Travelers Insurance	03/21/2021 - 03/21/2022	A++

COVERAGE TYPE

Bare Walls ☐ As Originally Conveyed ☒ All-In ☐

PROPERTY COVERAGE

627 W Pacific Ave, Telluride, Co			Loc# 001	Bldg# 001	
Coverage	Limit	Co-Ins.	Valuation	Deductible	Add'l Info
Building	\$3,234,000	Waived	Replacement Cost	\$5,000	
Loss of Association Income	\$75,000	100%	Actual Loss Sustained	\$5,000	12 Months
Building Ordinance or Law: Coverage A	\$1,617,000		Replacement Cost	\$5,000	50% of Building
Building Ordinance or Law: Coverage B	\$462,000		Replacement Cost	\$5,000	
Building Ordinance or Law: Coverage C	\$462,000		Replacement Cost	\$5,000	
Backup - Sewers & Drains	Included		Replacement Cost	\$5,000	
Equipment Breakdown	Included		Replacement Cost	\$5,000	

Replacement Cost per Square Foot \$498

PROPERTY COVERAGE CONTINUED

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

Higher Limits and Deductible Options Available Upon Request

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 Allianz Global
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	\$1,000,000
Medical Payments	\$5,000
Hired and Non-Owned Auto	\$1,000,000

Exposure Type	Premium Basis Exposure
Residential Condominium	(Per Unit) 4
Commercial Condo Association (1 unit)	(Area) 900

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.

ALLIANZ GLOBAL ADDITIONAL GENERAL LIABILITY COVERAGE

Multi-Cover Endorsement

- ✚ Non-Employment Discrimination Liability
- ✚ Blanket Additional Insured
- ✚ Blanket Additional Insured for Vendors
- ✚ Blanket Waiver of Subrogation
- ✚ Broadened Named Insured
- ✚ **Fire, Explosion and Sprinkler Leakage - \$1,000,000 limit, includes managed property**
- ✚ Non-Owned Watercraft
- ✚ Chartered Aircraft
- ✚ Coverage Territory Broadened
- ✚ Broadened Advertising Injury includes trademark and televised or videotaped offenses
- ✚ Broadened Personal Injury to include Malicious Prosecution or Abuse of Process
- ✚ Broadened Personal and Advertising Injury includes contractually assumed liability
- ✚ Fellow Employees covered for tort liability to on another
- ✚ Mental Anguish is included in Bodily Injury
- ✚ Unintentional failure to disclose hazards does not bar coverage
- ✚ Supplementary Payments, no limit on bail bonds, \$500 per day for time off work
- ✚ **Per Location Aggregate**
 - Amended Duties in the Event of Occurrence, Offense, Claim or Suit

DIRECTORS & OFFICERS LIABILITY	
Coverage	Proposed Travelers Insurance
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	Included
Prior Pending & Proceeding Date	03/21/12

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 Insurance (Limit/Deductible)
Employee Dishonesty	\$25,000 / \$ 500
Forgery or Alteration	\$25,000 / \$ 500
Computer Fraud	\$25,000 / \$ 500
Funds Transfer Fraud	\$25,000 / \$ 500
Social Engineering Fraud	\$25,000 / \$1,250
Property Manager Employee Dishonesty Coverage Jarmik Property Management	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.

PREMIUM SUMMARY FOR #4 South Cornet Creek Condominiums, Inc			
Coverage	Expiring Annual Premium	Proposed Annual Premium	Accept or Decline (note below)
Commercial Package	\$7,659.00	\$7,459.00*	Accept
Fidelity/Crime	\$356.00	\$356.00	Paid in Full 03/21/19 to 03/21/22
Directors & Officers Liability	\$963.00	\$1,103.00**	Accept
Total Premium	\$8,978.00	\$8,918.00	
Cost per Unit	\$1,795.60	\$1,783.60	

**Premium Excluding Certified Acts of Terrorism (TRIA)*

***Estimated premium subject to change with updated renewal questionnaire*

EXPIRING COVERAGE OPTIONS RE-CAP 20-21		
Coverage	Additional/ Return Annual Premium <i>Estimate</i>	Accept or Decline (note below)
Add Certified Acts of Terrorism (TRIA) Package Policy (<i>Current Policy Excludes TRIA</i>)	\$146.00 Additional Premium	Decline

**PREMIUM SUMMARY CONTINUED FOR
#4 South Cornet Creek Condominiums, Inc**

COVERAGE OPTIONS 21-22



Coverage	Limit
Workers' Compensation – No Employee Coverage	
Bodily Injury by Accident – each accident	\$1,000,000
Bodily Injury by Disease – policy limit	\$1,000,000
Bodily Injury by Disease – each disease	\$1,000,000
Umbrella/Excess Liability	
General Aggregate	\$5,000,000
Per Occurrence	\$5,000,000
Self-Insured Retention (Deductible)	\$0
Difference in Conditions	
Stop Loss Limit	\$4,233,000
Building	\$3,234,000
Building Ordinance or Law	Included
Business Personal Property	None
Business Income & Extra Expense	\$75,000
Flood/Earthquake Deductible	\$25,000
All Other Perils Deductible	\$5,000

RENEWAL COVERAGE OPTIONS 21-22

Coverage	Additional/ Return Annual Premium <i>Estimate</i>	Accept or Decline (note below)
Add Certified Acts of Terrorism (TRIA) Package Policy (Current Policy Rejects TRIA)	\$143.00 Additional Premium	Decline
Option #1 Directors & Officers Liability Add \$1,000,000 Additional Defense	\$271.00 Additional Premium (\$1,374.00 Annual Premium)	Decline
Option #2 Workers Compensation No Employee Coverage	\$352.00 Annual Premium	Decline
Option #3 Umbrella/Excess Liability \$5,000,000 Limit Subject to FEIN Number Request for Firm Quote	\$1,000.00 <i>Estimated</i> Annual Premium	Decline
Option #4 Difference in Conditions Subject to Carrier Review and Approval Request for Firm Quote	\$1,300.00 <i>Estimated</i> Annual Premium	Decline

**PREMIUM SUMMARY CONTINUED FOR
#4 South Cornet Creek Condominiums, Inc**

Please note Accept or Decline as appropriate, sign and return to bind coverage by **03/08/21** with:

-  Completed & Signed Proposal Acceptance
-  Commercial Package
 - Signed Certified Acts of Terrorism Exclusion, required if rejecting coverage
 - Electronic Funds Transfer (EFT) providing for consideration and simplification of billing with Allianz Insurance

Named Insured:

#4 South Cornet Creek Condominiums, Inc.
c/o Jarmik Property Management

SIGNATURE:  **DATE:** 3/16/2021

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.



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 D&O 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 Insurance
Policy Effective Date: 03/21/21



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

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.



Important Disclosure Notice Regarding Terrorism Coverage - 386357 06 17

This notice applies to the type(s) of insurance provided under this policy that are subject to the Terrorism Risk Insurance Act, as amended ("The Act"). You are hereby notified that under The Act, 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: The term **certified act of terrorism** means any act or acts that are certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, as amended, 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 WHEN 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 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 INSURER'S 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 EXCEEDS \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

This quotation includes an offer of coverage for losses due to **certified acts of terrorism**, as defined by The Act, and, if accepted, will be subject to the limit(s), terms and conditions of any policy subsequently issued. The quoted premium for this terrorism coverage is \$ per quote attached.

In order to accept or reject this offer of terrorism coverage for the premiums stated above please do one of the following:

To Reject this offer, do **ALL** of the following:

- (1) Communicate your decision to your agent or broker representing the Allianz Insurance Companies; and
- (2) Mark the **Reject** option below, sign and date below, and return the originally signed document to your agent or broker representing the Allianz Insurance Companies.

To Accept this offer, do **ALL** of the following:

- (1) Communicate your decision to your agent or broker representing the Allianz Insurance Companies; and
- (2) Pay the premium by the due date shown on your premium billing.

Please note that any coverage mandated by applicable Standard Fire Policy laws or Workers Compensation laws in your state will not be affected by your rejection below of terrorism coverage.

If you have any questions about this or any other insurance matter, please contact your agent or broker representing the Allianz Insurance Companies.



TERRORISM COVERAGE ELECTION:

☒ I REJECT COVERAGE FOR LOSSES DUE TO TERRORIST ACTS, AS DEFINED IN THE ACT.

Applicant: #4 South Cornet Creek Condos, Inc

Signature:

DocuSigned by:
Judi Balkind
B38551248E534E5...

Title:

HOA Manager

Date:

3/16/2021

Insurance Company: Fireman's Fund Insurance Company

Please return to your agent or broker representing the Allianz Insurance Companies.

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