AMERICAN FAMILY INSURANCE COMPANY
1140 N MAIN ST STE D
GUNNISON CO 81230-2460

Prepared for:

HIGHPOINT TOWNHOMES ASSOCIATION
13515 SORGHUM DR
ROSHARON TX 77583-0437

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

Prepared by:
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(140661)
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Confidential Proposal

Businessowners Policy Quote

Quote Reference Number: C010166395
Quote Date: 07/28/2022

Total Premium Amount: $1,338.56
for coverage from 8/1/2022 to 8/1/2023

Business and Operations Information

Year Started: 2022
Description of Business and Operations:
Form of Business: Corporation

Discounts Applied	
☐ Affinity Discount	☐ Lightning Protection Discount
☑ Age Of Building Discount	☐ Multi-Product Discount
☐ Anniversary Discount	☐ Property Oversight Discount
☐ Auto Pay Discount	☐ Renovated System Discount
☐ Backup Generator Discount	☑ Responsible Shopper Discount
☐ Burglar Alarm Discount	☐ Seismic Shut-Off Valve Discount
☐ Cooking Suppression Discount	☑ Smoke Free Discount
☑ Fire Alarm Discount	☐ Temperature Alarm Discount

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You may be required to take additional action and/or provide additional documentation to qualify for certain discounts and coverage. These amounts are only an estimate and subject to final determination by the company. This is not a policy and no coverage is bound.

Discounts Applied (continued)	
☐ Gas Leakage Detector Discount	☐ Water Leakage Protection Discount
☐ Gated Community Discount	☐ Years in Business Discount
You may be required to take additional action and/or provide additional documentation to qualify for these discounts.	

Premium Information

Total Advance Premium Per Term (Excluding Surcharges and Terrorism):	$1,331.10
Certified Acts of Terrorism Premium:	$7.46
Total Advance Premium Per Term:	$1,338.56
Premium with Customer Full Pay Discount (not available on policies billed to a Third Party):	$1,278.71

This premium may be subject to adjustment. You may be charged a fee when: (a) you pay less than the full amount due; (b) your payment is late; and/or (c) when your bank does not honor your check or electronic payment. Refer to your Billing Notice for fee amounts.

Policy Level Coverages

Property Causes Of Loss

Causes Of Loss	Risks of Direct Physical Loss

General Liability

Liability And Medical Expense Limit	$1,000,000 Per Occurrence
Medical Expense Limit	$1,000
Other Than Products/Completed Operations Aggregate	$2,000,000
Products/Completed Operations Aggregate	$2,000,000

Computer Fraud And Funds Transfer Fraud Coverage

Limit	$50,000

Condominium Enhancement

Level	Silver

Directors And Officers Liability

Level	Silver
Named Association	Highpoint Townhomes Association
Directors And Officers Liability Annual Aggregate Limit Of Insurance	$1,000,000
Deductible	$1,000
Retroactive Date	08/01/2022
Extended Reporting Period	No

Employee Dishonesty

Includes Forgery Or Alteration

Limit	$50,000 Per Occurrence
Deductible	$1,000

Theft Of Clients' Property Coverage

Limit	$25,000

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Location 1 - Location Details

Program: Condo/Townhouse Associations

Location Address: 100 TEOCALLI RD CRESTED BUTTE CO 81224-9757

Location Description:

Location 1 - Location Level Coverages

Per Location Property Deductible (Apply Per Location, Per Occurrence)

Deductible $5,000

Location 1 Building 1 - Building Level Details

Building Address: 100 TEOCALLI RD CRESTED BUTTE CO 81224-9757

Occupancy: Residential Condominiums without Mercantile

Building Interest: Owner - Leased to Other

Building Description: 100 Teocalli Rd

Location 1 Building 1 - Building Level Coverages

Building

Limit Of Insurance	$701,000

Replacement Cost Coverage applies.

Business Income Options

Extended Number of Days For Ordinary Payroll Expense	60 Days - Included
Extended Number of Days For Extended Business Income	60 Days - Included
Business Income From Dependent Properties Limit Of Insurance	$5,000
Business Income And Extra Expense - Revised Period of Indemnity - Number Of Consecutive Days	12-Months

72 Hour Waiting Period applies.

Ordinance Or Law

Coverage 1 Limit Of Insurance	
Coverage 2 Limit Of Insurance	
Coverage 3 Limit Of Insurance	
Coverages 2 And 3 Combined Limit Of Insurance	

Business Income And Extra Expense Optional Coverage applies

Number Of Hours Waiting Period For Period Of Restoration Applicable To Business Income And Extra Expense Optional Coverage	72 Hours

Water Backup And Sump Pump Overflow

Annual Aggregate Limit	$25,000
Deductible	$5,000

OFFER OF TERRORISM INSURANCE COVERAGE AND DISCLOSURE OF PREMIUM

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6000 American Parkway
Madison WI 53783

For customer service and claims service
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APPLICANT (First Named Insured): Highpoint Townhomes Association	
DOING BUSINESS AS NAME (dba) Check if None ☑	
PRODUCER CODE: Clarie Broschinsky Agency LLC (140661)	POLICY NUMBER: 91002-76558-85

American Family Insurance Company

POLICY TYPE
Businessowners Policy

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

Location	Premium Charge for Certified Acts of Terrorism		*Fire Following Exposure charge of the total property premium
	charge of the total property premium	charge of the total liability premium	
1	0.4%	0.7%	100.1%

***Please note the following coverage exception that may apply based on policy type and location state.**

Certain states have mandated that even if you elect to reject the "certified acts of terrorism" coverage, your rejection does not apply to fire losses resulting from an act of terrorism, and the coverage in your policy for such fire losses will continue. Therefore, the "**Fire Following Exposure**" charge (listed in the chart above) applies in this case.

For Businessowners Policies, the following states mandate coverage for fire losses that result from acts of terrorism: Arizona**, Georgia, Illinois, Iowa, Missouri, Oregon, Washington*** and Wisconsin.

** For Arizona locations, this exception applies to building coverage for 1-4 unit dwellings.

*** For Washington locations, if you elect not to purchase terrorism coverage, that rejection does not apply to fire losses resulting from an act of terrorism and the coverage in your policy for such fire losses will continue.

TERRORISM INSURANCE COVERAGE OPTIONS
(Please indicate your choice by checking the appropriate box.)

☑ **I accept coverage** for "certified acts of terrorism". I understand that I will be charged an additional premium for this coverage as shown in the previous section.

☐ **I do not wish to purchase coverage** for "certified acts of terrorism". I understand that as a result, an exclusion for losses caused by acts of terrorism will be made part of this policy.

Your decision to accept or reject 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.

APPLICANT (First Named Insured)	
APPLICANT'S SIGNATURE	DATE
PRODUCER CODE	POLICY NUMBER