

PREMIUM IS > \$5000

INSURED

This section is for policy:	60510-10-51
Assembled-on Date:	03/23/16
Assembled-on Time:	04:15:52
Full Policy Number:	6051010510016
Transaction Number:	001
Operator id:	R7631

TRANSACTION:
RENEWAL

CM057072 04



PO BOX 2527 ,
Grand Rapids, MI. 49501-2527

PRODUCER#: 04 07 07 222
KYLE SHIMKUS
PO BOX 4327
EAGLE CO 81631

PO BOX 2527
Grand Rapids, MI, 49501-2527



PRODUCER#: 04 07 07 222
KYLE SHIMKUS
PO BOX 4327
EAGLE
CO 81631

AGTADDXP



KYLE SHIMKUS
PO BOX 4327
EAGLE
PRODUCER#: 04 07 07 222
CO 81631

RIVERWALK RUBY BUILDING ASSOC
PO BOX 8690
AVON CO 81620

AVON
PO BOX 8690
RIVERWALK RUBY BUILDING ASSOC
CO 81620



KYLE SHIMKUS
PO BOX 4327
EAGLE
CO 81631



STATEMENT

FARMERS INSURANCE EXCHANGE

° RIVERWALK RUBY BUILDING ASSOC
PO BOX 8690
AVON CO 81620

MARCH 23, 2016

Date

07-07-222

Agent's Number

60510-10-51

Policy Number

161989129

Loan Number

Renewal Statement - The Company will renew your policy for an additional 12 months term only if payment of the premium indicated is made on or before the renewal date of this notice.

This Statement Reflects:

Effective Date: 06/01/16

New Business Reinstatement Change Of Coverage Added Coverage

\$ Previous Balance Owing

\$ Premium

\$ Membership, Policy, Reinstatement, Reissue or Service Fees

\$ Pro Rata Premium Due

\$ **8,953.00** Premium For Renewing Entire Present Coverage From 06/01/16 To 06/01/17

\$

\$

\$

\$

\$ **8,953.00** Total Charges

\$

\$ Payments

\$ Other Credits _____

\$ Total Credits

\$ **- NONE -** **BALANCE DUE UPON RECEIPT**

\$ Optional Amount

\$ Refund

THANK YOU FOR PLACING YOUR PERSONAL LINES AND BUSINESS INSURANCE WITH FARMERS. A DISCOUNT HAS BEEN APPLIED TO YOUR POLICY.

**IMPORTANT- D-O N-O-T P-A-Y T-H-I-S N-O-T-I-C-E
PREMIUM WILL BE BILLED. ACCT # F001733234-001-00001.**

State Required Notification:



Important Notice

Subscription Agreement Notice

(Please keep for your records)

By payment of the policy premium, you acknowledge that you have received and read the Farmers Insurance Exchange Subscription Agreement (the terms of which are provided below) and that you agree to be bound to all of the terms and conditions of the Subscription Agreement.

Under the Subscription Agreement, you appoint Farmers Underwriters Association (the "Association") to act as the attorney-in-fact. The Association has acted in this capacity since 1928. The Subscription Agreement provides for payment of compensation to the Association for its becoming and acting as attorney-in-fact. This compensation consists of a membership fee and a percentage of premiums on all policies of insurance or reinsurance issued or effected by the Exchange. These fees are included in your policy payment and are not an additional fee.

We reserve the right to request that you provide us with a signed Subscription Agreement and if you fail to do so, your coverage may be terminated.

Subscription Agreement

For and in consideration of the benefits to be derived therefrom the subscriber covenants and agrees with Farmers Insurance Exchange and other subscribers thereto through their and each of their attorney-in-fact, the Farmers Underwriters Association, to exchange with all other subscribers' policies of insurance or reinsurance containing such terms and conditions therein as may be specified by said attorney-in-fact and approved by the Board of Governors or its Executive Committee for any loss insured against, and subscriber hereby designates, constitutes and appoints Farmers Underwriters Association to be attorney-in-fact for subscriber, granting to it power to substitute another in its place, and in subscriber's name, place and stead to do all things which the subscriber or subscribers might or could do severally or jointly with reference to all policies issued, including cancellation thereof, collection and receipt of all monies due the Exchange from whatever source and disbursement of all loss and expense payments, effect reinsurance and all other acts incidental to the management of the Exchange and the business of interinsurance; subscriber further agrees that there shall be paid to said Association, as compensation for its becoming and acting as attorney-in-fact, the membership fees and twenty per centum of the Premium Deposit for the insurance provided and twenty per centum of the premiums required for continuance thereof.

The remaining portion of the Premium Deposit and of additional term payments made by or on behalf of the subscriber shall be applied to the payment of losses and expenses and to the establishment of reserves and general surplus. Such reserves and surplus may be invested and reinvested by a Board of Governors duly elected by and from subscribers in accordance with provisions of policies issued, which Board or its Executive Committee or an agent or agency appointed by written authority of said Executive Committee shall have full powers to negotiate purchases, sales, trades, exchanges, and transfers of investments, properties, titles and securities, together with full powers to execute all necessary instruments. The expenses above referred to shall include all taxes, license fees, attorneys' fees and adjustment expenses and charges, expenses of members' and governors' meetings, agents' commissions, and such other specified fees, dues and expenses as may be authorized by the Board of Governors. All other expenses incurred in connection with the conduct of the Exchange and such of the above expenses as shall from time to time be agreed upon by and between the Association and the Board of Governors or its Executive Committee shall be borne by the Association.

The principal office of the Exchange and its attorney-in-fact shall be maintained in the City of Los Angeles, County of Los Angeles, State of California.

This agreement can be signed upon any number of counterparts with the same effect as if the signatures of all subscribers were upon one and the same instrument, and shall be binding upon the parties thereto, severally and ratably as provided in policies issued. Wherever the word "subscriber" is used the same shall mean members of the Exchange, the subscriber hereto, and all other subscribers to this or any other like agreement. Any policy issued hereon shall be non-assessable.



Notice To Policyholders Regarding Terrorism Insurance Coverage

Thank you for choosing Farmers for your insurance needs. We appreciate your business and want to keep you informed about changes to your policy and the coverage it provides. This notice is to advise you of recent changes in the U.S. government's Terrorism Risk Insurance Program and the applicability of the endorsements to your policy that address potential terrorism losses. As explained below, these changes to the federal Program will not affect the scope of its coverage for certified acts of terrorism under your policy, nor will they affect the current premium you are paying for this coverage.

The Terrorism Risk Insurance Act of 2002 established the Terrorism Risk Insurance Program, ("the Program") within the Department of the Treasury, under which the federal government would potentially share, with the insurance industry, the risk of loss from a "certified act of terrorism" under the Program. The Program scheduled to terminate on December 31, 2014, was reauthorized by Congress with changes, including extending the termination date from December 31, 2014 to December 31, 2020. President Obama signed the Terrorism Risk Insurance Program Reauthorization Act of 2015 into law on January 12, 2015. Accordingly, as described below, coverage provided by your policy for loss caused by a "certified act of terrorism" continues to be eligible under the Program for partial reimbursement by the United States government under a formula established by federal law.

Your policy is currently endorsed with two types of terrorism endorsements: one which recognizes the fact that the federal Program potentially could have terminated or undergone substantial changes, and, one which addresses the provisions of the ongoing Program.

The first endorsement, titled *Conditional Exclusion Of Terrorism (Relating To Disposition Of Federal Terrorism Risk Insurance Act)*, has policy provisions contingent on whether or not the Program terminates. However, as described above, the Program has been reauthorized and extended with a new termination date. Therefore, although this Conditional Exclusion continues to be endorsed to your policy, it would not have effect until the potential December 31, 2020 termination of the Program or until other changes in the Program occur due to future action by Congress, as provided for in the endorsement.

Your policy also contains an endorsement titled *Limited Terrorism Exclusion (Other Than Certified Acts Of Terrorism); Cap on Losses From Certified Acts Of Terrorism*. At this time, because the Program is in effect and your policy is so endorsed, the provisions of this endorsement apply to your policy and according to its terms you have limited coverage for certified acts of terrorism. However, the terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for loss or injury or damage that is otherwise excluded under this Policy, such as losses excluded by the Nuclear Hazard or War exclusion provisions in your policy.

The Terrorism Risk Insurance Program Reauthorization Act of 2015 also made various changes to Program procedures and terminology, none of which affect the scope of coverage for certified acts of terrorism under your policy. With this renewal we are updating your policy with revised endorsements relating to these changes. There is no additional premium for this coverage due to the reauthorization of the Program. In the future, your premium for Program certified acts of terrorism coverage may be revised due to various factors, including but not limited to, changes in the Program that affect federal reimbursement to us in the event of losses from a certified act(s) of terrorism. The total amount charged for Terrorism Risk Insurance Act coverage is shown on the *Disclosure Pursuant To Terrorism Risk Insurance Act* endorsement that is currently attached to this renewal policy and does not include any charges for the portion of loss covered by the federal government under the Act.

This Notice does **not** form a part of your insurance contract. If there is any conflict between this Notice and the policy (including its endorsements), the provisions of the policy (including its endorsements) apply.

Please read your policy carefully, including the endorsements attached to your policy.



Notice to Policyholders - New Coverage Exclusion Exclusion - Access Or Disclosure Of Confidential Or Personal Information And Data-Related Liability

The attached endorsement, **Exclusion - Access Or Disclosure Of Confidential Or Personal Information And Data-Related Liability**, has been added to your policy contract. This mandatory endorsement excludes coverage for bodily injury, property damage and 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. In addition, the exclusion will apply even if damages are claimed for notification costs, credit monitor expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by the named insured or others. This endorsement will result in a reduction in coverage.

This notice is provided for information only and is not intended to amend, alter or change any of the terms or conditions of the policy. It is not a substitute for reviewing your policy and the endorsements included with your policy. Please review your policy to better understand the terms and conditions of your coverage.

If you have questions about this change to your insurance coverage or about your options to add Cyber Liability and Data Breach Expense coverage to your policy, please contact your Farmers agent.



MARCH 23, 2016

RIVERWALK RUBY BUILDING ASSOC
PO BOX 8690
AVON CO 81620

Premium Change Notice

Re: Renewal of Policy Number: 60510-10-51

Dear Valued Customer:

We want to take this opportunity to thank you for choosing Farmers Business Insurance® and to share some important information. Your policy renewal date is approaching soon and based on current underwriting information in our files, your renewal notice will reflect an increase in premium over the prior year. Please keep in mind that this increase may be due to a combination of factors including policy changes you may have requested, changes in the economic factors affecting the risk, such as property values, payrolls or sales volume, or rate factor changes made by us in response to rising claims and other costs. The level of risk associated with this policy is not commensurate with the current premium level. Accordingly, please be advised that the renewal premium will be \$ 8,953.00 .

We know the protection of your business is important to your success and we're honored that you've chosen us as a business partner. If you would like to discuss your upcoming renewal we recommend you contact your Farmers insurance® agency at 970-328-0714 .

Sincerely,
FARMERS INSURANCE EXCHANGE

cc: KYLE SHIMKUS
07-07-222



Farmers Insurance Exchange (A Reciprocal Insurer)
 Member Of The Farmers Insurance Group Of Companies®

Home Office: 6301 Owensmouth Ave., Woodland Hills, CA 91367

COMMON POLICY DECLARATIONS

Named Insured Riverwalk Ruby Building Assoc

Mailing Address Po Box 8690
 Avon, CO 81620

F001733234-001-00001

Account No.

07-07-222

Agent No.

Prod. Count

60510-10-51

Policy Number

Form of Business Individual Joint Venture Limited Liability Co.
 Corporation Partnership Other Organization

Business Description:

Condominium

Policy Period From 06-01-2016 (not prior to time applied for)
 To 06-01-2017 12:01 A.M. Standard time at your mailing address shown above.

If this policy replaces other coverage that ends at noon standard time of the same day this policy begins, this policy will not take effect until the other coverage ends. **This policy will continue for successive policy periods as follows:** If we elect to continue this insurance, we will renew this policy if you pay the required renewal premium for each successive policy period subject to our premiums, rules and forms then in effect.

The attorney-in-fact (AIF) or management fee for your renewed policy will never exceed 20% of the policy's premiums and will be paid out of the premiums. You may wish to consider this information in deciding whether to accept or decline this offer to renew your policy.

This policy consists of the following coverage parts listed below and for which a premium is indicated. This premium may be subject to change.

Coverage Parts	Premium After Discount And Modification
Condominiums Owners Policy	\$7,477.00
Directors And Officers Liability	\$751.00
Employment Practices Liability	\$690.00
Cyber Liability And Data Breach Expense Coverage	\$35.00
Certified Acts Of Terrorism - See Disclosure Endorsement	Included
Total (See Additional Fee Information Below)	\$8,953.00

Policy Number: 60510-10-51

Effective Date: 06-01-2016

Forms Applicable To 25-3065

Reminder-Review Your Coverages

All Coverage Parts:

Your Agent

Kyle Shimkus
Po Box 4327
Eagle, CO 81631
(970) 328-0714

Countersigned (Date)

By Authorized Representative

Additional Fee Information

The following additional fees apply on an account, not a per-policy, basis.

- A **service fee** will be assessed on every installment invoice and will be included in the minimum amount due. However, if you choose to pay the entire account balance in full upon receipt of the first installment, the fee will be waived. In addition, for accounts fully enrolled in online billing and scheduled for recurring Electronic Funds Transfer (EFT) payments the fee will be waived.

State	Installment Fee
All states except Alaska, Florida, New Jersey And West Virginia	\$6.00
Alaska	Not applicable
Florida	\$3.00
New Jersey	\$7.00
West Virginia	\$5.00

- A **returned payment** fee applies per check, electronic transaction or other remittance which is not honored by your financial institution for any reason including but not limited to insufficient funds or a closed account. **NOTE: If the returned payment is in response to a Notice of Cancellation, coverage still cancels on the cancellation effective date set forth in the notice.**

State	NSF Fee
All States Except Alaska, Florida, Indiana, Maine, Nebraska, New Jersey, North Dakota, Oklahoma, Virginia And West Virginia	\$30.00
North Dakota And Oklahoma	\$25.00
Nebraska And Indiana	\$20.00
Florida And West Virginia	\$15.00
Maine	\$10.00
Alaska, New Jersey And Virginia	Not applicable

- A **late fee** will be assessed on each Notice of Cancellation that is issued and will be included in the minimum amount due.

State	Late Fee
All States Except Alaska, Florida, Maryland, Missouri, Nebraska, New Jersey, Rhode Island, Virginia, South Carolina And West Virginia	\$20.00
Maryland, Nebraska, Rhode Island And South Carolina	\$10.00
Alaska, Florida, Missouri, New Jersey, Virginia And West Virginia	Not applicable

The following applies on a per-policy basis.

- A **reinstatement fee** of \$25.00 will be assessed if the policy is reinstated over 30 days but under 6 months from the cancellation date. *This fee does not apply to Florida, Indiana & Maryland or to Workers Compensation policies.*

One or more of the fees or charges described above may be deemed a part of premium under applicable state law.



**CONDITIONAL EXCLUSION OF TERRORISM
(RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)**

This endorsement modifies insurance provided under the following:

- APARTMENT OWNERS PROPERTY COVERAGE FORM
- APARTMENT OWNERS LIABILITY COVERAGE FORM
- CONDOMINIUM OWNERS PROPERTY COVERAGE FORM
- CONDOMINIUM OWNERS LIABILITY COVERAGE FORM
- DIRECTORS AND OFFICERS LIABILITY COVERAGE FORM

SCHEDULE

The **Exception Covering Certain Fire Losses** (Paragraph B.2.) applies to property located in the following state(s):

California	Oregon
Illinois	Virginia
Iowa	Washington
Missouri	Wisconsin
North Carolina	

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Coverage is amended as follows:

1. Applicability Of The Provisions Of This Endorsement

a. The provisions of this endorsement become applicable commencing on the date when any one or more of the following first occurs. But if your policy (meaning the policy period in which this endorsement applies) begins after such date, then the provisions of this endorsement become applicable on the date your policy begins.

(1) The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act, has terminated with respect to the type of insurance provided under this Coverage Form; or

(2) A renewal, extension or replacement of the Program has become effective without a requirement to make terrorism coverage available to you and with revisions that:

(a) Increase our statutory percentage deductible under the Program for terrorism losses. (That deductible determines the amount of all certified terrorism losses we must pay in a calendar year, before the federal government shares in subsequent payment of certified terrorism losses.); or

(b) Decrease the federal government's statutory percentage share in potential terrorism losses above such deductible; or

(c) Redefine terrorism or make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other types of events or occurrences under this policy.

b. If the provisions of this endorsement become applicable, such provisions:

(1) Supersede any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism" and/or "other acts of terrorism", but only with respect to loss or injury or damage from an incident(s) of terrorism (however defined) that occurs on or after the date when the provisions of this endorsement become applicable; and

(2) Remain applicable unless we notify you of changes in these provisions, in response to federal law.

c. If the provisions of this endorsement do NOT become applicable, any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism" and/or "other acts of terrorism", will continue in effect unless we notify you of changes to that endorsement in response to federal law.

2. The following definition is added and applies under this endorsement wherever the term terrorism is enclosed in quotation marks.

"Terrorism" means activities against persons, organizations or property of any nature:

a. That involve the following or preparation for the following:

(1) Use or threat of force or violence; or

(2) Commission or threat of a dangerous act; or

(3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

b. When one or both of the following applies:

(1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or

(2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

B. The applicable **Property Coverage Form** is amended as follows:

1. The following exclusion is added:

EXCLUSION OF TERRORISM

We will not pay for loss or damage caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":

a. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or

b. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or

c. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or

d. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or

e. The total of insured damage to all types of property in the United States, its territories and possessions, Puerto Rico and Canada exceeds \$25,000,000. 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. Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the threshold is exceeded.

With respect to this Item **1.e.**, the immediately preceding paragraph describes the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Form.

2. Exception Covering Certain Fire Losses

The following exception to the Exclusion Of Terrorism applies only if indicated and as indicated in the Schedule of this endorsement.

If "terrorism" results in fire, we will pay for the loss or damage caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverages or endorsements that apply to those coverages.

3. Application Of Other Exclusions

When the Exclusion Of Terrorism applies in accordance with the terms of Paragraph **1.a.** or **1.b.**, such exclusion applies without regard to the Nuclear Hazard Exclusion in this Coverage Form.

C. The applicable **Liability Coverage Form** and the **Directors and Officers Liability Coverage Form** is amended as follows:

- 1.** The following definition is added and applies under this endorsement wherever the phrase any injury or damage, is enclosed in quotation marks:

"Any injury or damage" means any injury or damage covered under this Coverage Form or any applicable endorsement, and includes but is not limited to "bodily injury", "property damage" or "personal and advertising injury", as may be defined under this Coverage Form or any applicable endorsement.

- 2.** The following exclusion is added:

EXCLUSION OF TERRORISM

We will not pay for "any injury or damage" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". "Any injury or damage" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury or damage. **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

- a.** The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
- b.** Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
- c.** The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- d.** Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or
- e.** The total of insured damage to all types of property exceeds \$25,000,000. 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

f. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:

- (1)** Physical injury that involves a substantial risk of death; or
- (2)** Protracted and obvious physical disfigurement; or
- (3)** Protracted loss of or impairment of the function of a bodily member or organ.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the thresholds in Paragraph **2.e.** or **2.f.** are exceeded.

With respect to this Exclusion, Paragraphs **2.e.** and **2.f.** describe the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Form.

D. The following provision is added to the applicable Coverage Form:

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for loss or injury or damage that is otherwise excluded under this Policy.

This endorsement is part of your policy. It supersedes and controls anything to the contrary. It is otherwise subject to all the terms of the policy.

THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.



J6300
3rd Edition

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

SCHEDULE

SCHEDULE - PART I	
Terrorism Premium (Certified Acts) \$	89.00
Additional information, if any, concerning the terrorism premium:	
SCHEDULE - PART II	
Federal share of terrorism losses	<u>84</u> % Year: <u>2016</u>
(Refer to Paragraph B. in this endorsement)	
Federal share of terrorism losses	<u>83</u> % Year: <u>2017</u>
(Refer to Paragraph B. in this endorsement)	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

C. Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.



**EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL
OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM
BUSINESSOWNERS LIABILITY COVERAGE FORM
APARTMENT OWNERS LIABILITY COVERAGE FORM
CONDOMINIUM LIABILITY COVERAGE FORM

A. The following exclusion is added to Section **B. Exclusions**:

Access Or Disclosure Of Confidential Or Personal Information And Data-Related Liability

This insurance does not apply to damages, including but not limited to, "bodily injury" or "property damage" 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.

As used in this exclusion, electronic data means information, facts, recordings, images or computer programs stored as or on, created or used on, or transmitted to or from computer software, (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

B. The following is added to Paragraph **B.1.p. Personal And Advertising Injury** Exclusion of the **Businessowners Coverage Form** and **Businessowners Liability Coverage** form and to Paragraph **B.1.q. Personal And Advertising Injury** Exclusion of the **Apartment Owners Liability Coverage Form** and **Condominium Liability Coverage Form**:

Personal And Advertising Injury

This insurance does not apply to damages, including but not limited to, "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.

This endorsement is part of your policy. It supersedes and controls anything to the contrary. It is otherwise subject to all the terms of the policy.



POLICY DECLARATIONS - CONDO/TOWNHOME PREMIER POLICY

Named Insured Riverwalk Ruby Building Assoc

Mailing Address Po Box 8690
Avon, CO 81620

Policy Number 60510-10-51

Auditable

Policy Period From 06-01-2016
To 06-01-2017 12:01 A.M. Standard time at your mailing address shown above.

In return for the payment of premium and subject to all the terms of this policy, we agree with you to provide insurance as stated in this policy. We provide insurance only for those Coverages described and for which a specific limit of insurance is shown.

The following premium credits and discounts applied to the premium associated with this coverage part:

Multiple Policy Discount - Homeowners And Personal Auto Insurance

Favorable Loss Experience Discount

There may be other credits and discounts you may be able to enjoy, please contact your agent for full details.

Your Agent

Kyle Shimkus
Po Box 4327
Eagle, CO 81631
(970) 328-0714

PROPERTY, INLAND MARINE AND CRIME COVERAGES AND LIMITS

The following coverages apply to the described locations and/or building. Please refer to the Base Coverages And Extensions section for other coverages and extensions applying at the policy level.

Option: BV - Blanket Value (see Base Coverage & Extensions for the total limit)
Valuation: ACV - Actual Cash Value; AV - Agreed Value; RC - Replacement Cost;
 ERC - Extended RC; FRC- Functional RC; GRC - Guaranteed RC
Abbreviation: ALS = Actual Loss Sustained; BI = Business Income; EE = Extra Expense

Premises Number	Bldg. No.	Covered Premises Address	Mortgagee Name And Address
001	All	97 Main Street Edwards, CO 81632	Bank Of America Na Isaoa/Atima Po Box 961291 Fort Worth, TX 76161-0291 Loan No. 161989129

Coverage	Option	Valuation	Limit Of Insurance	Deductible/ Waiting Period
Building		ERC	\$8,453,800	\$2,500
Accounts Receivables - On-Premises			\$5,000	\$2,500
Building - Automatic Increase Amount			8%	
Building Ordinance Or Law - 1 (Undamaged Part)			Included	None
Building Ordinance Or Law - 2 (Demolition Cost)			\$309,700	None
Building Ordinance Or Law - 3 (Increased Cost)			\$309,600	None
Debris Removal			25% Of Loss + 10,000	
Electronic Data Processing Equipment			\$10,000	\$2,500
Equipment Breakdown			Included	\$2,500
Equipment Breakdown - Ammonia Contamination			\$25,000	
Equipment Breakdown - Drying Out Coverage			Included	
Equipment Breakdown - Expediting Expenses			Included	
Equipment Breakdown - Hazardous Substances			\$25,000	
Equipment Breakdown - Water Damage			\$25,000	
Exterior Building Glass			Included	\$2,500
Outdoor Property			\$50,000	\$2,500
Outdoor Property - Trees, Shrubs & Plants (Per Item)			\$25,000	\$2,500
Personal Effects			\$2,500	\$2,500
Specified Property			\$10,000	\$2,500
Valuable Paper And Records - On-Premises			\$5,000	\$2,500

PROPERTY, INLAND MARINE AND CRIME COVERAGE AND LIMITS OF INSURANCE

The following Coverages and Extensions apply to all covered locations (premises) and/or buildings. Please refer to the individual location (premises) section for coverages and limits specific to such location (premises).

Base Coverage And Extensions	Limit of Insurance	Deductible/ Waiting Period
Accounts Receivables - Off-Premises	\$2,500	\$2,500
Association Fees And Extra Expense	\$100,000	
Back Up Of Sewers Or Drains	\$25,000	\$2,500
Crime Conviction Reward	\$5,000	None
Employee Dishonesty	\$10,000	\$500
Fire Department Service Charge	\$25,000	None
Fire Extinguisher Systems Recharge Expense	\$5,000	None
Forgery And Alteration	\$2,500	\$2,500
Limited Cov. - Fungi Wet Rot Dry Rot & Bacteria - Aggregate	\$15,000	\$2,500
Master Key	\$10,000	None
Master Key - Per Lock	\$100	None
Money And Securities - Inside Premises	\$10,000	\$500
Money And Securities - Outside Premises	\$10,000	\$500
Money Orders And Counterfeit Paper Currency	\$1,000	\$2,500
Newly Acquired Or Constructed Property	\$250,000	\$2,500
Outdoor Signs	\$50,000	\$500
Outdoor Signs - Per Sign	\$25,000	\$500
Personal Property At Newly Acquired Premises	\$100,000	\$2,500
Personal Property Off Premises	\$5,000	\$2,500
Premises Boundary	100 Feet	
Preservation Of Property	30 Days	
Valuable Paper And Records - Off-Premises	\$2,500	\$2,500

**LIABILITY AND MEDICAL EXPENSES
COVERAGE AND LIMITS OF INSURANCE**

Each paid claim for the following coverage reduces the amount of insurance we provide during the applicable policy period. Please refer to the policy.

Premium Basis: (A) Area; (C) Total Cost; (P) Payroll; (S) Sales/Receipts; (U) Each Unit
 (M) Public Area Square Feet
 (O) Other:

Covered Premises And Operations

Address	Classification /Exposure	Class Code	Prem. Basis	Annual Exposure	Rate	Advance Premium
97 Main Street Edwards, CO 81632	Condominiums / Townhomes	8641	Incl	Included	Included	Included

LIABILITY AND MEDICAL EXPENSES COVERAGE AND LIMITS OF INSURANCE CONTINUED	
Coverage	Amount / Date
General Aggregate (Other Than Products & Completed Operations)	\$2,000,000
Products And Completed Operations Aggregate	\$1,000,000
Personal And Advertising Injury	Included
Each Occurrence	\$1,000,000
Tenants Liability (Each Occurrence)	\$75,000
Medical Expense (Each Person)	\$5,000
Directors & Officers Liability - Per Claim	\$1,000,000
Directors & Officers Liability - Aggregate	\$1,000,000
Directors & Officers Liability - Self Insured Retention	\$500
Directors & Officers Liability Retroactive Date	/ /20

Policy Forms And Endorsements Attached At Inception

Number	Title
25-2110	Work Comp Excluision
25-2595	EPLI Disclosure Notice
25-8934	Colorado Policyholder Letter
56-5166ED5	Additional Conditions
56-5931	Cyber Liability Dec
562377-ED1	EPLI Dec
E0018-ED2	Protective Safeguards
E0104-ED1	Business Liab Cov-Tenants Liab
E0119-ED5	Backup Of Sewer Or Drain Covg
E0125-ED1	Lead Poisoning & Contamination Excl
E0147-ED1	War Liability Exclusion
E2038-ED3	Conditional Exclusion Of Terrorism
E3015-ED2	Calculation Of Premium
E3024-ED3	Condominium Common Conditions
E3037-ED1	No Covg-Certain Computer Related Losses
E3306-ED1	Waiver Of Rights Of Recovery
E3314-ED3	Condominium Liability Covg Form
E3331-ED3	Limit Of Covg To Desig Prem Or Proj
E3422-ED3	Condominium Property Covg Form
E3425-ED2	Loss Payable Provisions
E4009-ED4	Mold & Microorganism Exclusion
E6288-ED3	Excl-Building Conversion
E9122-ED6	D & O Liab Covg Form
J6300-ED3	Discl Of Prem-Cert Acts Of Terror
J6316-ED1	Excl Of Loss Due To Virus Or Bact
J6347-ED1	Excl-Violation Of Statutes
J6350-ED1	Employee Dishonesty-Property Mgr
J6351-ED2	Limited Terrorism Exclusion
J6353-ED1	Change To Limits Of Insurance
J6577-ED1	EPLI - Standard
J6610-ED1	Cyber Liability & Data Breach
J6612-ED2	Equipment Breakdown Coverage End
J6739-ED1	Two Or More Coverage Forms
J6829-ED1	Ltd Covg For Fungi, Wet/Dry Rot
J6833-ED2	Condominium Premier Package End
J6847-ED1	Limitation Of EPLI Covg
J6849-ED2	Deductible Provisions
J7110-ED1	Exclusion Confidential Info
J7114-ED1	Asbestos Exclusion
S0741-ED3	Co Chgs-Canc & Nonrenewal
S0743-ED2	Co-Your Right To Claim & Occ Info

Policy Number: 60510-10-51

Effective Date: 06-01-2016

Policy Forms And Endorsements Attached At Inception

Number	Title
S0753-ED2	Colorado Amendatory Endorsment
S0755-ED2	Colorado Amendatory Endorsement
S0756-ED1	Colorado Changes-Civil Union

DECLARATIONS
EMPLOYMENT PRACTICES INSURANCE COVERAGE - STANDARD

THIS IS A CLAIMS MADE AND REPORTED POLICY. SUBJECT TO ITS TERMS, THIS POLICY APPLIES ONLY TO ANY CLAIM FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR THE EXTENDED REPORTING PERIOD, IF APPLICABLE, PROVIDED SUCH CLAIM IS REPORTED IN WRITING TO THE INSURER AS SOON AS PRACTICABLE. WITHOUT NEGATING THE FOREGOING REQUIREMENTS, SUCH NOTICE OF CLAIM MUST ALSO BE REPORTED NO LATER THAN 30 DAYS AFTER THE END OF THE POLICY PERIOD OR, IF APPLICABLE, THE EXTENDED REPORTING PERIOD. AMOUNTS INCURRED AS DEFENSE COSTS SHALL REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY AND ARE SUBJECT TO THE RETENTIONS. THE INSURER SHALL NOT BE LIABLE FOR ANY DEFENSE COSTS OR FOR ANY JUDGMENT OR SETTLEMENT AFTER THE LIMIT OF LIABILITY HAS BEEN EXHAUSTED. PLEASE READ THIS POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT.

Policy Number: 60510-10-51

1. Named Insured: RIVERWALK RUBY BUILDING ASSOC

Individual Partnership Corporation Joint Venture Other

2. Policy Period: 06/01/16 to 06/01/17 at 12:01 a.m.
(Standard Time at Your address shown below)

3. Address: PO BOX 8690
AVON CO 81620

4. Limit Of Liability (Includes Cost Of Defense):

(a) Each Insured Event Limit \$100,000
(b) Aggregate Limit of Liability \$100,000

5. Self Insured Retention (Includes Cost Of Defense):

Any One Insured Event 5000

6. Prior Knowledge Date: 06/01/12

7. Retroactive Date: 06/01/12

8. Premium: 690.00

9. Authorized Representatives:

Kissel Pesce Hirsch & Wilmer LLP
Tarrytown, NY 10591

In the event of a claim please notify Farmers claims department at:1-800-HelpPoint (435-7764)

10. Endorsements At Inception:

Refer to Policy Declaration, Policy forms and Endorsements section
for applicable Employment Practice Liability Insurance Coverage Forms.



COLORADO AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

EMPLOYMENT PRACTICES INSURANCE POLICY - STANDARD
EMPLOYMENT PRACTICES INSURANCE POLICY - PREFERRED

1. The term "spouse" is replaced by the following:

Spouse or party to a civil union recognized under Colorado law.

2. The second sentence of Clause VIII. CONDITIONS Paragraph F. **Cancellation** is deleted and replaced with the following:

1. Nonpayment of a premium;

2. A false statement knowingly made by an **Insured** on the **Application**; or

3. A substantial change in the exposure or risk other than that indicated in the **Application** and underwritten as of the effective date of the policy unless the **Named Insured** has notified us of the change and we accept such change.

If we cancel this policy for the reason set forth in 1. above, we will mail a written notice of cancellation by first-class mail to the **Named Insured** at the last address shown in our records, stating when, not less than ten (10) days thereafter, such cancellation shall be effective. If we cancel this policy for any of the reasons set forth in 2. or 3. above, we will mail a written notice of the cancellation by first-class mail to the **Named Insured** at the last address shown in our records at least forty-five (45) days before the effective date of the cancellation. The notice of cancellation will state the facts which constitute the grounds for the cancellation.

3. Clause VIII. CONDITIONS Paragraph H. **When We Do Not Renew** is amended to delete the reference to "deliver" notice of nonrenewal by us and to add the following at the end of this section:

We will mail notice of nonrenewal by first-class mail, to the **Named Insured**, at the last address shown in our records.

4. Clause VIII. CONDITIONS Paragraph L. **Increases in Premium or Reductions in Coverage** is added and shall read as follows:

L. Increases in Premium or Reduction in Coverage

If we increase the premium or decrease the coverage benefits on a renewal of the policy we will mail, by first-class mail, to the **Named Insured** at the last address shown in our records, at least forty-five (45) days in advance, a notice, accompanied by the reasons thereof, stating the renewal terms and the amount of the premium due.

We will only decrease coverage benefits during the policy term if the notice sets forth the reason for the decrease and is based on one or more of the following reasons:

1. Nonpayment of a premium;

2. A false statement knowingly made by an **Insured** on the **Application**; or

3. A substantial change in the exposure or risk other than that indicated in the **Application** and underwritten as of the effective date of the policy unless the **Named Insured** has notified us of the change and we accept such change.

5. Clause VIII. CONDITIONS Paragraph M. **Loss Information** is added and shall read as follows:

M. Loss Information

We will, within thirty (30) after a written request from you, provide you sufficient information about closed or paid claims, claims for which we have established reserves, and claims for which we have received notices of occurrences which could give rise to claims, to allow you to determine how much of the aggregate coverage remains available under this policy.

This endorsement is part of your policy. It supersedes and controls anything to the contrary. It is otherwise subject to all the terms of the policy.

DECLARATIONS
CYBER LIABILITY AND DATA BREACH EXPENSE COVERAGE

THIS IS CLAIMS MADE AND REPORTED COVERAGE. SUBJECT TO ITS TERMS, THE COVERAGE FORM APPLIES ONLY TO ANY CLAIM FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR THE EXTENDED REPORTING PERIOD, IF APPLICABLE, PROVIDED SUCH CLAIM IS REPORTED IN WRITING TO THE COMPANY AS SOON AS PRACTICABLE. WITHOUT NEGATING THE FOREGOING REQUIREMENTS, SUCH NOTICE OF CLAIM MUST ALSO BE REPORTED NO LATER THAN 30 DAYS AFTER THE END OF THE POLICY PERIOD OR, IF APPLICABLE, DURING THE OPTIONAL EXTENDED REPORTING PERIOD. AMOUNTS INCURRED AS CLAIMS EXPENSES, WHICH INCLUDES DEFENSE COSTS, SHALL REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY AND ARE SUBJECT TO THE RETENTIONS. THE COMPANY SHALL NOT BE LIABLE FOR ANY CLAIMS EXPENSES OR FOR ANY JUDGMENT OR SETTLEMENT AFTER THE LIMIT OF LIABILITY HAS BEEN EXHAUSTED. PLEASE READ THE COVERAGE FORM CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT.

Policy Number: 60510-10-51

Item 1. Named Insured: RIVERWALK RUBY BUILDING ASSOC

Address: PO BOX 8690
 AVON CO 81620

Item 2. Policy Period:

From: 06/01/16
 To: 06/01/17

Both dates at 12:01 a.m. Local Time at the Address stated in Item 1.

Item 3. Retroactive Date: 06/01/13

Item 4. Limit of Liability: \$50,000

Coverage Form Aggregate Limit of Liability for Insuring Agreements I.A. (Information Security & Privacy Liability), I.B. (Privacy Breach Response Services), and I.C. (Regulatory Defense & Penalties):	\$ 50,000
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Item 5. Retentions:

A. Insuring Agreements I.A. (Information Security & Privacy Liability) and I.C. (Regulatory Defense & Penalties) - each Claim (includes Claims Expenses):	\$ 2500
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B. Insuring Agreement I.B. (Privacy Breach Response Services)

Each Incident, event or related incidents or events giving rise to coverage of Privacy Breach Response Services:	\$ 2500
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Item 6. Notification under this coverage form:

Help Point® Claim Services
 800-435-7764

Item 7. Forms and endorsements at Inception:

Refer to Policy Declaration, Policy forms and Endorsements section
 for applicable Cyber Liability and Data Breach Expense Coverage Forms



COLORADO AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

CYBER LIABILITY AND DATA BREACH EXPENSE COVERAGE FORM

1. Section III. **THE INSURED AND THE INSURED ORGANIZATION**, Paragraph G. is deleted and replaced with the following:

G. The lawful spouse, including any party to a civil union recognized under Colorado law, of any **Insured**, but solely by reason of any act, error or omission of an **Insured** other than such spouse, or party to a civil union recognized under Colorado law.

2. Section IX. **WHEN COVERAGE IS PROVIDED**, Paragraph D. **Optional Extended Reporting Period** item 1. is amended by deleting "30 days of the termination" and replacing it with "60 days of the termination" and by deleting "such 30 day period" and replacing it with "such 60 day period".

3. Section XIV. **CANCELLATION** is amended by deleting the first paragraph and replacing it with the following:

The **Named Insured** may only cancel this coverage form by mailing to the Company written notice stating when, not less than thirty (30) days thereafter such cancellation shall be effective. If this Coverage Form has been in effect for less than sixty (60) days and is not a renewal Coverage Form, the Company may cancel this Coverage Form for any reason.

If this Coverage Form has been in effect for sixty (60) days or more or is a renewal Coverage Form, the Company may only cancel the Coverage Form for any of the following reasons:

1. nonpayment of premium;
2. a false statement knowingly made by the **Insured** on the **Application** for insurance; or
3. a substantial change in the exposure or risk other than that indicated in the **Application** and underwritten as of the effective date of the Coverage Form unless the **Insured** has notified the Company of the change and the Company accepts such change.

If the Company cancels this Coverage Form for the reason set forth in 1. above, the Company shall mail by first class mail written notice of cancellation to the **Named Insured** at the address shown in Item 1. of the **Declarations** at least ten (10) days before the effective date of cancellation. If the Company cancels this Coverage Form for any of the reasons set forth in 2. or 3. above, the Company shall mail by first class mail written notice of cancellation to the **Named Insured** at the address shown in Item 1. of the **Declarations** at least forty-five (45) days before the effective date of cancellation. The notice of cancellation shall state the reason for cancellation. The mailing of such notice shall be sufficient notice and the effective date of cancellation stated in the notice shall become the end of the **Coverage Form Period**.

4. Section XV. **NONRENEWAL** is deleted and replaced with the following:

If the Company decides not to renew this Coverage Form, or to condition renewal upon an increase in premium or decrease in the coverage benefits, the Company shall mail by first class mail written notice to the **Named Insured**, at the **Named Insured's** last known address, at least forty-five (45) days before the end of the **Coverage Form Period**. The notice of nonrenewal shall state the reason for nonrenewal. If the Company fails to give such timely notice, the Coverage Form shall be continued with no change in terms or conditions for a period of forty-five (45) days after the Company gives notice, with the premium for this period prorated based on the premium applicable to the existing Coverage Form. If the Company fails to give notice before the end of the **Coverage Form Period**, the Company shall be deemed to have renewed the **Named Insured's** Coverage Form for an identical **Coverage Form Period** at the same terms, conditions and premium as the existing Coverage Form.

5. The Coverage Form is amended by the addition of the following:

XXI. RIGHT TO CLAIM INFORMATION

Once an **Insured** has made a **Claim** during the **Coverage Form Period**, the Company must provide the Named Insured, within thirty (30) days of its request, sufficient information about closed or paid **Claims** made against the **Insureds**, **Claims** made against the **Insureds** for which the Company has established reserves, and **Claims** made against the **Insureds** for which the Company has received notices of any negligent act, error or omission of the **Insured** in rendering or failure to render Professional Services, which could give rise to **Claims**, to allow the **Insured** to determine how much of the aggregate coverage remains available under the Coverage Form.

This endorsement is part of your policy. It supersedes and controls anything to the contrary. It is otherwise subject to all the terms of the policy.



DEDUCTIBLE PROVISIONS

This endorsement modifies insurance provided under the following:

APARTMENT OWNERS PROPERTY COVERAGE FORM
BUSINESSOWNERS COVERAGE FORM
BUSINESSOWNERS SPECIAL PROPERTY COVERAGE FORM
CONDOMINIUM PROPERTY COVERAGE FORM

The Deductible provisions in the applicable coverage form are amended as follows.

Section **D. Deductibles** in the applicable Property Coverage Form, and Paragraph **D. Deductibles** in **SECTION I - PROPERTY** of the Businessowners Coverage Form is deleted and replaced by the following:

D. DEDUCTIBLES

1. We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible up to the applicable Limit of Insurance.
2. If more than one Deductible applies in any one occurrence we will apply each Deductible separately per location. But the total of all Deductible amounts applied in that occurrence will not exceed the highest applicable Deductible per location.

This endorsement is part of your policy. It supersedes and controls anything to the contrary. It is otherwise subject to all the terms of the policy.



EQUIPMENT BREAKDOWN COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM
BUSINESSOWNERS SPECIAL PROPERTY COVERAGE FORM
APARTMENT OWNERS PROPERTY COVERAGE FORM
CONDOMINIUM PROPERTY COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the applicable Coverage Form apply unless modified by this endorsement.

When this endorsement is made part of a BUSINESSOWNERS POLICY, the optional coverage for Mechanical Breakdown in the Businessowners Special Property Coverage Form and the Businessowners Coverage Form is deleted in its entirety.

The following is added to **5. Additional Coverages** under Section **A. Coverage** in the applicable Property Coverage Form:

Equipment Breakdown Coverage

We will pay for direct damage to Covered Property caused by or resulting from Breakdown to Covered Equipment owned by you, or in your care, custody or control, and for which you are legally liable and located at the described premises. The provisions of:

1. Paragraphs **f. Business Income** and **g. Extra Expense** under Section **A.5. Additional Coverages** in the Businessowners Special Property Coverage Form and **Section I - Property** of the Businessowners Coverage Form;
2. Paragraphs **e. Business Income** and **f. Extra Expense** under Section **A.5. Additional Coverages** in the Apartment Owners Property Coverage Form; and
3. Paragraph **e. Association Fees and Extra Expense** in the Condominium Owners Property Coverage Form

apply as a consequence of covered direct damage to Covered Property if Business Income and Extra Expense or Association Fees and Extra Expense are covered in this policy.

1. Covered Equipment

- a. Covered Equipment means and includes any of the following:
 - (1) Equipment built to operate under internal pressure or vacuum other than weight of contents; and
 - (2) Electrical or mechanical equipment that is used in the generation, transmission or utilization of energy.
- b. Covered Equipment does not mean or include any of the following:
 - (1) Part of pressure or vacuum equipment that is not under internal pressure of its contents or internal vacuum;
 - (2) Insulating or refractory material, but not excluding the glass lining of any Covered Equipment;
 - (3) Non-metallic pressure or vacuum equipment unless it is constructed and used in accordance with the American Society of Mechanical Engineers (ASME) code or another appropriate and approved code;
 - (4) Catalyst;
 - (5) Vessels, piping and other equipment that is buried below ground and requires the excavation of materials to inspect, remove, repair or replace;

- (6) Structure, foundation, cabinet or compartment supporting or containing the Covered Equipment or part of the Covered Equipment including penstock, draft tube, well casing, or water piping other than boiler feed water piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;
- (7) Vehicle, aircraft, self-propelled equipment or floating vessel including any Covered Equipment that is mounted upon or used solely with any one or more vehicle(s), aircraft, self-propelled equipment or floating vessel;
- (8) Dragline, excavation or construction equipment including any Covered Equipment that is mounted upon or used solely with any one or more dragline(s), excavation, or construction equipment;
- (9) Felt, wire, screen, die, extrusion plate, swing hammer, grinding disc, cutting blade, non-electrical cable, chain, belt, rope, clutch plate, brake pad, non-metal part or any part or tool subject to periodic replacement;
- (10) Computer Equipment, meaning:
 - (a) Programmable electronic equipment that is used to store, retrieve and process data (unless used to control covered equipment); and
 - (b) Associated peripheral equipment that communicates with the equipment described in (a) above, including input and output functions such as printing and auxiliary functions such as data transmission.
- (11) Media, meaning electronic data processing or storage media such as films, tapes, discs, drums or cells;
- (12) Electronic Data, meaning:
 - (a) Programmed and recorded material stored on media, as described in b.(11) above; and
 - (b) Programming records used for electronic data processing, or electronically controlled equipment; or
- (13) Equipment or any part of such equipment manufactured by you for sale or lease.

2. Breakdown

- a. Breakdown means direct physical loss that causes damage to Covered Equipment and necessitates its repair or replacement as follows:
 - (1) Failure of pressure or vacuum equipment;
 - (2) Mechanical failure including rupture or bursting caused by centrifugal force; or
 - (3) Artificially generated electrical failure including arcing that disturbs electrical devices, equipment, appliances or wires.
- b. Breakdown does not mean or include:
 - (1) Malfunction including but not limited to adjustment, alignment, calibration, cleaning or modification;
 - (2) Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
 - (3) Damage to any vacuum tube, gas tube or brush;
 - (4) Damage to any structure or foundation supporting the Covered Equipment or any of its parts; or
 - (5) The cracking of any part of an internal combustion gas turbine exposed to the products of combustion.

If an initial Breakdown causes other Breakdowns, all will be considered One Breakdown. All Breakdowns at any one described premises that manifest themselves at the same time and are the direct result of the same cause will be considered One Breakdown.

3. This Additional Coverage will not increase the Limits of Insurance provided in this policy.

4. Extensions

The following Extensions also apply to loss caused by or resulting from Breakdown to Covered Equipment owned by you, or in your care, custody or control, and for which you are legally liable and located at the described premises.

The most we will pay for any of the following Extensions is \$25,000 unless another Limit of Insurance is shown in the Declarations for such Extensions. Unless Business Income and Extra Expense or Association Fees and Extra Expense are excluded from the policy, this includes loss of business income and/or necessary extra expense or association fees and extra expense you may incur as a consequence of the following Extensions. The Limits of Insurance applicable to these Extensions will not increase the Limits Of Insurance provided in this policy.

a. Expediting Expenses

With respect to your damaged Covered Property, we will pay the reasonable extra cost to:

- (1) Make temporary repairs; and
- (2) Expedite permanent repairs or replacement of the damaged property.

b. Ammonia Contamination

The spoilage to Covered Property contaminated by ammonia, including any salvage expense.

c. Hazardous Substance

We will pay for any additional expenses incurred by you for the clean up, repair or replacement or disposal of Covered Property that is damaged, contaminated, or polluted by a Hazardous Substance.

As used here, additional expenses means the additional cost incurred over and above the amount that we would have paid had no Hazardous Substance been involved with the loss.

Hazardous Substance means any substance other than ammonia that has been declared hazardous to health by a governmental agency. Ammonia is not considered to be a Hazardous Substance as respects this Additional Coverage.

d. Water Damage

The damage to Covered Property by water, including any salvage expenses, except no coverage applies to such damage resulting from leakage of a sprinkler system or domestic water piping.

e. Drying Out Coverage

If electrical Covered Equipment requires drying out as a result of a flood, we will pay for the direct expenses of such drying out.

f. Valuation

(1) If you elect or we require that the repair or replacement of the damaged Covered Equipment be done in a manner that:

- (a) Improves the environment;
- (b) Increases efficiency; or
- (c) Enhances safety;

while maintaining the existing function, then we will pay, subject to the limit of insurance, up to an additional 25% of the property damage amount for the Covered Equipment otherwise recoverable.

(2) If:

- (a) Any damaged Covered Equipment is protected by an extended warranty, or maintenance or service contract; and
- (b) That warranty or contract becomes void or unusable due to a Breakdown;

we will reimburse you for the unused costs of non-refundable, non-transferable warranties or contracts.

5. Conditions

The following conditions apply to this Additional Coverage:

a. Suspension

Whenever Covered Equipment is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss from a Breakdown to that Covered Equipment by delivering or mailing written notice of suspension to:

- (1) Your last known address; or
- (2) The address where the Covered Equipment is located.

Once suspended in this way, your insurance can be reinstated only by an endorsement for that Covered Equipment.

If we suspend your insurance, you will get a pro rata refund of premium for that Covered Equipment. But the suspension will be effective even if we have not yet made or offered a refund.

b. Salvage

Any salvage value of property obtained for temporary repairs or use following a Breakdown which remains after repairs are completed will be taken into consideration in the adjustment of any loss.

6. Exclusions

a. The following limitations and exclusions in **A.4 Limitations** and **B. Exclusions** in the Businessowners Special Property Coverage Form do not apply to the extent that coverage is provided in this Additional Coverage:

- (1) Limitation **A.4.a.(1)** Steam Equipment;
- (2) Limitation **A.4.a.(2)** Water Heating Equipment;
- (3) Exclusion **B.2.a.** Electrical Apparatus;
- (4) Exclusion **B.2.d.** Steam Apparatus; and
- (5) Exclusion **B.2.k.(6)** Mechanical Breakdown.

With respect to this Additional Coverage, the last paragraph of Exclusion **B.2.k. Other Types of Loss** is deleted and replaced with the following:

But if an excluded cause of loss that is listed in **B.2.k.(1)** through **B.2.k.(7)** results in a Breakdown, we will pay for the loss or damage caused by that Breakdown.

b. The following limitations and exclusions in **A.4. Limitations** and **B. Exclusions** under **Section I - Property** in the Businessowners Coverage Form do not apply to the extent that coverage is provided in this Additional Coverage:

- (1) Limitation **A.4.a.(1)** Steam Equipment;
- (2) Limitation **A.4.a.(2)** Water Heating Equipment;
- (3) Exclusion **B.2.a.** Electrical Apparatus;
- (4) Exclusion **B.2.d.** Steam Apparatus; and
- (5) Exclusion **B.2.I.(6)** Mechanical Breakdown.

With respect to this Additional Coverage, the last paragraph of Exclusion **B.2.i. Other Types of Loss** is deleted and replaced with the following:

But if an excluded cause of loss that is listed in **B.2.i.(1)** through **B.2.i.(7)** results in a Breakdown, we will pay for the loss or damage caused by that Breakdown.

- c. The following limitations and exclusions in **A.4. Limitations** and **B. Exclusions** in the Apartment Owners Property Coverage Form or the Condominium Property Coverage Form do not apply to the extent that coverage is provided in this Additional Coverage:

- (1) Limitation **A.4.a.(1)** Steam Equipment;
- (2) Limitation **A.4.a.(2)** Water Heating Equipment;
- (3) Exclusion **B.2.a.** Electrical Apparatus;
- (4) Exclusion **B.2.d.** Steam Apparatus; and
- (5) Exclusion **B.2.j.(6)** Mechanical Breakdown.

With respect to this Additional Coverage, the last paragraph of Exclusion **B.2.j. Other Types of Loss** is deleted and replaced with the following:

But if an excluded cause of loss that is listed in **B.2.j.(1)** through **B.2.j.(7)** results in a Breakdown, we will pay for the loss or damage caused by that Breakdown.

- d. We will not pay for loss or damage caused by or resulting from any of the following:

- (1) Damage to Covered Equipment undergoing a pressure or electrical test.
- (2) Depletion, deterioration, corrosion, erosion, rust or wear and tear. However, if a Breakdown occurs we will pay the resulting loss or damage.

This endorsement is part of your policy. It supersedes and controls anything to the contrary. It is otherwise subject to all the terms of the policy.



J7114
1st Edition

REMOVAL OF ASBESTOS EXCLUSION

This endorsement modifies insurance provided under the following:

APARTMENT OWNERS PROPERTY COVERAGE FORM
CONDOMINIUM PROPERTY COVERAGE FORM

Section **B. Exclusions** of the applicable property coverage form is amended as follows:

A. Paragraph **B.1.g. Asbestos** does not apply.

This endorsement is part of your policy. It supersedes and controls anything to the contrary. It is otherwise subject to all the terms of the policy.



Dear Valued Customer,

Have the growth of your business and rising labor costs reduced the accuracy of the payroll or revenue shown on your policy? Have increased costs and inflationary trends reduced the protection provided by your policy? Building and Business Personal Property insurance limits, once adequate, may no longer meet today's repair or replacement costs.

To help compensate for these inflationary trends, the limits of insurance for Building and/or Business Personal Property coverages have been increased by a modest percentage. To keep your policy current with rising labor costs and normal business growth, the payroll and/or revenue have also been increased by a modest percentage.

This renewal offer includes the adjusted limits of insurance, payroll, revenue, and premium for your policy. The adjustments are relatively small, and they're based on estimated increases in the past year's construction and repair costs, as well as other inflationary factors, such as rising labor costs and normal business growth.

These increases do not guarantee adequate coverage for any loss; they are based on estimates. It is possible, for example, that updates or improvements to your property or increased sales might cause your individual needs for coverage to be greater than the amount provided by these adjustments. If you have not reviewed your policy recently, the effects of inflationary changes over time create the likelihood that the increases we made are less than the increases you need for optimal coverage.

These changes are made to better serve your insurance needs, and we encourage you to contact your Farmers[®] agent, who will be pleased to help you with a comprehensive review of your policy.

Acceptance of these changes does not waive the provisions of the coinsurance clause or any other policy clause.

Thank you for choosing Farmers. We appreciate your business.



COLORADO CHANGES

This endorsement modifies insurance provided under the following:

APARTMENT OWNERS POLICY

CONDOMINIUM POLICY

A. The applicable LIABILITY COVERAGE FORM is revised as follows:

The term "spouse" is replaced by the following:

Spouse or party to a civil union recognized under Colorado law.

B. The applicable COMMON POLICY CONDITIONS form is revised as follows:

1. Condition A. **Cancellation** is amended as follows:

a. Paragraph A.2. is deleted and replaced with the following:

2.a. If this policy has been in effect for less than 60 days, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

- (1) 10 days before the effective date of cancellation if we cancel for non-payment of premium; or
- (2) 30 days before the effective date of cancellation if we cancel for any other reason.

b. If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel this policy by mailing through first class mail to the first Named Insured written notice of cancellation at least:

- (1) 10 days before the effective date of cancellation, if we cancel for non-payment of premium;
or
- (2) 45 days before the effective date of cancellation if we cancel for any other reason.

c. We may only cancel this policy based on one or more of the following reasons:

- (1) Non-payment of premium;
- (2) A false statement knowingly made by the insured on the application for insurance; or
- (3) A substantial change in the exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless the first Named Insured has notified us of the change and we accept such change.

d. Our notice of cancellation will state the reason for cancellation if we cancel for any reason other than non-payment of premium.

b. Paragraph A.6. is deleted in its entirety.

2. Condition C. **Concealment, Misrepresentation Or Fraud** is deleted and replaced with the following:

C. Concealment, Misrepresentation Or Fraud

We will not pay for any loss or damage in any case of:

1. Concealment or misrepresentation of a material fact; or
2. Fraud;

committed by you or any other insured ("insured") at any time and relating to coverage under this policy.

3. The following Condition is added and supersedes any other provision to the contrary:

M. Nonrenewal

If we decide not to renew this policy, we will mail through first-class mail to the first Named Insured shown in the Declarations written notice of the nonrenewal at least 45 days before the expiration date, or its anniversary date if it is a policy written for a term of more than one year or with no fixed expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

4. The following Condition is added:

N. Increase In Premium Or Decrease In Coverage

We will not increase the premium unilaterally or decrease the coverage benefits on renewal of this policy unless we mail through first-class mail written notice of our intention, including the actual reason, to the first Named Insured's last mailing address known to us, at least 45 days before the effective date.

Any decrease in coverage during the policy term must be based on one or more of the following reasons:

1. Nonpayment of premium;
2. A false statement knowingly made by the insured on the application for insurance; or
3. A substantial change in the exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless the first Named Insured has notified us of the change and we accept such change.

If notice is mailed, proof of mailing will be sufficient proof of notice.

This endorsement is part of your policy. It supersedes and controls anything to the contrary. It is otherwise subject to all the terms of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.



J6351
2nd Edition

**LIMITED TERRORISM EXCLUSION
(OTHER THAN CERTIFIED ACTS OF TERRORISM);
CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the policy number indicated above.

SCHEDULE

The Exception Covering Certain Fire Losses (Paragraph B.2.) applies to property located in the following state(s):
California, Hawaii, Iowa, Illinois, Massachusetts, Maine, Missouri, North Carolina, New Jersey, New York, Oregon, Rhode Island, Virginia, Washington, Wisconsin, West Virginia
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. The following definitions are added with respect to the provisions of this endorsement:

1. "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; and
 - b. 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.
2. "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 certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act. However, "other act of terrorism" does not include an act which meets the criteria set forth in Paragraph **b.** of the definition of "certified act of terrorism" when such act resulted in aggregate losses of \$5 million or less.

B. The **Property Coverage Form** attached to this policy is amended as follows:

1. The following exclusion is added:

EXCLUSION OF AN "OTHER ACT OF TERRORISM"

We will not pay for loss or damage caused directly or indirectly by an "other act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. But this exclusion applies only when one or more of the following are attributed to such act:

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

- c. The total of insured damage to all types of property in the United States, its territories and possessions, Puerto Rico and Canada exceeds \$25,000,000. 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. Multiple incidents of "other acts of terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident.

With respect to this item, **B.1.c.** the immediately preceding paragraph describes the threshold used to measure the magnitude 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. When the exclusion applies to an "other act of terrorism", there is no coverage under this Policy.

2. Exception Covering Certain Fire Losses

The following exception to the Exclusion in Paragraph **B.1.** applies only if indicated and as indicated in the Schedule of this endorsement.

If an "other act of terrorism" results in fire, we will pay for the loss or damage caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the exception does not apply to insurance provided under business income and/or extra expense coverage or endorsements that apply to those coverages.

C. The **Liability Coverage Form** attached to this policy is amended as follows:

1. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of an "other act of terrorism". However, this exclusion applies only when one or more of the following are attributed to such act:

- a. The total of insured damage to all types of property exceeds \$25,000,000. 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
- b. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - (1) Physical injury that involves a substantial risk of death; or
 - (2) Protracted and obvious physical disfigurement; or
 - (3) Protracted loss of or impairment of the function of a bodily member or organ; or
- c. 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
- d. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- e. 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 **C.1.a.** and **b.** 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.

2. The following definition is added:

- a. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Form to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage" or "personal and advertising injury" as may be defined in any applicable Coverage Form.

D. APPLICATION OF OTHER EXCLUSIONS

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for loss or injury or damage that is otherwise excluded under this Policy.

E. CAP ON CERTIFIED TERRORISM LOSSES

The following limitation applies to property and liability coverage for any one or more "certified acts of terrorism" that are not excluded by the terms of Paragraph **D**.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

This endorsement is part of your policy. It supersedes and controls anything to the contrary. It is otherwise subject to all the terms of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.



S0756
COLORADO
1ST EDITION

COLORADO CHANGES - CIVIL UNION

This endorsement modifies insurance provided under the following:

DIRECTORS AND OFFICERS LIABILITY COVERAGE FORM (CONDOMINIUMS AND COOPERATIVES)

A. The term "spouse" is replaced by the following:

Spouse or party to a civil union recognized under Colorado law.

This endorsement is part of your policy. It supersedes and controls anything to the contrary. It is otherwise subject to all the terms of the policy.