

Neil-Garing

INSURANCE



January 19, 2010

Re: Fairway Four Townhome Association

Dear Unit Owner:

We appreciate the opportunity to place the Master Association Insurance Policy for Fairway Four Townhome Assoc. It has been a pleasant experience working with Hilary Soules, your Community Association Manager, and we look forward to servicing the Association's insurance needs for this coming year. We believe we bring the best value to our Association clients and that is a combination of comprehensive coverage at very competitive premiums.

Attached is a certificate of the Association's insurance for your records.

The Association's Master Insurance Policy has been written to comply with the insurance requirements outlined in the Association Declarations.

The Association is to insure the following:

- ⇒ **Common Elements (buildings, structures and common areas)**
- ⇒ **Limited Common Elements (outdoor decks, patios, etc.)**
- ⇒ **Property included in units which were initially installed in accordance with the association's original plans and specification or a replacement of same like kind and quality**

AN IMPORTANT INSURANCE REMINDER FOR ALL UNIT OWNERS:

Owners are responsible for insurance on the following:

- ⇒ **Any improvements & upgrades installed by unit owners**
- ⇒ **Contents – furniture, furnishings and other personal property**
- ⇒ **Loss of rental income**
- ⇒ **Personal Liability**

Please refer to the insurance section of the Association Declarations for further information regarding insurance requirements for both the Association and the individual unit owner.

If you have any questions or need any further clarification please call me or Susan Schmitz, CIC.

Sincerely,

Steve DeRaddo
Commercial Lines Agent

Enclosure
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January 19, 2010

Association Insurance Ready Reference for Fairway Four Townhome Association

Please retain this form in your insurance file along with your policy.

Thank you for choosing Neil-Garing Insurance for your Community Association Master Insurance Policy. To provide the best possible service to the unit owners, we ask that you review and observe the following procedures regarding coverage, claim reporting and certificates of insurance.

Retain this form for future reference with the actual policy to answer any questions that may arise. Coverage questions should be referred to Neil-Garing Insurance. It is preferred that the property manager or a board member makes contact.

Please provide a copy of the enclosed Unit Owners letter, the Association Insurance Summary, a certificate of insurance, and a copy of the association declarations and bylaws to each unit owner.

Your Neil-Garing Team

Producer: Steve DeRaddo
Commercial Service Representative: Susan Schmitz, CIC
Commercial Claims Representative: Cassie Maddox
Phone: 970-945-9111
Toll Free: 800-255-6390
Fax: 970-945-2350

Claim Reporting

Report all claims promptly to Neil-Garing Insurance at 970-945-9111 to the attention of Cassie Maddox.

Certificates

All requests for certificates of insurance for lending purposes must be faxed to our office at 970-945-2350 and must include the full name, physical address and complete mortgagee clause for each owner. Blank certificates may not be issued under any circumstance.

Coverage

Please reference the following page for a summary of all insurance policies written through Neil-Garing Insurance.

The attached Unit Owner letter summarizes the coverage as applicable to the Association relative to our agreed interpretation of its Declarations and Bylaws.

This notice is furnished to you in accordance with Colorado Revised Statute 38-33.3-209.4 (2) (f)



January 19, 2010

Association Insurance Summary for Fairway Four Townhome Association

Package Policy

Carrier: Fireman's Fund Insurance Co

Policy #: FZX80911194

Policy Term: 01/15/10 to 01/15/11

Building/Structure: \$6,349,350

Loss Assessment Income: \$68,000

Building Ordinance/Law A Undamaged Buildings: Included

Building Ordinance/Law B Demolition Costs: \$250,000

Building Ordinance/Law C Increased Construction Costs: \$250,000

Property Deductible: \$2,500

General Liability: \$1,000,000 per occurrence / \$2,000,000 aggregate

Medical Payments: \$10,000 per person

Hired & Non-Owned Auto: \$1,000,000

Directors and Officers Liability

Carrier: Travelers

Policy #: 104253692

Policy Term: 01/15/10 to 01/15/13

Limit: \$1,000,000 per occurrence/aggregate

Deductible: \$2,500

Additional Insureds

The association, property manager, unit owners and mortgage holders are "insureds" on all of the above policies.

This is only a summary of the insurance policy(ies) written through Neil-Garing Insurance for Fairway Four Townhome Assoc. Please consult the actual policy(ies) for complete coverage, limits, endorsements and exclusions.

ACORD™ CERTIFICATE OF LIABILITY INSURANCE		OP ID JE FAIRW-4	DATE (MM/DD/YYYY) 01/19/10
PRODUCER Neil-Garing Agency, Inc. PO Box 1576 Glenwood Springs CO 81602 Phone: 970-945-9111 Fax: 970-945-2350		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW	
INSURED Fairway Four Townhome Association c/o ASAP Accounting PO Box 2710 Telluride CO 81435		INSURERS AFFORDING COVERAGE INSURER A: Fireman's Fund Insurance Co INSURER B: Travelers INSURER C: INSURER D: INSURER E:	NAIC # 29181 00019

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR	ADD'L LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A		GENERAL LIABILITY	FZX80911194	01/15/10	01/15/11	EACH OCCURRENCE
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)
		<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person)
						PERSONAL & ADV INJURY
B		<input checked="" type="checkbox"/> D&O Liability	104253692	01/15/10	01/15/13	GENERAL AGGREGATE
		GEN'L AGGREGATE LIMIT APPLIES PER:				PRODUCTS - COMP/OP AGG
		<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				D&O
A		AUTOMOBILE LIABILITY	FZX80911194	01/15/10	01/15/11	COMBINED SINGLE LIMIT (Ea accident)
		<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person)
		<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident)
		<input checked="" type="checkbox"/> HIRED AUTOS				PROPERTY DAMAGE (Per accident)
		<input checked="" type="checkbox"/> NON-OWNED AUTOS				
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT
		<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY: EA ACC
						AGG
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE
		<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE
		<input type="checkbox"/> DEDUCTIBLE				
		<input type="checkbox"/> RETENTION \$				
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATU-TORY LIMITS
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				OTH-ER
		If yes, describe under SPECIAL PROVISIONS below				E.L. EACH ACCIDENT
						E.L. DISEASE - EA EMPLOYEE
						E.L. DISEASE - POLICY LIMIT
A		Property Section	FZX80911194	01/15/10	01/15/11	Buildings \$6,349,350

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 10 day notice of cancellation for non-payment of premium applies.

CERTIFICATE HOLDER

CANCELLATION

UNITO-1 <div style="text-align: center;">Unit Owners Copy</div>	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE
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IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.