



January 26, 2011

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, CIRMS
Commercial Account Executive: Susan Schmitz, CIC
Commercial Account Manager: Katherine Vincent, CISR
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 Katherine Vincent.

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 26, 2011

Association Insurance Summary for Fairway Four Townhome Association

Package Policy

Carrier: Fireman's Fund Insurance Co
Policy #: FZX80911194
Policy Term: 01/15/11 to 01/15/12
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 Liability: \$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

Workers Compensation Policy

Carrier: Pinnacol Assurance
Policy #: TBD
Policy Term: 01/26/11 to 02/01/12
Ea. Accident Limit: \$500,000
Disease Policy Limit: \$500,000
Disease Ea. Employee: \$500,000
Deductible: zero

Fidelity

Carrier: Travelers
Policy #: 105557280
Policy Term: 01/15/11 to 01/15/14
Employee Dishonesty Limit: \$50,000
Forgery or Alteration Limit: \$50,000
Computer Fraud Limit: \$50,000
Funds Transfer Fraud Limit: \$50,000
Deductible: \$1,000

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.

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 Assoc c/o ASAP Accounting PO Box 2710 Telluride CO 81435		INSURERS AFFORDING COVERAGE	NAIC #
		INSURER A: Fireman's Fund Insurance Co	29181
		INSURER B: Travelers	00019
		INSURER C:	
		INSURER D:	
		INSURER E:	

COVERAGES

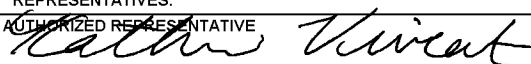
THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES 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	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY	FZX80911194	01/15/11	01/15/12	EACH OCCURRENCE	\$ 1,000,000
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000
B		<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	104253692	01/15/10	01/15/13	MED EXP (Any one person)	\$ 10,000
		<input checked="" type="checkbox"/> D&O Liability				PERSONAL & ADV INJURY	\$ 1,000,000
		GEN'L AGGREGATE LIMIT APPLIES PER:				GENERAL AGGREGATE	\$ 2,000,000
		<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				PRODUCTS - COMP/OP AGG	\$ 1,000,000
						D&O Limit	1,000,000
A		AUTOMOBILE LIABILITY	FZX80911194	01/15/11	01/15/12	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
		<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 STATUTORY LIMITS	OTH-ER
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	\$
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	\$
						E.L. DISEASE - POLICY LIMIT	\$
A		Property Section	FZX80911194	01/15/11	01/15/12	Building	6,349,350
B		Fidelity				Fidelity	50,000

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

CERTIFICATE HOLDER

CANCELLATION

UNITO-1 Unit Owners Copy	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 
---------------------------------	---

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.

Neil-Garing

INSURANCE



January 26, 2011

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 Cathy McClain, 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 / loss of use / loss of assessments**
- ⇒ **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, CIRMS
Commercial Lines Agent

Enclosure
KV