



AMERICAN FAMILY MUTUAL INSURANCE COMPANY, S.I.  
PO BOX 1781  
DILLON, CO 80435-1781

AmFam.com

1-800-MY AMFAM (692-6326)

## Your Insurance Coverage Summary

### Advance Notice of Renewal Premium



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LAKESIDE TOWNHOUSE ASSOCIATION  
C/O BASIC PROPERTY MANAGEMENT INC  
PO BOX 4844  
DILLON, CO 80435-4844

October 31, 2022

#### LAKESIDE TOWNHOUSE ASSOCIATION

Thank you for allowing American Family to insure your business. We appreciate your trust and confidence. Listed below are the principal coverages and limits that will apply for the renewal term shown on this coverage summary letter. Please take a minute to review them to be sure they are adequate for your needs. If you would like to discuss your policy coverages and limits, or if you have any questions, please don't hesitate to contact me.

Policy Period: 01-01-2023 TO 01-01-2024

Customer Billing Account: 015-585-969 11

Policy Type: NON-PROFIT DIRECTORS & OFFICERS LIABILITY POLICY

Policy Number: 05XN348604

Total Advance Renewal Premium: \$844.00

PLEASE DO NOT SEND MONEY \*\* INFORMATIONAL ONLY

#### **NON-PROFIT DIRECTORS & OFFICERS LIABILITY COVERAGE**

Notice: This is a Claims Made Policy. See Section VI - Conditions, B. Extended Reporting Period of the Policy for information concerning the optional purchase of the Extended Reporting Period coverage for claims made after the cancellation or non-renewal of the policy.

#### LIMIT OF LIABILITY

Aggregate for Coverage A, B, and C including  
"claims expenses" \$2,000,000

#### RETENTION AMOUNTS

Coverage A (each claim) NONE  
Coverage B (each claim) NONE  
Coverage C (each claim) NONE

#### RETROACTIVE DATE

This insurance does not apply to a "Claim" arising out of a "Wrongful Act" which occurs before the Retroactive Date, If any, shown below

Retroactive Date (Coverages A and B): 01-01-2009  
Retroactive Date (Coverages C): 01-01-2009

#### PENDING OR PRIOR LITIGATION DATE

Pending or Prior Date (Coverages A and B): 01-01-2009  
Pending or Prior Date (Coverages C): 01-01-2009

continued

Page 1 of 2

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EXTENDED REPORTING PERIOD  
ADDITIONAL PERIOD (Number of Months)

NONE

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**This coverage summary does not represent contract terms.  
Consult the policy for specific definitions and limitations.**

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**The renewal premium shown is for your next policy period.**

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**You may receive separate advance notice of renewal premium  
if you have other Commercial Lines policies.**

\*\*\*\*\*

**This coverage summary may not show all coverages and  
limits on your policy.**

\*\*\*\*\*

**Your American Family Agent is:**  
Cassandra Schultz

[cschultz@amfam.com](mailto:cschultz@amfam.com)

256 DILLON RIDGE RD  
Dillon CO 80435-5405  
970-668-6600

191 E AGATE AVE  
Granby CO 80446-9322  
970-887-9770



AMERICAN FAMILY INSURANCE GROUP  
6000 AMERICAN PKWY • MADISON, WISCONSIN 53783-0001

## OFFER OF TERRORISM INSURANCE COVERAGE AND DISCLOSURE OF PREMIUM

Dear Policyholder:

Thank you for insuring with American Family Insurance. This notice provides you with important information about the Terrorism Risk Insurance Program Reauthorization Act of 2015. Please read the information below about the act and notify American Family if you wish to change your previous decision regarding acceptance or rejection of the coverage for "certified acts of terrorism."

### Some Background

On Nov. 26, 2002, President Bush signed the Terrorism Risk Insurance Act into law, which requires insurance carriers to make coverage available to policyholders for losses due to "certified acts of terrorism." This law has been reauthorized since then, and the latest reauthorization occurred in January of 2015 when President Obama signed the Terrorism Risk Insurance Program Reauthorization Act of 2015 into law. The most recent reauthorization extends the current program for six years.

As an American Family customer, you have the right, under the recently reauthorized law, to purchase insurance coverage for losses resulting from "certified acts of terrorism," which are defined as: any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism. The criteria contained in that law for certifying an act of terrorism includes the following:

- The act is a violent act or an act that is dangerous to human life, property or infrastructure;
- The act results in aggregate property and casualty insurance losses in excess of \$5 million; and
- The act is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

### Further Explanation

Where coverage is provided under the act for losses resulting from "certified acts of terrorism," such losses may be partially reimbursed by the United States Government as established by the act. You should also understand that your policy may contain exclusions (not part of the act) that might affect your coverage. For example, if a "certified act of terrorism" occurs and results in damage that you're not covered for under other portions of your policy, the terrorism coverage may not apply to the loss because you need to have underlying coverage to qualify for a "certified act of terrorism" loss covered by the act.

You should also be aware that the reauthorized act contains a \$100 billion cap that limits United States Government reimbursement as well as insurers' liability for losses resulting from "certified acts of terrorism" to \$100 billion per calendar year. What this means is, if the combined insured losses for all insurers exceeds \$100 billion, your coverage may be reduced due to the cap.

Per the act, the United States government reimburses 85% through 2015; 84% beginning January 1, 2016; 83% beginning January 1, 2017; 82% beginning January 1, 2018; 81% beginning January 1, 2019 and 80% beginning January 1, 2020, of Certified Terrorism losses exceeding the statutorily established deductibles paid by American Family Insurance. Information regarding the premium charged for this coverage is provided below and does not include any charges for the portion of loss that may be covered by the Federal Government under the act.



**Disclosure of premium**

Policy	Premium Charge for Certified Acts of Terrorism
Non-Profit Directors & Officers Liability Policy	1.98% of the total premium

**TERRORISM INSURANCE COVERAGE OPTIONS**

Our records indicate you previously elected not to purchase coverage for "certified acts of terrorism" for the policy referenced above. If you do not wish to make any changes regarding this coverage, you do not need to do anything, and the coverage will continue to be excluded throughout the renewal term of your policy.

However, if you want to add coverage for "certified acts of terrorism," please indicate your decision to accept coverage, and sign and return this notice in the provided envelope.

\_\_\_ I wish to purchase coverage for "certified acts of terrorism." I understand that I will be charged an additional premium for this coverage.

*If you choose this option, you must notify us before your policy's effective date by signing and returning this letter in the enclosed envelope. (Exception: If we send you a disclosure form after the policy's effective date, and you wish to change your rejection, we will endorse your policy to reflect your new coverage election)*

Your decision to accept coverage for "certified acts of terrorism" applies to the term of this policy. You will receive an offer and disclosure at each renewal as required by the Act.

**Please sign and return this notice only if you are accepting coverage.**

Insured's Signature		
Named Insured (please print)		Date
*Policy Number	Agt/Dst	*Policy Expiration Date

*\*Your policy number and policy expiration date are listed in the section after the first paragraph of the enclosed Insurance Coverage Summary letter. The policy expiration date is the second date shown in the "Policy Period" section after the word "TO".*