



Dear Sundial Townhomes HOA, Inc. Unit Owner:

CB Insurance has the privilege of providing your Association's master insurance policy. We appreciate the opportunity to serve your Association and each of you.

Enclosed is a **Unit Owner Packet** for the policy year beginning May 27, 2013 and ending May 27, 2014. It is designed to assist you in understanding the coverage provided in your Association's master insurance policy. It is important to properly coordinate your own Homeowners insurance policy with the master policy. We are available to assist you by phone if you have any questions after reading this information. We are also happy to explain the master policy to your Homeowners insurance agent if you wish for them to contact us directly.

Certificates of Insurance may be obtained online, please refer to the attached Online Certificate Instructions. If you have any questions, please contact our office at (719) 228-1070 or Toll-Free at (877) 855-8442. There is no charge for this service.

Again, thank you for this opportunity to be of service.

Best Regards,

Kelly Saunders
Commercial Lines Account Manager

Enclosure

FREQUENTLY ASKED QUESTIONS

1. What part of the building does the Association cover?

Your unit is insured for full replacement value with no depreciation as long as repairs are made. This includes permanent attachments inside your unit, and extends to improvements or upgrades made by you. For example, the master policy covers paint, wallpaper, wall-to-wall carpeting, cabinetry, countertops, fireplaces, plumbing fixtures, doors, trim work, wood beams, recessed lighting, and ceiling fans. The master policy **does not cover** any of your personal property.

2. Are my appliances covered?

Appliances that service the unit, such as central air-conditioning, furnace, hot water heater, garbage disposal, dishwasher, range, refrigerator, washer and dryer are covered by the master policy. Appliances are **not** covered for theft or breakdown.

3. What kinds of losses are covered?

Your unit is covered by the Special Causes of Loss form, excluding theft of appliances. This form covers the same types of losses to your unit as the building coverage in a standard Homeowners policy. Some examples are losses caused by fire, lightning, wind or tornado, hail, water damage from sudden rupture of a pipe inside the building, and vandalism. Types of losses that are not covered include, but are not limited to, earth movement, earthquake, flood or subsurface water, mold, wear and tear, and defective construction.

4. What kind of insurance do I need to carry?

You are responsible for securing insurance for your own personal property, loss of use, loss assessment, the Association master policy deductible (as assessed) and personal liability. This is best accomplished through purchase of a Condominium or Townhome Unit Owners Homeowner's Policy; often times called a HO-6 policy.

5. How are claims handled?

Losses are settled through the Association, subject to the Association's **\$5,000** per loss deductible for losses other than wind and hail and **2%** deductible for wind and hail losses. Your Board of Directors, in compliance with the Association's governing documents and established policies, determines who is responsible for the deductible should a loss occur. Claims should be reported through the Association's Property Manager, or the Association's appointed contact person.

6. What is a Wind and Hail Deductible?

The 2% Wind and Hail Deductible means that all wind and hail losses will be adjusted less a deductible that equals 2% of the replacement cost of each damaged building. For example: If an Association has three Buildings damaged by hail, each with a replacement cost of \$250,000, the deductible per building will be \$5,000 (2% of \$250,000 = \$5,000). The total deductible for all buildings will be \$15,000 (3 buildings X \$5,000 = \$15,000). **Unit owners may be responsible for their portion of the 2% Wind and Hail deductible should a loss occur to their unit.**

FREQUENTLY ASKED QUESTIONS (CONT'D)

9. Who pays the insurance premium?

Like other common expenses, the Association budgets for, and pays the premium from the dues paid to the Association by unit owners.

10. What is a certificate of insurance?

A certificate of insurance is a document that identifies those insurance coverages and limits that have been purchased by the Association. The information provided includes, but is not limited to, policy effective dates, policy numbers, insurance carriers, limits of insurance and deductibles. A certificate of insurance is routinely required when a loan exists on your property. Your mortgage holder may ask that you contact us, or they may contact us directly, to request this information. (Please see attached Online Certificate Instructions.)



Your CB Insurance Service Team

When you have changes in insurance, require claim service, and/or have questions, our team of professionals are qualified and prepared to assist you.

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|---------------------|------------------------------------------------------------|
| Producer | Board Meetings, Annual meetings, Coverage Questions |
| Andrew W. Cobb, CIC | 719.477.4277, or andrew.cobb@centralbancorp.com |

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| Account Executive | New business Quotes, Coverage Questions |
| Mary Russo, CISR, CIC | 719.477.4243, or mary.russo@centralbancorp.com |

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| Account Manager | Renewal Questions, Policy Changes, Accounting |
| Kelly Saunders | 719.477-4266, or kelly.saunders@centralbancorp.com |

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| Certificate of Insurance | |
| Certificate Request Line | 719.477.4282, or visit our website at www.centralbancorp.com |

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| Personal Lines | Quotation of Personal Policies |
| Personal Lines Department | 719-228-1070 |

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| Claims | Reporting of Claims |
| Kris Marshek | 719.477.4257, or kris.marshek@centralbancorp.com |

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| Toll-Free Service Number 1.877.855.8442 | |
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NOTE It is CB Insurance's policy not to follow up on premium/payments due, late notice or non-payment cancellation notices.