

STATE FARM FIRE AND CASUALTY COMPANY  
A STOCK COMPANY WITH HOME OFFICES IN BLOOMINGTON, ILLINOIS

DECLARATIONS COVERAGE SUMMARY APR 9 2024

Po Box 2915  
Bloomington IL 61702-2915

**Named Insured**

001972 3123  
PORTAL ESTATES  
ATTN ESSENTIAL COMMUNITY  
PO BOX 2293  
LONGMONT CO 80502-2293

M-20-2097-FA65 F V

<b>Policy Number</b>	<b>96-BN-W930-1</b>	
<b>Policy Period</b>	<b>Effective Date</b>	<b>Expiration Date</b>
12 Months	JAN 1 2024	JAN 1 2025
The policy period begins and ends at 12:01 am standard time at the premises location.		

**Agent and Mailing Address**  
KELLY EYEN INSUR AGENCY INC  
2961 BROADWAY ST  
BOULDER CO 80304-3132

PHONE: (303) 444-5646



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**Residential Community Association Policy**

**Automatic Renewal** - If the **policy period** is shown as **12 months**, this policy will be renewed automatically subject to the premiums, rules and forms in effect for each succeeding policy period. If this policy is terminated, we will give you and the Mortgagee/Lienholder written notice in compliance with the policy provisions or as required by law.

**Entity:** HOA

Policy Premium	\$ 1,113.00
Disaster Mitigation	\$ 2.00
<b>Total Amount</b>	<b>\$ 1,115.00</b>

Discounts Applied:  
Renewal Year  
Claim Record

Prepared  
APR 09 2024  
CMP-4000

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**DECLARATIONS (CONTINUED)**

Residential Community Association Policy for PORTAL ESTATES  
Policy Number 96-BN-W930-1

This Policy does not provide any SECTION I - PROPERTY coverage

**SECTION II - LOCATION SCHEDULE**

Location Number	Location of Described Premises
001	0 PORTSIDE WAY BOULDER CO 80301

**SECTION II - LIABILITY**

APR 09 2024

<b>COVERAGE</b>	<b>LIMIT OF INSURANCE</b>
Coverage L - Business Liability	\$4,000,000
Coverage M - Medical Expenses (Any One Person)	\$5,000
Damage To Premises Rented To You	\$300,000
Directors And Officers Liability	\$4,000,000
<b>AGGREGATE LIMITS</b>	<b>LIMIT OF INSURANCE</b>
Products/Completed Operations Aggregate	\$8,000,000
General Aggregate	\$8,000,000
Directors and Officers Aggregate	\$4,000,000

Each paid claim for Liability Coverage reduces the amount of insurance we provide during the applicable annual period. Please refer to Section II - Liability in the Coverage Form and any attached endorsements.

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**DECLARATIONS (CONTINUED)**

**Residential Community Association Policy for PORTAL ESTATES**  
**Policy Number 96-BN-W930-1**



Your policy consists of these Declarations, the BUSINESSOWNERS COVERAGE FORM shown below, and any other forms and endorsements that apply, including those shown below as well as those issued subsequent to the issuance of this policy.

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**FORMS AND ENDORSEMENTS**

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CMP-4100	Businessowners Coverage Form
CMP-4561.4	Policy Endorsement
CMP-4815	Directors/Officers Endorsement
CMP-4550	Residential Community Assoc
CMP-4746.1	Hired Auto Liability
FE-3650	Actual Cash Value Endorsement
CMP-4206.2	Amendatory Endorsement
FE-6999.3	Terrorism Insurance Cov Notice
Option DO	Dir & Officers

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This policy is issued by the State Farm Fire and Casualty Company.

**Participating Policy**

You are entitled to participate in a distribution of the earnings of the company as determined by our Board of Directors in accordance with the Company's Articles of Incorporation, as amended.

In Witness Whereof, the State Farm Fire and Casualty Company has caused this policy to be signed by its President and Secretary at Bloomington, Illinois.

*Lynne M. Youell*  
Secretary

*Michael Flynn*  
President

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**POLICY ENDORSEMENT**



This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS COVERAGE FORM**

**1. BUSINESSOWNERS COVERAGE FORM TABLE OF CONTENTS** is amended as follows:

- a. The title Electronic Data is changed to Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability.
- b. The title Recording And Distribution Of Material or Information In Violation Of Law is changed to Recording And Distribution Of Material.

**2. Paragraph 2.f. Dishonesty** under **SECTION I – EXCLUSIONS** is replaced by the following:

**f. Dishonesty**

- (1) Dishonest or criminal acts by you, anyone else with an interest in the property, or any of your or their partners, “members”, officers, “managers”, employees, directors, trustees, or authorized representatives, whether acting alone or in collusion with each other or with any other party; or
- (2) Theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion applies whether or not an act occurs during your normal hours of operation.

This exclusion does not apply to acts of destruction by your employees; but theft by your employees is not covered.

With respect to accounts receivable and “valuable papers and records”, this exclusion does not apply to carriers for hire.

**3. SECTION I — EXTENSIONS OF COVERAGE** is amended as follows:

**a. Paragraph 4.a.(1) under Collapse** is replaced by the following:

- (1) Collapse means an abrupt falling down or caving in of a building or any part of a building;

**b. Paragraph 5.** is replaced by the following:

**5. Water Damage, Other Liquids, Powder Or Molten Material Damage**

If loss caused by covered water or other liquid, powder, or molten material occurs, we will also pay the cost to tear out and replace only that particular part of the covered building or structure necessary to gain access to the specific point of that system or appliance from which the water or other substance escaped.

We will not pay the cost to repair any defect that caused the loss; but we will pay the cost to repair or replace damaged parts of fire extinguishing equipment if the damage:

- a. Results in discharge of any substance from an automatic fire protection system; or
- b. Is directly caused by freezing.

The amount we pay under this Extension of Coverage will not increase the applicable Limit of Insurance.

**c. Paragraph 13.** is replaced by the following:

**13. Personal Property Off Premises**

You may extend the insurance provided by this coverage form to apply to Covered Property, other than “money” and “securities”, “valuable papers and records”, or accounts receivable, while it is in the course of transit or at another premises. The most we will pay for loss in any one occurrence under this Extension Of Coverage is the Limit Of Insurance for Personal Property Off Premises shown in the Declarations.

The amount we pay under this Extension Of Coverage is an additional amount of insurance.

If the Covered Property is located at another premises you own, lease, operate, or regularly use, the insurance provided under this extension applies only if the loss occurs within 90 days after the property is first moved.

The Other Insurance Condition contained in **SECTION I AND SECTION II — COMMON POLICY CONDITIONS** does not apply to this Extension Of Coverage. The insurance provided under this Extension Of Coverage is primary and does not contribute with any other insurance.

**d. The following is added to Paragraph 22.e. under Equipment Breakdown:**

**Paragraph 5.b. under Coverage B – Business Personal Property** is replaced by:

- b. Be your responsibility to maintain or insure according to the terms of your lease or rental agreement.

- e. The following is added:

**Business Personal Property In Portable Storage Units**

You may extend the insurance provided by this coverage form to apply to Business Personal Property, other than “money” and “securities”, “valuable papers and records”, or accounts receivable, while temporarily stored in a portable storage unit (including a detached trailer) located within 100 feet of the described premises. The most we will pay for loss under this Extension Of Coverage is \$10,000.

The amount we pay under this Extension Of Coverage will not increase the applicable Limit Of Insurance.

Coverage will end 90 days after Business Personal Property has been placed in the storage unit. Coverage does not apply if the storage unit itself has been in use at the described premises for more than 90 consecutive days, even if the Business Personal Property has been stored there for 90 or fewer days at the time of loss.

4. SECTION II — LIABILITY is amended as follows:

- a. Section II – Exclusions is amended as follows:

- (1) The following is added to Paragraph 3. Liquor Liability:

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training, or monitoring of others by an insured, or providing or failing to provide transportation with respect to any person that may be under the influence of alcohol if the “occurrence” which caused the “bodily injury” or “property damage” involved that which is described in Paragraph 3.a.

- (2) Paragraph 8.f. under Aircraft, Auto Or Watercraft is replaced by the following:

- f. “Bodily injury” or “property damage” arising out of:

- (1) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of “mobile equipment” if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged;
- (2) The operation of any of the following machinery or equipment:

- (a) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

- (b) Air compressors, pumps, and generators, including spraying, welding, building cleaning, geophysical exploration, lighting, and well servicing equipment; or

- (3) The operation of your business from a land vehicle:

- (a) While it is parked and functioning, other than “loading and unloading”, as a premises for your business operations; and

- (b) That would qualify under the definition of “mobile equipment” if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged.

- (3) Paragraphs 17.b. and 17.c. under Personal And Advertising Injury are replaced by the following:

- b. Arising out of oral or written publication of material, in any manner, if done by or at the direction of the insured with knowledge of its falsity;

- c. Arising out of oral or written publication of material, in any manner, whose first publication took place before the beginning of the policy period;

- (4) The last paragraph of 17.h. under Personal And Advertising Injury is replaced by the following:

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting;

- (5) Paragraphs 18. Electronic Data and 19. Recording And Distribution Of Material In Violation Of Law are replaced by the following:

**18. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability**

- a. Damages arising out of any access to or disclosure of any person’s or organization’s confidential or personal information, including patents, trade



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secrets, processing methods, customer lists, financial information, credit card information, health information, or any other type of nonpublic information; or

- b. Damages arising out of 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 a. or b. above.

As used in this exclusion, electronic data means information, facts, 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.

**19. Recording and Distribution of Material**

Damages arising directly or indirectly out of any communication, by or on behalf of any insured, that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), CAN-SPAM Act of 2003, Fair Credit Reporting Act (FCRA), or Fair and Accurate Credit Transaction Act (FACTA); including any regulations and any amendment of or addition to such statutes;
- b. Any federal, state or local law, statute, ordinance, or regulation, in addition to Paragraph a. above, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating, or distribution of material or information; or

- c. Any other federal, state or local law, statute, ordinance, or regulation that may provide a basis for a separate claim or cause of action arising out of any communication referenced in Paragraphs a. or b. above.

- b. Paragraph 1.d.(2) under Coverage M – Medical Expenses of SECTION II – MEDICAL EXPENSES is replaced by the following:

- (2) Executes authorization to allow us to obtain copies of medical bills, medical records, and any other information we deem necessary to substantiate the claim.

Such authorizations must not:

- (a) Restrict us from performing our business functions in:
  - i. Obtaining records, bills, information, and data; or
  - ii. Using or retaining records, bills, information, and data collected or received by us;
- (b) Require us to violate federal or state laws or regulations;
- (c) Prevent us from fulfilling our data reporting and data retention obligations to insurance regulators; or
- (d) Prevent us from disclosing claim information and data:
  - i. To enable performance of our business functions;
  - ii. To meet our reporting obligations to insurance regulators;
  - iii. To meet our reporting obligations to insurance data consolidators; and
  - iv. As otherwise permitted by law.

If the holder of the information refuses to provide it to us despite the authorization, then at our request the person making claim or his or her legal representative must obtain the information and promptly provide it to us; and

- c. SECTION II – WHO IS AN INSURED is amended as follows:

- (1) Paragraph 1.c. does not apply.
- (2) Paragraphs 2.b.(1) and (4) are replaced by the following:
  - (1) “Employees” with respect to “bodily injury” to:

- (a) Any co-“employee” arising out of and in the course of the co-“employee’s” employment or while performing duties related to the conduct of your business; or
  - (b) The spouse, child, parent, brother, or sister of that co-“employee” as a consequence of Paragraph (a) above;
  - (4) The owner of a “non-owned auto” or any agent of or any person or entity employed by such owner.
- d. Paragraph 2.b. under **Financial Responsibility Laws** of SECTION II — **GENERAL CONDITIONS** does not apply.
- e. SECTION II — **DEFINITIONS** is amended as follows:
- (1) Paragraph 2. is replaced by the following:
    - 2. “Auto” means:
      - a. A land motor vehicle, trailer, or semi-trailer designed for travel on public roads, including any attached machinery or equipment; or
      - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged.

However, “auto” does not include “mobile equipment”.
  - (2) The following is added to Paragraph 15. “mobile equipment”:  
 However, “mobile equipment” does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration where they are licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law or motor vehicle registration law are considered “autos”.
5. The following is added to SECTION I AND SECTION II — **COMMON POLICY CONDITIONS**:

#### Our Rights Regarding Claim Information

- a. We will collect, receive, obtain, use, and retain all the items described in Paragraph b.(1) below and use and retain the information described in Paragraph b.(3)(b) below, in accordance with applicable federal and state laws and regulations and consistent with the performance of our business functions.
- b. Subject to Paragraph a. above, we will not be restricted in or prohibited from:
  - (1) Collecting, receiving, or obtaining records, receipts, invoices, medical bills, medical records, wage information, salary information, employment information, data, and any other information;
  - (2) Using any of the items described in Paragraph b.(1) above; or
  - (3) Retaining:
    - (a) Any of the items in Paragraph b.(1) above; or
    - (b) Any other information we have in our possession as a result of our processing, handling, or otherwise resolving claims submitted under this policy.
- c. We may disclose any of the items in Paragraph b.(1) above and any of the information described in Paragraph b.(3)(b) above:
  - (1) To enable performance of our business functions;
  - (2) To meet our reporting obligations to insurance regulators;
  - (3) To meet our reporting obligations to insurance data consolidators;
  - (4) To meet other obligations required by law; and
  - (5) As otherwise permitted by law.
- d. Our rights under Paragraphs a., b., and c. above shall not be impaired by any:
  - (1) Authorization related to any claim submitted under this policy; or
  - (2) Act or omission of an insured or a legal representative acting on an insured’s behalf.

All other policy provisions apply.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.



**CMP-4815 DIRECTORS AND OFFICERS LIABILITY**

This endorsement modifies insurance provided under the following:  
BUSINESSOWNERS COVERAGE FORM

1. The following coverage is added to **SECTION II — LIABILITY:**  
**DIRECTORS AND OFFICERS LIABILITY**

a. When a Limit Of Insurance is shown in the Declarations for Directors And Officers Liability, we will pay those sums that the insured becomes legally obligated to pay as damages because of a "wrongful act" to which this endorsement applies.

We will have the right and duty to defend the insured, by counsel of our choice, against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages to which this endorsement does not apply. We may at our discretion, investigate any incident and settle any claim or "suit" with or without the insured's consent, for any reason and at any time. But:

- (1) The most we will pay for damages is limited as described in **SECTION II — DIRECTORS AND OFFICERS LIABILITY LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend end when we have used up that amount in the payment of judgments or settlements for a "wrongful act".

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **Section II — Supplementary Payments**.

- b. This insurance applies to a "wrongful act" only if the "wrongful act" takes place:
  - (1) During the policy period and a claim is made in writing or "suit" filed during the same policy period; or
  - (2) Prior to the policy period where:
    - (a) There is no other insurance which:
      - i. Is valid and collectible; or
      - ii. Would be valid and collectible but for the exhaustion of the limits of insurance;

- (b) No insured listed under **SECTION II — WHO IS AN INSURED** and no "employee" authorized by you to give or receive notice of a "wrongful act", had prior knowledge or could reasonably have foreseen any circumstances which might result in a claim or "suit"; and
- (c) A claim is made in writing or "suit" filed and brought during the policy period.

c. All damage involving a single "wrongful act" or a series of related "wrongful acts", caused by one or more persons, is considered one "wrongful act".

2. With respect to coverage provided under Directors And Officers Liability, all exclusions under **Section II — Exclusions** are replaced with the following:

**Section II — Exclusions**

This coverage provided under Directors And Officers Liability does not apply to:

- a. **Criminal Acts**  
Dishonest, fraudulent, criminal or malicious act, including fines and penalties resulting from these acts.
- b. **Actual Knowledge Or Intent**  
"Wrongful act" by an insured with actual knowledge of its wrongful nature or with intent to cause injury or damage.
- c. **Bodily Injury, Property Damage Or Personal Or Advertising Injury**  
"Bodily injury", "property damage" or "personal or advertising injury" liability.
- d. **Profit Or Advantage From Securities**  
Any profit, remuneration or advantage, resulting from the purchase or sale of any securities, including an accounting of these.

**e. Salaries Or Compensations**

Salaries, compensations, bonuses or other remuneration, of employees, directors, officers, "managers" or trustees.

**f. Insurance Policy and Claims**

Any failure or omission to effect, maintain, or procure any insurance policy or bond, including any failure or omission to report a loss or obtain proper amounts, forms, conditions or provisions on any insurance policy or bond.

**g. Personal Profit Or Advantage**

Damages arising out of any transaction of the insured from which the insured will gain any personal profit or advantage, which is not shared equitably by the members of the organization.

**h. Civil Right Violations**

Violations of any federal or state civil rights law or local ordinance, including but not limited to discrimination on account of race, religion, disability, sex or age.

**i. Non-Monetary Relief**

Any costs incurred to comply with any order for injunctive or other non-monetary relief, or to comply with an agreement to provide such relief.

**j. Fines Or Penalties**

Any civil or criminal fines or penalties imposed by law or taxes.

**k. ERISA**

Any obligation of the insured under the Employees' Retirement Income Security Act (ERISA) and any amendments thereto or any similar federal, state or local statute.

**l. Pollution, "Fungi" Or Bacteria**

"Pollutants", "fungi", bacteria, wet or dry rot or nuclear reaction or the cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize "pollutants", "fungi", bacteria, wet or dry rot or nuclear reaction.

**m. Construction Operations**

Damage caused by or resulting from operations (including construction, design, survey and engineering services) performed by or on behalf of the declarant, builder, sponsor, developer, promoter, engineer or architect at any premises insured under this policy.

**n. Rights Against Builder**

Any failure or inability of any insured to enforce your rights against the declarant, builder, sponsor, developer, promoter, engineer or architect at any premises insured under this policy.

**o. Workers' Compensation And Similar Laws**

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

**p. Employment-Related Practices****(1) Damages to:****(a) A person arising out of any:**

- i. Refusal to employ that person;
- ii. Termination of that person's employment; or
- iii. Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, malicious prosecution, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or

**(b) The spouse, child, parent, brother or sister of that person as a consequence of Paragraph (a) above.****(2) This exclusion applies:****(a) Whether the insured may be liable as an employer or in any other capacity;****(b) To any obligation to share damages with or repay someone else who must pay damages because of the injury; or****(c) Whether the injury causing event described in Paragraph (1)(a) above occurs before employment, during employment or after employment of that person.****q. Other Organizations**

Any "wrongful act" committed or allegedly committed by any insured serving in any position or capacity in any organization or association other than the Named Insured even if the Named Insured directed or requested that insured to serve in such other position or capacity.

**r. Supervision Of Contractors**

Any "wrongful act" in the selection or direct or indirect supervision of any contractor or subcontractor liable or alleged to be liable for any defect in construction at any premises insured under this policy.

**s. Budgeting**

Any act or failure to budget, reserve, conduct reserve studies or account for the cost to upkeep, maintain or address deficiencies or repairs regarding any premises insured under this policy.

- 3. With respect to coverage provided under Directors And Officers Liability, **SECTION II — WHO IS AN INSURED** is replaced by the following:

The unqualified word insured means only the following:

- a. Any of your directors, officers, "managers" or trustees, collectively and individually, which form your administrative body provided that each individual:

- (1) Is duly elected or appointed to serve on the managing body of the organization; and
- (2) Acts within the scope of their duties as a director, officer, "manager" or trustee on your behalf;

However if the declarant, builder, sponsor, developer, promoter, engineer or architect is also a director, officer, "manager" or trustee, the declarant, builder, sponsor, developer, promoter, engineer or architect is an insured, but only with respect to their liability arising solely out of his or her capacity as a director, officer, "manager" or trustee.

- b. The Named Insured shown in the Declarations with respect to liability because of "wrongful acts" committed by an insured.
- c. Any of your members or renters, but only with respect to their liability for your activities or activities they perform on your behalf as a member of a committee appointed by the administrative or managing body.
- d. Any lawful spouse of any person identified in Paragraph **a.(1)** or **a.(2)** above, but only in respect to liability arising solely out of his or her capacity as a spouse where such liability seeks damages from the marital property, community property, jointly held property or property transferred from any person identified in Paragraph **a.(1)** or **a.(2)**

above. The spouse is not an insured for any "wrongful act" of any person in Paragraph **a.(1)** or **a.(2)** above.

- e. No person or organization, including those listed in Paragraphs **a.** through **d.** above, is an insured with respect to "wrongful acts":

- (1) For which that person or organization may be liable in their capacity as a declarant, builder, sponsor, developer, promoter, engineer or architect; or
- (2) While acting within the scope of their duties for a declarant, builder, sponsor, developer, promoter, engineer or architect.

- 4. With respect to coverage provided under Directors And Officers Liability, **SECTION II — LIMITS OF INSURANCE** is replaced by the following:

**SECTION II — DIRECTORS AND OFFICERS LIABILITY LIMITS OF INSURANCE**

- a. The Limits Of Insurance for Directors And Officers Liability, shown in the Declarations, and the rules below, fix the most we will pay regardless of the number of:

- (1) Insureds;
- (2) Premises insured;
- (3) Claims made or "suits" brought; or
- (4) Persons or organizations making claims or bringing "suits".

- b. The most we will pay for damages because of any one "wrongful act" is the Directors And Officers Liability Limit shown in the Declarations.

The most we will pay for the sum of all damages because of all "wrongful acts" during the policy period is the Directors And Officers Aggregate Limit shown in the Declarations.

- 5. With respect to coverage provided under Directors And Officers Liability, the following definition is added to **SECTION II — DEFINITIONS**:

"Wrongful act" means any actual or alleged error, misstatement, misleading statement, act, omission, neglect, or breach of duty committed, attempted or allegedly committed or attempted by an insured arising solely out of his or her capacity as director, officer, "manager" or trustee relating to the operations of your organization.

All other policy provisions apply.



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **CMP-4550 RESIDENTIAL COMMUNITY ASSOCIATION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **BUSINESSOWNERS COVERAGE FORM**

#### **1. SECTION I — PROPERTY** is amended as follows:

##### **a. Under Coverage A – Buildings:**

- (1) Paragraph 2. is replaced by the following:
  2. Fixtures, outside of individual units, including outdoor fixtures;
- (2) Paragraph 5.d. is replaced by the following:
  - d. Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering that are not contained within individual units.

##### **(3) The following is added:**

Any of the following types of property contained within an individual unit, regardless of ownership:

- (a) Fixtures, improvements and alterations that are a part of the building or structure; and
- (b) Appliances, such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping.

But Building does not include personal property owned by, used by or in the care, custody or control of a unit-owner except for personal property listed in Paragraphs (a) or (b) above.

##### **b. Under Coverage B – Business Personal Property:**

##### **(1) Paragraph 1. is replaced by the following:**

1. Property that:
  - a. You own, lease from others or rent from others, or that is loaned to you; or
  - b. Owned indivisibly by all unit-owners;

##### **(2) Paragraph 3. does not apply.**

##### **c. The following is added under Property Not Covered:**

Personal property owned by a unit-owner except as provided in **Coverage A – Buildings** or **Coverage B – Business Personal Property**.

##### **d. Paragraph 1.h. of SECTION I — EXCLUSIONS** is replaced by the following:

##### **h. Water**

- (1) Flood, surface water, waves (including tidal wave, tsunami, seiche) tides, tidal water, overflow of any body of water, or spray or surge from any of these, all whether driven by wind or not, except as provided in the Back-up Of Sewer Or Drain Extension Of Coverage;
- (2) Mudslide or mudflow;
- (3) Water or sewage that backs up or overflows from a sewer, drain or sump, except as provided in the Back-up Of Sewer Or Drain Extension Of Coverage;
- (4) Water or sewage under the ground surface pressing on, or flowing or seeping through:
  - (a) Foundations, walls, floors or paved surfaces;
  - (b) Basements, whether paved or not; or
  - (c) Doors, windows or other openings; or
- (5) Material carried or otherwise moved by any of the Water, as described in Paragraphs (1) through (4) above.

But if Water, as described in Paragraphs (1) through (5) above, results in accidental direct physical loss by fire, explosion or sprinkler leakage, we will pay for the loss caused by that fire, explosion or sprinkler leakage.

e. **SECTION I — EXTENSIONS OF COVERAGE** is amended as follows:

(1) Regardless of any language to the contrary in this policy, and only for the following Extensions Of Coverage, the most we will pay for loss in any one occurrence at each "complex" is the Limit Of Insurance for that Extension Of Coverage shown in the Declarations:

- Pollutant Clean Up And Removal;
- Money Orders And Counterfeit Money;
- Forgery Or Alterations;
- Personal Property Off Premises;
- Outdoor Property;
- Personal Effects;
- Valuable Papers And Records;
- Accounts Receivable;
- Signs;
- Arson Reward; and
- Property Of Others.

(2) The following is added:

**Back-up Of Sewer Or Drain.**

1. We will pay for accidental direct physical loss to Covered Property directly and immediately caused by water or sewage:
  - a. That enters through a sewer or drain located inside the interior structure; or
  - b. Which enters into and overflows from within a sump pump, sump pump well, or any other system located inside the interior of the structure, designed to remove subsurface water drained from the foundation area.
2. This coverage does not apply if the loss is resulting from your failure to:
  - a. Keep a sump pump or its related equipment in proper working condition; or
  - b. Perform the routine maintenance or repair necessary to keep a sewer or drain free from obstructions.

f. Paragraph 3. of **SECTION I — LIMITS OF INSURANCE** does not apply.

g. Paragraph 1.e.(4)(d) under Loss Payment of **SECTION I — CONDITIONS** does not apply.

h. The following is added to Paragraph 1.e. under Loss Payment of **SECTION I — CONDITIONS**:

If you name an insurance trustee, we will adjust losses with you, but we will pay the insurance trustee. If we pay the trustee, the payments will satisfy your claims against us.

i. The following is added to **SECTION I — DEFINITIONS**:

"Complex" means one or more covered buildings subject to common ownership, management, and maintenance located on the same or connecting lots.

2. **SECTION II — LIABILITY** is amended as follows:

a. The following applies to **SECTION II — WHO IS AN INSURED**:

No person or organization is an insured with respect to acts, errors or omissions:

- (1) For which that person or organization may be liable in their capacity as a declarant, builder, sponsor, developer, promoter, engineer or architect; or
- (2) While acting within the scope of their duties for a declarant, builder, sponsor, developer, promoter, engineer or architect.

b. The following is added to Paragraph 1.b. under **SECTION II — WHO IS AN INSURED**:

Each of the following is also an insured:

Any unit-owner including:

- (1) The declarant, builder, sponsor, developer or promoter in the capacity as a unit-owner, but only with respect to the declarant's, builder's, sponsor's, developer's or promoter's liability arising out of:
  - (a) The ownership, maintenance or repair of that portion of the premises which is not owned solely by the declarant, builder, sponsor, developer or promoter; or



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- (b) The declarant's, builder's, sponsor's, developer's or promoter's membership in the association.
- (2) Each other unit-owner of the described condominium association or similar community association, but only with respect to that person's liability arising out of:
  - (a) The ownership, maintenance or repair of that portion of the premises which is not owned solely by the unit-owner; or
  - (b) Membership in the association.

**3. SECTION I AND SECTION II — COMMON POLICY CONDITIONS** is amended as follows:

- a. **SECTION I — PROPERTY** under Paragraph 7. Other Insurance is replaced by the following:

**SECTION I — PROPERTY**

If there is other insurance covering the same loss, we will pay only for the amount of covered loss in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit Of Insurance of **SECTION I — PROPERTY** shown in the Declarations.

If, at the time of loss, a unit-owner has other insurance covering the same property as this insurance, this insurance is intended to be primary, and not to contribute with such other insurance.

- b. The following is added to Paragraph 10. Transfer Of Rights Of Recovery Against Others To Us:

We waive our rights to recover payment from:

- (1) Any unit-owner, including the developer as a unit-owner, and household members;
- (2) The association; and
- (3) Member of the board of directors for acts or omissions within the scope of their duties for you.

We reserve our right, however, to recover against the declarant, builder, sponsor, developer or promoter for acts, errors or omissions that the declarant, builder, sponsor, developer or promoter may be liable for in the capacity as a declarant, builder, sponsor, developer or promoter.

All other policy provisions apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**CMP-4746.1 HIRED AUTO LIABILITY**

This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS COVERAGE FORM**

- 1. The insurance provided under **Coverage L – Business Liability** in **SECTION II – LIABILITY**, applies to “bodily injury” or “property damage” arising out of the maintenance or use of a “hired auto” by you or your “employees” in the course of your business.
- 2. For insurance provided by this endorsement only:
  - a. The exclusions under **Section II – Exclusions**, other than exclusions **1., 2., 4., 7., and 10.**, and the **SECTION II – NUCLEAR ENERGY LIABILITY EXCLUSION**, are deleted and replaced by the following:

(1) “Bodily injury” to:

- (a) An “employee” of the insured arising out of and in the course of:
  - i. Employment by the insured; or
  - ii. Performing duties related to the conduct of the insured’s business; or
- (b) The spouse, child, parent, brother or sister of that “employee” as a consequence of Paragraph (a) above.

This exclusion applies:

- (a) Whether the insured may be liable as an employer or in any other capacity; and
- (b) To any obligation to share damages with or repay someone else who must pay damages because of injury.

This exclusion does not apply to:

- (a) Liability assumed by the insured under an “insured contract”; or
- (b) “Bodily injury” arising out of and in the course of domestic employment by the insured unless benefits for such injury are in whole or in part either payable or required to be provided under any workers compensation law.

(2) “Property damage” to:

- (a) Property owned or being transported by, or rented or loaned to the insured; or
  - (b) Property in the care, custody or control of the insured.
- b. We will not pay under **Coverage M – Medical Expenses** for “bodily injury” arising out of the use of any “hired auto”.
  - c. **SECTION II – WHO IS AN INSURED**, is replaced by the following:

1. Each of the following is an insured under this endorsement to the extent set forth below:

- a. You;
- b. Any other person using a “hired auto” with your permission; and
- c. Any other person or organization, but only for their liability because of acts or omissions of an insured under a. or b. above.

2. None of the following is an insured:

- a. Any person engaged in the business of his or her employer for “bodily injury” to any co-“employee” of such person injured in the course of employment, or to the spouse, child, parent, brother or sister of that co-“employee” as a consequence of such “bodily injury”, or for any obligation to share damages with or repay someone else who must pay damages because of the injury;

b. Any:

- (1) Partner or “executive officer” for any “auto” owned by or registered to such partner or officer or a member of his or her household; or



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- (2) "Employee" for any "auto" owned by or registered to such "employee" or a member of his or her household;
  - c. Any person while employed in or otherwise engaged in duties in connection with an "auto business", other than an "auto business" you operate;
  - d. The owner or lessee (of whom you are a sublessee) of a "hired auto" or any agent of or any person or entity employed by such owner or lessee; or
  - e. Any person or organization for the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.
- 3. With respect to this endorsement the following additional definitions apply:
    - a. "Auto business" means the business or occupation of selling, repairing, servicing, storing or parking "autos".
    - b. "Hired auto" means any "auto" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", your partners or members (if you are a partnership or joint venture), "members" or "managers" (if you are a limited liability company), your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or members of their households.

All other policy provisions apply.

CMP-4746.1

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### FE-3650 ACTUAL CASH VALUE ENDORSEMENT

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The following is added to any provision which uses the term "actual cash value":

Actual cash value means the value of the damaged part of the property at the time of loss, calculated as the estimated cost to repair or replace such property, less a deduction to account for pre-loss depreciation. For this calculation, all components of this estimated cost including, but not limited to:

- 1. materials, including any tax;
  - 2. labor, including any tax; and
  - 3. overhead and profit;
- are subject to depreciation.

The depreciation deduction may include such considerations as:

- 1. age;
  - 2. condition;
  - 3. reduction in useful life;
  - 4. obsolescence; and
  - 5. any pre-loss damage including wear, tear, or deterioration;
- of the damaged part of the property.

All other policy provisions apply.

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(CONTINUED)



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**AMENDATORY ENDORSEMENT (Colorado)**



This endorsement modifies insurance provided under the following:  
BUSINESSOWNERS COVERAGE FORM

1. When used in this policy or in any endorsement attached to this policy, the word "spouse" is replaced with "spouse or party to a civil union recognized under Colorado law".
2. Paragraphs 2.b.(6) and 2.b.(7) under **Mortgageholders of the Property General Conditions** are replaced by the following:
  - (6) If we cancel this policy, we will provide notice to the mortgageholder at least:
    - (a) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
    - (b) 30 days before the effective date of cancellation if we cancel for any other reason.
  - (7) If we elect not to renew this policy, we will provide notice to the mortgageholder at least 10 days before the expiration date of this policy.
3. Paragraph 8. of **SECTION I AND SECTION II — COMMON POLICY CONDITIONS** is replaced by the following:
  8. **Premiums**
    - a. The first Named Insured shown in the Declarations:
      - (1) Is responsible for the payment of all premiums; and
      - (2) Will be the payee for any return premiums we pay.
    - b. The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.
    - c. Unless otherwise provided by an alternative payment plan in effect with "State Farm Companies", you may continue this policy in force by paying a continuation premium for each successive one-year period. The premium must be:
      - (1) Paid to us prior to the anniversary date; and
      - (2) Determined in accordance with Paragraph b. above.
 Our forms then in effect will apply.
    - d. Undeclared exposures or change in your business operation, acquisition or use of premises may occur during the policy period that are not shown in the Declarations. If so, we may require

an additional premium. That premium will be determined in accordance with our rates and rules then in effect.

When you request changes to this policy, or the information or factors used to calculate the premium for this policy changes during the policy period, we may adjust the premium in accordance with the change during the policy period and you must pay any additional premium due within the time we specify.

- e. The premium for this policy may vary based upon:
  - (1) The purchase of other insurance from the "State Farm Companies";
  - (2) The purchase of products or services from an organization that has entered into an agreement or contract with the "State Farm Companies". The "State Farm Companies" do not warrant the merchantability, fitness, or quality of any product or service offered or provided by that organization; or
  - (3) An agreement, concerning the insurance provided by this policy, that the "State Farm Companies" has with an organization in which you have a membership, or of which you are a subscriber, licensee, or franchisee.
- f. Your purchase of this policy may allow:
  - (1) You to purchase or obtain certain coverages, coverage options, coverage deductibles, coverage limits, or coverage terms on other products from the "State Farm Companies", subject to their applicable eligibility rules; or
  - (2) The premium or price for other products or services purchased by you, including non-insurance products or services, to vary. Such other products or services must be provided by the "State Farm Companies" or by an organization that has entered into an agreement or contract with the "State Farm Companies". The "State Farm Companies" do not warrant the merchantability, fitness or quality of any product or service offered or provided by that organization.

4. The following Conditions are added to **SECTION I AND SECTION II — COMMON POLICY CONDITIONS:**

**a. 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 provide notice of our intention, including the actual reason, to the first Named Insured 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 the change.

**b. Cancellation**

- (1) The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.

**(2) Cancellation Of Policies In Effect For:**

**(a) Less than 60 Days**

If this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel this policy by providing to the first Named Insured notice of cancellation at least:

- i. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- ii. 30 days before the effective date of cancellation if we cancel for any other reason.

**(b) 60 Days Or More**

- i. 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 only for 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 the change.

- ii. If we cancel, we will provide notice of cancellation to the first Named Insured:

- 1) Including the actual reason, at least 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or

- 2) At least 45 days before the effective date of cancellation, if we cancel for any other reason.

- (3) Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

- (4) If this policy is cancelled, we will send the first Named Insured any premium refund due. The refund will be pro rata. The cancellation will be effective even if we have not made or offered a refund.

- (5) If this policy insured more than one Named Insured:

- (a) The first Named Insured may affect cancellation for the account of all insureds; and

- (b) Our notice of cancellation to the first Named Insured is notice to all insureds. Payment of unearned premium to the first Named Insured is for the account of all interests therein.

**c. When We Do Not Renew**

If we decide not to renew this policy, we will provide notice of nonrenewal to the first Named Insured shown in the Declarations at least 45 days before:

- (1) The expiration date; or

- (2) The anniversary date if it is a policy written for a term of more than one year or with no fixed expiration date.

All other policy provisions apply.

In accordance with the Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2019, this disclosure is part of your policy.

**POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE**



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Coverage for acts of terrorism is not excluded from your policy. However your policy does contain other exclusions which may be applicable, such as an exclusion for nuclear hazard. You are hereby notified that the Terrorism Risk Insurance Act, as amended in 2019, defines an act of terrorism in Section 102(1) of the Act: The term "act of terrorism" means 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; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been 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. Under this policy, any covered losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. Under the formula, the United States Government generally reimburses 80% beginning on January 1,

2020 of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

There is no separate premium charged to cover insured losses caused by terrorism. Your insurance policy establishes the coverage that exists for insured losses. This notice does not expand coverage beyond that described in your policy.

THIS IS YOUR NOTIFICATION THAT UNDER THE TERRORISM RISK INSURANCE ACT, AS AMENDED, ANY LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM UNDER YOUR POLICY MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT AND MAY BE SUBJECT TO A \$100 BILLION CAP THAT MAY REDUCE YOUR COVERAGE.

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