

## COMMERCIAL INSURANCE PROPOSAL FOR:

# ***Pro's Nest Condominium Association, Inc.***

**Policy Term:** *April 4, 2023 to April 4, 2024*

**Presented By:**

Donald L. Brady – Owner/Producer  
Ashley Hall - Ext. 17 – Account Manager

**RV Johnson Insurance**

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DISCLAIMER - The abbreviated outlines of coverage used throughout this proposal are not intended to express any legal opinion as to the nature of coverage. They are not a substitute for the actual policy for policies that may be issued. They are only visuals to a basic understanding of coverages. Please read your policy for specific details of coverages. Specimen policy forms are available for your review upon request.



## Introducing Our Staff

Since 1921, the insurance agents at R.V. Johnson Insurance have built the business by handling the simplest to the most complex of insurance matters. Our goal is to keep our clients informed of the changes within the industry with constant communication.

Our Agency will continue to completely review your insurance program, make our recommendations as to coverages (enhancements, duplications, gaps, etc.) and provide alternatives if necessary. By improving your company's insurance program, our agency will continue to provide the highest level of service to you and your company. Corporate insurance, surety/bonds, personal insurance, group and individual life/health/disability insurance are services offered by our agency and all are part of our commitment to you.

Our team consists of professionals who are licensed and certified to handle your insurance servicing needs. Our Tequesta office specializes in insuring HOA's, POA's and Condominiums.

### Introducing the staff:

Owner/ Producer:	Donald Brady	Ext. 13
Producer	Charley Schick	Ext. 22
Office Manager:	Beulah Douglas	Ext. 14
Certificates:	Email to <a href="mailto:Certificate@rvjohnson.com">Certificate@rvjohnson.com</a>	
Receptionist:	Janice Lay-Ford	Ext. 10
Commercial Lines:	Beulah Douglas	Ext. 14
	Brenda Maloney	Ext. 12
	Christy Weishaar	Ext. 18
	Ashley Hall	Ext. 17
Commercial Lines Assistants:	Jen Lifshotz	Ext. 23
	Marie Stephens	Ext. 26
	Melissa Burns	Ext. 25
	Tatiana Ansara	Ext. 21
Personal Lines:	Danay Hernandez	Ext. 11
Personal Lines Assistant:	Uma Levine	Ext. 19

## Location Schedule

Building #	Address
1-4	625 Southwind Circle, North Palm Beach, FL 33408

## Property Coverage

**Company:** Citizens

**Policy Term:** 04/04/2023 to 04/04/2024

Building and personal property coverage limits are estimates only and were arrived at based on information provided by the policyholder and/or industry standard software used to estimate replacement costs. The actual cost to rebuild the structure or replace the personal property may exceed the policy limits, especially in circumstances where a catastrophic event has disrupted the normal supply of materials, labor, and resources. The agency makes no assurances or guarantees that the policy limits provided will be adequate to rebuild the structure or replace personal property. If there is doubt about the adequacy of the policy limits, the policyholder should obtain a professional appraisal or obtain the services of a qualified company or builder who is able to provide replacement cost estimates.

**CAUSE OF LOSS FORM USED: BASIC PERILS ONLY** — Fire, Lighting, Explosion, Windstorm/Hail, Smoke, Aircraft or Vehicles, Riot or Civil Commotion, Vandalism, Sprinkler Leakage, Sinkhole Collapse, Volcanic Action.

Bldg #	Property Description	Limits	*All Other Perils Ded.	**Val	Hurr. Ded.
1	Building 24 Units	\$4,421,900	\$5,000	RC	Excluded
2	Maintenance Building	\$23,900	*	RC	Excluded
3	Pool & Equipment	\$105,000	*	RC	Excluded
Total Insured Value:		\$4,550,800			

\*\*RC = Replacement Cost

**\*All Other Perils Deductible \$5,000 per occurrence.**

**Limits quoted are in accordance with appraisal dated 03/30/2023.**

*Endorsements/ Exclusions Per Policy Form*

## Miscellaneous Property Coverage

**Company:** Scottsdale Insurance Co. (AM Best Rating A+)

**Policy Term:** 04/04/2023 to 04/04/2024

Building and personal property coverage limits are estimates only and were arrived at based on information provided by the policyholder and/or industry standard software used to estimate replacement costs. The actual cost to rebuild the structure or replace the personal property may exceed the policy limits, especially in circumstances where a catastrophic event has disrupted the normal supply of materials, labor, and resources. The agency makes no assurances or guarantees that the policy limits provided will be adequate to rebuild the structure or replace personal property. If there is doubt about the adequacy of the policy limits, the policyholder should obtain a professional appraisal or obtain the services of a qualified company or builder who is able to provide replacement cost estimates.

**CAUSE OF LOSS FORM USED: SPECIAL FORM** — Provides coverage against direct physical loss or damage, except those perils that are specifically excluded in the policy.

Item #	Property Description	Limits	Co-Ins	*All Other Perils Ded.	**Val	Wind & Hail Ded.
1	Pool Deck Patio	\$8,000	80%	\$5,000	RC	Excluded
1	Patio Composition – Deck on Concrete / Pilings	\$27,000	80%	*	RC	Excluded
1	Pool Deck Patio / Aluminum Fencing	\$6,000	80%	*	RC	Excluded
1	Pool Deck Patio Chain Link Fencing	\$1,000	80%	*	RC	Excluded
1	Trash Enclosure	\$4,000	80%	*	RC	Excluded
1	Mailbox Collection Boxes	\$2,000	80%	*	RC	Excluded
1	1 Dock with 25 Slips	\$209,000	80%	*	RC	Excluded
<b>Total Insured Value:</b>		<b>\$257,000</b>				

\*\*RC = Replacement Cost

**\*All Other Perils Deductible \$5,000 per occurrence.**

*Endorsements/Exclusions per Policy Form*

## Ordinance & Law Coverage Description

### ***Ordinance & Law coverage***

Building ordinance and law coverage pays to rebuild a structure to comply with current building codes. Coverage provided by un-endorsed insurance policies to rebuild to the current codes is limited or non-existent, and clients should be advised to purchase ordinance and law coverage on all buildings to provide the best coverage at the time of a loss.

### ***Coverage A – Coverage for loss to the undamaged portion of the building***

Insurance Company will pay for the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building.

### ***Coverage B – Demolition cost coverage***

Insurance Company will pay the cost to demolish and clear the site of undamaged parts of the same building as a consequence of enforcement of an ordinance or law that requires demolition of such undamaged property.

### ***Coverage C – Increased cost of construction coverage***

Insurance company will pay the increase cost to repair or reconstruct damaged portions of the building and/or reconstruct or remodel undamaged portions of that building, whether or not demolition is required when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

## Commercial Property Coverage Description

Property Insurance is any type of insurance that indemnifies an insured party who suffers a financial loss because property has been damaged or destroyed. Property is considered to be any item that has a value. Property can be classified as real property or personal property. Real property is land and the attachments to the land, such as buildings. Personal Property is all property that is not real property. The Building and Personal Property coverage form is the form used to insure almost all types of commercial property. The insuring agreement in the Building and Personal Property coverage form promises to pay for direct physical loss or damage to covered property at the premises described in the policy when caused by or resulting from a covered cause of loss. The following is a brief outline of coverages and how they are used within the Commercial Building and Personal Property coverage form.

### ***Buildings and Business Personal Property***

Coverage for the building includes the building and structures, completed additions to covered buildings, outdoor fixtures, permanently installed fixtures, machinery and equipment. The building material used to maintain and service the insured's premises is also insured. Business Personal Property owned by the insured and used in the insured's business is covered for direct loss or damage. The coverage includes furniture and fixtures, stock, and several other similar business property items when not specifically excluded from coverage. The policy is also designed to protect the insured against loss or damage to the personal property of others while in the insured's care, custody or control.

### ***Coverage Extensions and Additional Coverages***

In addition to the limits stated in the Building and Personal Property coverage form, the policy has a coverage extensions section and an additional coverages section. The coverage extensions section provides limited coverage for newly acquired or constructed property, property of others, certain outdoor property, and the cost to research and reconstruct information on destroyed records. When coverage is placed on the special form, two additional extensions are added for property in transit and coverage for certain repair costs related to damage caused by water. The two additional extensions are covered by certain perils only. The additional coverage section provides coverage for indirect losses that result from a direct loss. The coverage applies to removal of debris, preservation of property, fire department service charges and pollutant cleanup and removal. The coverage extensions and the additional coverages have limitations and are subject to certain conditions.

### ***Limit of Insurance***

The most the insurer will pay for loss or damage in any one occurrence is the limit of insurance stated in the policy declarations.

### ***Causes of Loss***

The term peril is used when discussing losses. A peril is a cause of loss. Basic property insurance policies are written to cover the perils of fire, lightning, explosion, windstorm, hail, smoke, aircraft or vehicle damage, riot or civil commotion, vandalism, sprinkler leakage, sinkhole collapse, and volcanic action. Other property insurance policies often referred to as the broad form policy, add coverages for water damage, weight of snow, ice or sleet, breakage of glass and coverage for falling objects. The broadest coverage is the special form that provides coverage against direct physical loss or damage, except those perils that are specifically excluded in the policy. It is possible for a commercial property policy to have more than one cause of loss form.

## A Condensed Comparison of Covered Causes of Loss

<u>SPECIAL FORM</u>	<u>BASIC FORM</u>	<u>DIFFERENCE IN CONDITIONS (DIC)</u>
1 Fire	1 Fire	
2 Lightning	2 Lightning	
3 Explosion	3 Explosion	
4 Windstorm/Hail	4 Windstorm/Hail	
5 Smoke	5 Smoke	
6 Aircraft or Vehicles	6 Aircraft or Vehicles	
7 Riot or Civil Commotion	7 Riot or Civil Commotion	
8 Vandalism	8 Vandalism	
9 Sprinkler Leakage	9 Sprinkler Leakage	
10 Sinkhole Collapse	10 Sinkhole Collapse	
11 Volcanic Action	11 Volcanic Action	
12 Breakage of Glass		12 Breakage of Glass
13 Falling Objects		13 Falling Objects
14 Weight of Snow, Ice, Sleet		14 Weight of Snow, Ice, Sleet
15 Water Damage (not Flood)		15 Water Damage (not Flood)
16 Collapse		16 Collapse
17 Theft		17 Theft
18 Property in Transit		18 Property in Transit
19 <u>Plus</u> any other Risks of Direct Physical Loss not specifically Excluded or limited.		19 <u>Plus</u> any other Risks of Direct Physical Loss not specifically Excluded or limited.

**Special Form Coverage** is recommended on property, as it is the most comprehensive property form available.

**CITIZENS** offers only the **Basic Form Coverage**.

This brief comparison is presented as a service to our customers.



## Wind Coverage

**Company:** Citizens

**Policy Term:** 04/04/2023 to 04/04/2024

Building and personal property coverage limits are estimates only and were arrived at based on information provided by the policyholder and/or industry standard software used to estimate replacement costs. The actual cost to rebuild the structure or replace the personal property may exceed the policy limits, especially in circumstances where a catastrophic event has disrupted the normal supply of materials, labor, and resources. The agency makes no assurances or guarantees that the policy limits provided will be adequate to rebuild the structure or replace personal property. If there is doubt about the adequacy of the policy limits, the policyholder should obtain a professional appraisal or obtain the services of a qualified company or builder who is able to provide replacement cost estimates.

**WIND COVERAGE:** — Provides coverage against direct physical loss or damage, except those perils that are specifically excluded in the policy.

Bldg #	Property Description	Limits	Wind/Hail	Hurr. Ded.
1	Building: 24 Units	\$4,422,000	1%	5%
2	Maintenance Building	\$24,000	1%	5%
3	Swimming Pool & Equipment	\$105,000	1%	5%
4	Pool Deck Patio Aluminium Fencing	\$21,000	1%	5%
<b>Total Insured Value:</b>		<b>\$4,572,000</b>		

Limits quoted are in accordance with appraisal dated 03/30/2023.  
All other items on appraisal are excluded.

*Endorsements/ Exclusions Per Policy Form*

## Difference in Conditions Coverage

**Company:** Old Republic Union Insurance Cpmpany (AM Best Rating A)

**Policy Term:** 004/04/2023 to 04/04/2024

Building and personal property coverage limits are estimates only and were arrived at based on information provided by the policyholder and/or industry standard software used to estimate replacement costs. The actual cost to rebuild the structure or replace the personal property may exceed the policy limits, especially in circumstances where a catastrophic event has disrupted the normal supply of materials, labor, and resources. The agency makes no assurances or guarantees that the policy limits provided will be adequate to rebuild the structure or replace personal property. If there is doubt about the adequacy of the policy limits, the policyholder should obtain a professional appraisal or obtain the services of a qualified company or builder who is able to provide replacement cost estimates.

### **CAUSE OF LOSS FORM USED: SPECIAL FORM EXCLUDING BASIC FORM PERILS**

Bldg #	Property Description	Limits	Co-Ins	*All Other Perils Ded.	**Val
1	Building: 24 Units	\$4,422,000	80%	\$5,000	RC
2	Maintenance Building	\$24,000	80%	*	RC
3	Swimming Pool & Equipment	\$105,000	80%	*	RC
4	Pool Deck Patio Aluminium Fencing	\$21,000	80%	*	RC
<b>Total Insured Value:</b>		<b>\$4,572,000</b>			

\*\*RC = Replacement Cost

**\*All Other Perils Deductible \$5,000 per Occurrence.**

## General Liability Coverage

**Company:** Century Surety Insurance Company (AM Best Rating A-)

**Policy Term:** 04/04/2023 to 04/04/2024

**Coverage Written on:** Occurrence

<b><u>COVERAGE</u></b>	<b><u>LIMITS</u></b>
General Aggregate	\$2,000,000
Products and Completed Operations Aggregate	INCLUDED
Personal & Advertising Injury Liability	\$1,000,000
Each Occurrence – Bodily Injury and Property Damage	\$1,000,000
Damage to Premises Rented to You	\$100,000
Medical Expense (any one person)	\$5,000
Hired & Non-Owned Auto	\$1,000,000

## General Liability Schedule of Exposures

<b><u>Loc</u></b>	<b><u>Class</u></b>	<b><u>Classification</u></b>	<b><u>Premium Basis</u></b>
1	62003	Condominium Association	24 Units
1	48925	Pool	1
1	10105	Boat Dock	25 Slips
1	41667	Social Room Which Is Connected To Main Building	667 square feet

*Endorsements/ Exclusions Per Policy Form*

## General Liability Description

The Commercial General Liability Policy provides the insurance protection needed to pay damages for bodily injury or property damages for which the insured is legally responsible. The policy provides coverage for liability arising from personal injury and advertising injury. Coverage for medical expense is also provided. The policy also covers accidents occurring on the premises or away from the premises. Coverage is provided for injury or damages arising out of goods or products made or sold by the named insured. The insured is the named insured and the employees of the named insured. However, several individuals and organizations, other than the named insured, may be covered, depending upon certain circumstances specified in the policy. In addition to the limits, the policy provides supplemental payments for attorney fees, court costs and other expenses associated with a claim or the defense of a liability suit.

There are two commercial general liability coverage forms available, the occurrence form and the claims-made form. Both forms are somewhat identical in the coverages offered. The main difference is in the way claims are handled under the two forms. The occurrence form covers bodily injury or property damage claims that occur during the policy term, regardless of when the claim is reported. The claims-made policy form only covers claims made against the insured during the policy term. A claim made after the policy expires is not covered by a claims-made policy unless the claim is covered by an extended reporting period. The claims-made policy will only have the extended reporting period.

### ***General Aggregate***

The General Aggregate Limit is the most money the insurer will pay under a certain coverage for all claims occurring during the policy term.

### ***Premises/Operations***

Coverage is provided for damages arising out of ownership or occupancy of the insured premises when not maintained in a reasonable manner. This also covers damages arising out of operations performed by the insured business.

### ***Products/Completed Operations***

Products coverage is provided for damages arising out of products manufactured, sold, handled or distributed by the insured. Completed Operations covers damages occurring after operations have been completed or abandoned, or after an item is installed or built and released for its intended purpose.

### ***Medical Expense Limit***

Medical payments coverage pays medical expenses resulting from bodily injury caused by an accident on premises owned or rented by the insured, or locations next to such property, or when caused by the insured's operations. These payments are made without regard to the liability of the insured.

### ***Fire Damage Limit***

The fire damage limit provides coverage for fire damage caused by negligence on the part of the insured to premises rented to the named insured. If a fire occurs because of negligence of the insured and causes damage to property not rented to the insured, coverage would be provided under the occurrence limit.

## General Liability Description

### ***Personal Injury***

Personal Injury means injury other than bodily injury. Coverage is provided for injury resulting from offenses such as false arrest, malicious prosecution, detention or imprisonment, the wrongful entry into, wrongful eviction from and other acts of invasion, or rights of private occupancy of a room. Coverage for libel and slander is also provided in the policy.

### ***Advertising Injury***

This coverage pays for damages done in the course of oral or written advertisement that disparages, libels or slanders a person's or organization's goods, products or services. Coverage for these offenses is provided under advertising injury coverage only if they occur during the course of advertising the named insured's own goods, products or services.

### ***Each Occurrence***

Each occurrence is considered to be an accident, which could include continuous or repeated exposure to the same harmful conditions. An occurrence can also be a sudden event, or a result of a long term series of events.

## Crime Coverage

**Company:** Ohio Casualty Group (AM Best Rating A)

**Policy Term:** 04/04/2023 to 04/04/2024

<b><u>COVERAGES</u></b>	<b><u>LIMIT</u></b>	<b><u>DED</u></b>
Employee Theft	\$50,000	\$100
Forgery or Alteration	\$50,000	\$100

Florida Statute 718.111 (11) (h) provides:

(h) The association shall maintain insurance or fidelity bonding of all persons who control or disburse funds of the association. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the association or its management agent at any one time. As used in this paragraph, the term "persons who control or disburse funds of the association" includes, but is not limited to, those individuals authorized to sign checks on behalf of the association, and the president, secretary, and treasurer of the association. The association shall bear the cost of any such bonding.

MAXIMUM FUNDS INCLUDE OPERATION AND RESERVE ACCOUNTS.

## Crime Coverage Description

### ***Employee Theft***

Employee theft is considered to be a criminal act committed by an employee acting alone or in collusion with others. There must be intent by the employee to cause the employer a loss and to obtain a financial benefit for the employee or someone else.

Coverage is provided for dishonest acts of employees of the named insured only. Coverage insures against loss of money, securities, and property other than money and securities. The blanket form provides coverage for dishonest acts of all employees. The limit for blanket coverage applies per loss, regardless of how many employees are involved. The scheduled form provides coverage only for the dishonest acts of employees specifically listed in the policy. On the scheduled form, a separate limit applies to each employee listed on the schedule.

### ***Forgery or Alteration***

Forgery is generating a document or signature that is not genuine.

Alteration is changing a document in a manner that is neither authorized nor intended.

This form insures against loss caused by the forgery or alteration of a covered item drawn against the insured's accounts. A covered item might be a check, draft, promissory note, bill of exchange or similar instrument.

*Endorsements/ Exclusions Per Policy Form*

## Directors and Officers Coverage

**Company:** Great American Insurance (AM Best Rating A+)

**Policy Term:** 04/04/2023 to 04/04/2024

**Policy Form:** Claims Made

<b><u>COVERAGE DESCRIPTION</u></b>	<b><u>LIMIT</u></b>
Each Occurrence	\$1,000,000
Annual Aggregate	\$1,000,000
Self-Insured Retention	\$1,000

### ***Directors & Officers Liability***

This insurance is used to insure against claims for negligent acts, errors or omissions alleged to have been committed by present or former directors or officers of your corporation.

*Endorsements/ Exclusions Per Policy Form*



## Umbrella Coverage

**Company:** Nautilus Insurance Company (AM Best Rating A+)

**Policy Term:** 04/04/2023 to 04/04/2024

<b><u>COVERAGES</u></b>	<b><u>LIMIT</u></b>	<b><u>PER</u></b>
Limit of Liability	\$5,000,000	Each Occurrence
	\$5,000,000	Annual Aggregate
	\$0	Self-Insured Retention

### REQUIRED UNDERLYING SCHEDULE:

General Liability	\$1,000,000	Each Occurrence
	\$2,000,000	General Aggregate
	\$1,000,000	Products Aggregate
	\$1,000,000	Personal Injury
	\$100,000	Damage to Premises Rented to You
Hired & Non-Owned Auto	\$1,000,000	Combined Single Limit
Directors & Officers Liability	\$1,000,000	Each Occurrence/ Aggregate
Property Damage	\$1,000,000	Each Occurrence / Aggregate

*Endorsements/Exclusions per Policy Form*

## Umbrella Coverage Description

Umbrella liability insurance provides excess liability coverage over several of the insured's primary liability policies. Most umbrella liability policies provide coverage that is broader than the insured's primary policies. An excess liability policy may be what is called a following form policy, which means it is subject to the same terms as the underlying policies; it may be a self-contained policy, which means it is subject to its own terms only; or it may be a combination of these two types of excess policies. Umbrella policies have three functions: (1) To provide additional limits above the each occurrence limit of the insured's primary policies; (2) To take the place of primary insurance when primary aggregate limits are reduced or exhausted; and (3) To provide broader coverage for some claims that would not be covered by the insured's primary insurance policies, which would be subject to the policy retention. Most umbrella liability policies contain one comprehensive insuring agreement. The agreement usually states it will pay the ultimate net loss, which is the total amount in excess of the primary limit for which the insured becomes legally obligated to pay for damages of bodily injury, property damage, personal injury, and advertising injury.

### ***Limits of Insurance***

All umbrella liability policies contain an each occurrence limit of insurance. Some umbrella liability policies may have a separate limit that applies to all personal and advertising injury for one person or for the organization. Also, some policies are written with aggregate limits for only one type of loss. Other policies may have one or more aggregates for all losses. Umbrella policies can be written with several different variations of the aggregate limits. There are no standard umbrella policies.

### ***Pay on Behalf***

This is an insuring agreement used in some umbrella policies. The agreement promises to make direct payment on behalf of the insured for those sums of money the insured becomes legally obligated to pay because of liability imposed upon the insured by law, or assumed under contract.

### ***Indemnity***

This is the insuring agreement clause found in most umbrella policies as opposed to the pay on behalf agreement. When the indemnity insuring clause is used, the insurer will indemnify or reimburse the insured for those sums of money the insured becomes obligated to pay by reason of liability imposed upon the insured by law, or assumed under contract.

### ***Self-Insured Retention***

The self-insured retention is the amount of the loss an insured must pay before the umbrella policy would be required to respond. The self-insured retention would only apply when a loss is excluded from coverage under the primary policy, but not excluded under the umbrella policy.

### ***Required Underlying Limits***

Required Underlying Limits is a requirement of the insurer. It requires the insured to have certain types and amounts of primary insurance before the umbrella policy can be written.

## Workers Compensation Coverage

**Company:** The Pennsylvania Manufacturer's Association – PMA (AM Best Rating A+)

**Policy Term:** 04/04/2023 to 04/04/2024

<b><u>COVERAGES</u></b>	<b><u>LIMIT</u></b>	<b><u>PER</u></b>
Employer's Liability (B)		
Bodily Injury By Accident	\$500,000	Each Accident
Bodily Injury By Disease	\$500,000	Policy Limit
Bodily Injury By Disease	\$500,000	Each Employee

***ADDITIONAL COVERAGES:***

Voluntary Compensation

***ESTIMATED PAYROLL:***

<b><u>CLASSIFICATION</u></b>	<b><u>CODE</u></b>	<b><u>ESTIMATED PAYROLL</u></b>
Building Operations	9015	If Any

Premium Subject to Audit

*Endorsements/Exclusions per Policy Form*

## **Workers Compensation Coverage Description**

### ***Workers Compensation Insurance***

This coverage agreement obligates the insurer to pay all compensation and other benefits required of the insured by the workers compensation law or occupational disease law of any state listed in the policy.

The coverage applies to bodily injury by accident and by disease.

Coverage (A) shows no dollar limit for the benefits provided since any applicable limits would be those established within the law. Benefits under coverage (A) are paid to the employee without regard to fault.

### ***Employers Liability***

This coverage protects employers for their legal liability for bodily injury by accident or disease to an employee arising out of and in the course of the employee's employment when not covered under the workers compensation law. Before benefits are paid under this coverage, the employee must prove the employer is liable for the injury.

### ***Bodily Injury By Accident***

This amount is the most an insurer will pay under coverage (B) for all claims arising from any one accident, regardless of how many employees are involved in the accident. The standard limit is \$100,000 for any one accident, which can be increased.

### ***Bodily Injury By Disease (Policy Limit)***

This is the aggregate limit the insurer will pay under coverage (B) for all claims sustaining bodily injury by disease during the policy period. The standard policy limit is \$500,000, which can be increased.

### ***Bodily Injury By Disease (Each Employee)***

This amount is the most an insurer will pay under coverage (B) for damages due to bodily injury by disease to any one employee. The standard limit of liability for each employee is \$100,000, which can be increased.

### ***Voluntary Compensation Endorsement***

Workers compensation laws of most states exempt some types of employment from workers compensation benefits. This endorsement amends the standard policy to provide coverage for employees with exempted occupations from the workers compensation act. When the endorsement is added it does not make employees subject to the workers compensation law, but it obligates the insurance company to pay on behalf of the insured, an amount equal to the compensation benefits that would be payable to those employees if they were subject to the workers compensation law of that state.

## OPTIONAL – Equipment Breakdown

**Company:** The Travelers Indemnity Company of America (AM Best Rating A++)

**Policy Term:** To Be Determined

<b><u>COVERAGES</u></b>	<b><u>LIMITS</u></b>
Equipment Breakdown Limit	\$4,550,800
Deductible	\$2,500

### Equipment Breakdown Description

#### ***Equipment Breakdown***

Equipment Breakdown insurance covers direct damage to covered property when caused by a covered cause of loss. Covered property is any property that is owned by the named insured or is in the named insured's care, custody, or control and for which the named insured is legally liable. A covered cause of loss is a sudden and accidental breakdown of the insured's boiler and machinery equipment or any part of the equipment described in the policy. Equipment Breakdown insurance is necessary because commercial property policies exclude explosion of steam boilers and breakdown of machinery.

#### ***Equipment Covered***

##### ***Comprehensive Coverage***

This coverage is written only under the standard policy form. Coverage is provided for all insurable boiler and machinery equipment, including or excluding production machines. Coverage can also be written to cover particular types of boiler and machinery equipment.

##### ***Limit of Insurance***

Under the small business form the limit of insurance is based on the estimated value of the insured's property.

*Endorsements/Exclusions per Policy Form*

## OPTIONAL - Cyber Protection Coverage

**Company:** Evolve Insurance Company (AM Best Rating A)

**Policy Term:** To Be Determined

**Policy Form:** Claims Made

<b><u>COVERAGE DESCRIPTION</u></b>	<b><u>LIMITS</u></b>
<b><i>Insuring Clause 1: Cyber Incident Response</i></b>	
Incident Response Cost- Breach Consultation Support & Advice Post Hack Attack	\$1,000,000
Legal & Regulatory Costs	\$1,000,000
Security & Forensic Costs	\$1,000,000
Crisis Communication Costs	\$1,000,000
Privacy Breach Management Costs	\$1,000,000
Third Party Privacy Breach Management Costs	\$1,000,000
Post Breach Mediation Costs	\$50,000
<b><i>Insuring Clause 2: Cyber Crime</i></b>	
Funds transfer Fraud	\$250,000
Theft of Funds Held in Escrow	\$250,000
Theft of Personal Funds	\$250,000
Extortion (Ransomware)	\$1,000,000
Corporate Identity Theft	\$250,000
Telephone Hacking	\$250,000
Fraudulent Communications	\$250,000

Deductible: \$2,500, Deductible applies to each claim, including costs and expenses.

Legal Action: Worldwide

Territorial Scope: Worldwide

Indemnity Period: 12 Months

## OPTIONAL - Cyber Protection Coverage

<b><u>COVERAGE DESCRIPTION</u></b>	<b><u>LIMITS</u></b>
<b><i>Insuring Clause 3: System Damage &amp; Business Interruption</i></b>	
System Damage & Rectification Costs	\$1,000,000
System Business Interruption	\$1,000,000
Consequential Reputational Harm	\$1,000,000
Loss Adjustment Costs	\$25,000
<b><i>Insuring Clause 4: Network Security &amp; Privacy Liability</i></b>	
Network Security Liability	\$1,000,000
Privacy Liability	\$1,000,000
Management Liability (D&O)	\$1,000,000
Regulatory Fines	\$1,000,000
PCI Fines, Penalties & Assessments	\$1,000,000
<b><i>Insuring Clause 5: Media Liability</i></b>	
Defamation	\$1,000,000
Intellectual Property Rights Infringement	\$1,000,000
<b><i>Insuring Clause 6: Technology Errors &amp; Omissions</i></b>	
Defense Costs and/or Sums Owed from any act error or omission of your technology services	\$1,000,000
<b><i>Insuring Clause 7: Court Attendance Costs</i></b>	
Reimbursement for sums incurred: Attending Court	\$100,000

\*Includes Free \$5,000 value of risk management services.

*Endorsements/Exclusions per Policy Form*

## OPTIONAL - Legal Expense Insurance Coverage

**Company:** Atlantic Mutual Legal Defense Insurance Company, Inc. (Demotech Rating A)

**Policy Term:** To Be Determined

**Claim Trigger:** Claim Denial

This policy pays for **Limited LEGAL FEES ONLY** for denied claims.  
**No Deductible/ No Limit**

Coverage includes: Attorney Fees, Paralegal costs, Copies, Faxes, Legal Research Costs, Travel expenses within the State of Florida, Telephone costs, Data Processing charges and US postage.

Subject to policy Limitations and Exclusions

The Association does not choose their own Attorney. They are all plan Attorneys.

This policy does not pay for Indemnity

During the past decade, more and more insurance companies are denying claims.

When coverage is denied, the insured is forced to find a way to pay legal expenses.

In most cases reserve funds are not enough to cover the entire cost resulting in assessments against unit owners, homeowners, and tenants.

This policy eliminates that exposure, saving tens of thousands of dollars in legal fees.

### **EXAMPLES OF DENIED CLAIMS:**

\* Unit owner assaulted on association property. Owner sues association and board for inadequate security. Association cost to defend was \$48,000.

\* Association failed to notify D&O carrier of a complaint. Three years later the complaint turned into a lawsuit. Coverage denied for late notice. Cost to defend was \$430,000.

\* Contractor hired to perform work. During work, dispute occurs and contractor sues for breach of contract. Cost to defend was \$58,000.

*Endorsements/Exclusions per Policy Form*



## **OPTIONAL - Pollution: Environmental Impairment Liability Coverage**

**Company:** Indian Harbor Insurance Company (AM Best Rating A+)

**Policy Term:** To Be Determined

**Coverage Written on:** Claims Made

**Coverage Includes:**

- First and Third Party coverage for pollution conditions
- Bacteria coverage included if not related to mold or fungi
- Clean – up expenses
- Legal Defense expenses incurred in the investigation, adjustment, settlement, and defense of a claim.
- Exposure to Legionnaires' Disease

<u><b>COVERAGE DESCRIPTION</b></u>	<u><b>LIMITS</b></u>
Limit: Each Pollution Condition	\$1,000,000
Aggregate	\$1,000,000
Self-Insured Retention: Each Pollution Condition	\$5,000

Some Common Environmental Exposures faced by Community Associations Include:

- Retention pond migration of pollutants which spill into a nearby environmentally sensitive wetland.
- Above ground fuel tank lines for the elevator generator leak into the surround soil.
- Hazardous chemical storage spills including chlorine, pesticides and herbicides
- Below ground fuel tank leaks into the soil (must be scheduled).
- Contaminants from neighboring properties such as golf courses cause and EPA investigation.
- A storm causes the diesel fuel tanks that control storm water retention pond levels to rupture and spill fuel.
- Contractor incorrectly connects the clubhouse intake/outtake lines of the HVAC system causing a release of pollutants which cause bodily injury.

**Exclusions:**

- Mold
- Fines, Penalties, Punitive & Multiple Damages
- Asbestos
- Lead
- Underground Tanks unless scheduled

*Endorsements/Exclusions per Policy Form*

## OPTIONAL – Active Shooter Workplace Violence and Threat Coverage

**Company:** Indian Harbor Insurance Company (AM Best Rating A+)

**Policy Term:** To Be Determined

**Policy Form:** Claims Made

**\$1,000,000 Coverage Limit**

Covers liability and extra expenses tied to **violent attacks and/or threats**, providing victim death benefits as well as needed medical / rehabilitation / psychiatric / funeral expense coverages. The program considers all classes of business, including but not limited to government agencies, education, religious institutions, hospitality, entertainment, retail, and public entities.

**The program covers a wide range of attack-types, such as knife, vehicular attacks, explosives, acid attacks rather than solely committed with a firearm.**

- No required deductibles or retentions
- Business interruption automatically included
- No exclusion wording regarding Punitives
- No sub limits for Crisis Response – these are included up to policy limits
- Insured person include all directors, officers, employees, faculty and students
- In addition to Third Party Legal Liability and Business Interruption Expenses, this WPV (Workplace Violence) form covers expenses related to:
  - ✓ Public Relations Counsel
  - ✓ Funeral and Burial
  - ✓ Psychiatric Care
  - ✓ Medical or Dental Care
  - ✓ Employee Counseling
  - ✓ Temporary Security Measures
  - ✓ Rehabilitation Expenses
  - ✓ Personal Accident Expense
  - ✓ Reward money for post event investigation tips

*Endorsements/Exclusions per Policy Form*

## Optional Coverages

Coverage will not be quoted unless the "Quote" coverage option is selected.  
Information and/or applications may be required to quote the optional coverages.  
Subject to underwriting approval.

1) **Equipment Breakdown Coverage**

(refer to page 21)

☐ Provide an application, I want a quote. ☐ Decline Quote/Coverage

2) **Cyber Liability Coverage**

(refer to page 22-23)

Subject to most recent financial statement, completed application, & underwriting approval.

☐ Provide an application, I want a quote. ☐ Decline Quote/Coverage

3) **Legal Expense Coverage**

(refer to page 24)

Although most primary carriers will exclude bacteria and virus claims, **Atlantic Mutual has no such exclusion**. In the event a coronavirus related claim were denied by the primary carrier, **Atlantic Mutual will respond to that denial by providing a full legal defense through trial, without deductible.**

☐ Provide an application, I want a quote. ☐ Decline Quote/Coverage

4) **Pollution Environmental Coverage**

(refer to page 25)

☐ Provide an application, I want a quote. ☐ Decline Quote/Coverage

5) **Active Shooter Coverage**

(refer to page 26)

☐ Provide an application, I want a quote. ☐ Decline Quote/Coverage

Information and/or applications may be required to bind and/or quote the optional coverages.

X \_\_\_\_\_  
(Signature)

X \_\_\_\_\_  
(Title)

X \_\_\_\_\_  
(Date)

X \_\_\_\_\_  
(Print Name)

## Premium Summary

**Client:** Pro's Nest Condominium Association, Inc.

**Policy Term:** 04/04/2023 to 04/04/2024

<b>Coverage</b>	<b>Expiring Premium</b>	<b>Proposed Premium</b>
Property	\$25,489.00	**\$17,202.00
Wind	INCLUDED	**\$88,221.00
Difference in Conditions	INCLUDED	\$7,312.00
Miscellaneous Property	\$1,707.10	\$1,617.86
General Liability	\$8,092.35	\$11,230.81
Crime	\$360.00	\$360.00
Directors & Officers Liability	\$979.00	\$1,487.00
Umbrella	\$7,594.65	\$6,560.40
Workers Compensation	\$599.00	\$565.00
<b>Premium Total:</b>	<b>\$44,821.10</b>	<b>\$134,556.07</b>

**\*\* The Premium for Citizens Property Insurance is our best estimate based on the information that has been provided to us. The final Premium will be determined when the policy is issued by Citizens.**

Deposit Premium payable to RV Johnson Insurance: **To Be Determined**

Workers Compensation will be Direct Billed by Pennsylvania Manufacturer's Association –  
PMA: **\$565.00**

## Proposal Definition Confirmation

**Client Name:** Pro's Nest Condominium Association, Inc.

FOREGOING DEFINITIONS IN THIS PROPOSAL ARE FOR ILLUSTRATION PURPOSES ONLY. PLEASE REFER TO POLICY AND ENDORSEMENT FORMS FOR GOVERNING COVERAGE AND EXACT INDIVIDUAL CARRIER WORDING.

THIS QUOTE IS VALID UNTIL APRIL 4, 2023

APPLICANT SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_

AGENT SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_

\_\_\_\_\_