

## XYZ HOA PROPOSAL SAMPLE 2018-2019

	Travelers Proposal #1	Aspen Proposal #2 <i>Recommended Option</i>	Explanation/Code Requirements
Property Limits:	\$449,000	\$451,600	The amount of property coverage being purchased. This is the replacement cost of the structures.
Coverage Form	Replacement Cost	Extended Replacement Cost	<u>Replacement Cost</u> pays up to 100% of property limits. <u>Extended Replacement Cost</u> pays up to 125% of property limits.
Property Deductible	\$2,500	\$2,500	
General Liability Per Occurrence:	\$2,000,000	\$3,000,000	Per Davis Stirling civil code 6840, the General Liability minimum is 2 million per occurrence for developments of 100 or less, and 3 million for 100 units or more.
General Liability Limit Aggregate:	\$4,000,000	\$4,000,000	
Ordinance or Law Coverage B&C:	\$250,000 B&C	\$250,000 B&C	Pays for those items not currently part of bldg. but required to be added after a major loss to comply with current codes
Association Dues / Income	\$5,000	\$220,000	Funds made available for the association to cover operating expenses
Fidelity Coverage	\$250,000	\$250,000	Protects association from embezzlement. Required by CC&Rs
Directors & Officers:	\$3,000,000	\$3,000,000	Protects board from lawsuits that arise from the decisions they make as officers
Equipment Breakdown:	\$25,000	\$451,600	Covers breakdown of buildings' mechanical equipment such as sump pumps, pool pumps, and boilers
<b>PREMIUM</b>	<b>\$14,113</b>	<b>\$6,321</b>	

Insurance Services of the West Lic 0M42330

