



**FARMERS**  
INSURANCE

# STATEMENT

MID-CENTURY INSURANCE COMPANY

° SPYGLASS TOWNHOMES

PO BOX 4844  
C/O BASIC PROPERTY MGMT  
DILLON CO 80435-4844

**FEBRUARY 12, 2020**

Date

**07-50-22H**

Agent's Number

**60438-74-56**

Policy Number

Loan Number

Renewal Statement - The Company will renew your policy for an additional 12 months term only if payment of the premium indicated is made on or before the renewal date of this notice.

**This Statement Reflects:**

Effective Date: 04/01/20

New Business       Reinstatement       Change Of Coverage       Added Coverage

\$	Previous Balance Owing	
\$	Premium	
\$	Membership, Policy, Reinstatement, Reissue or Service Fees	
\$	Pro Rata Premium Due	
\$	<b>34,370.00</b> Premium For Renewing Entire Present Coverage From <u>04/01/20</u> To <u>04/01/21</u>	
\$		
\$		
\$		
\$		
\$	<b>34,370.00</b> Total Charges	
\$		
\$	Payments	
\$	Other Credits _____	
\$	Total Credits _____	
\$	<b>- NONE -</b> <b>BALANCE DUE UPON RECEIPT</b>	
\$	Optional Amount	
\$	Refund	

**WE WANT TO BE YOUR FIRST CHOICE FOR BUSINESS AND PERSONAL LINES INSURANCE. IF YOU PLACE A PERSONAL LINES POLICY WITH FARMERS YOU MAY BE ELIGIBLE TO RECEIVE A DISCOUNT, CONTACT YOUR AGENT TODAY.**

**IMPORTANT- D-O-N-O-T P-A-Y-T-H-I-S N-O-T-I-C-E  
PREMIUM WILL BE BILLED. ACCT # F006070251-001-00001.**

**State Required Notification:**



PO Box 2527  
Grand Rapids, MI 49501

FEBRUARY 12, 2020

SPYGLASS TOWNHOMES

PO BOX 4844  
C/O BASIC PROPERTY MGMT  
DILLON CO 80435-4844

### Premium Change Notice

Re: Renewal of 60438-74-56

Dear Valued Customer:

We want to take this opportunity to thank you for choosing Farmers® Business Insurance and to share some important information. Your policy renewal date is approaching soon and based on current underwriting information in our files, your renewal notice will reflect an increase in premium over the prior year. Please keep in mind that this increase may be due to a combination of factors including policy changes you may have requested, changes in the economic factors affecting the risk, such as property values, payrolls or sales volume, or rate factor changes made by us in response to rising claims and other costs. The level of risk associated with this policy is not commensurate with the current premium level. Accordingly, please be advised that the renewal premium will be \$ 34,370.00

We know the protection of your business is important to your success and we're honored that you've chosen Farmers Business Insurance. If you would like to discuss your upcoming renewal we recommend you contact your Farmers Insurance agency at 970-879-1330

Sincerely,  
MID-CENTURY INSURANCE COMPANY

cc: JAMES KINSER  
07-50-22H





**Policy Number:** 60438-74-56

**Effective Date:** 04-01-2020

**Forms Applicable To** 25-9230ED3

Reminder-Review Your Coverages

**All Coverage Parts:**

**Your Agent**

James Kinser  
Jim Kinser Insurance Agency Inc  
1495 Pine Grove #201a  
Steamboat Spri, CO 80487  
(970) 879-1330

Countersigned (Date)

By Authorized Representative

**Additional Fee Information**

The following additional fees apply on an account, not a per-policy, basis.

- A **service fee** will be assessed on every installment invoice and will be included in the minimum amount due. However, if you choose to pay the entire account balance in full upon receipt of the first installment, the fee will be waived. In addition, for accounts fully enrolled in online billing and scheduled for recurring Electronic Funds Transfer (EFT) payments the fee will be waived.

State	Installment Fee
All states except Alaska, Florida, Maryland, New Jersey And West Virginia	\$6.00
Alaska and Maryland	Not applicable
Florida	\$3.00
New Jersey	\$7.00
West Virginia	\$5.00

- A **returned payment fee** applies per check, electronic transaction or other remittance which is not honored by your financial institution for any reason including but not limited to insufficient funds or a closed account. **NOTE: If the returned payment is in response to a Notice of Cancellation, coverage still cancels on the cancellation effective date set forth in the notice.**

State	NSF Fee
All States Except Alaska, Florida, Indiana, Maine, Nebraska, New Jersey, North Dakota, Oklahoma, Virginia And West Virginia	\$30.00
North Dakota And Oklahoma	\$25.00
Nebraska And Indiana	\$20.00
Florida And West Virginia	\$15.00
Maine	\$10.00
Alaska, New Jersey And Virginia	Not applicable

- A **late fee** will be assessed on each Notice of Cancellation that is issued and will be included in the minimum amount due.

State	Late Fee
All States Except Alaska, Florida, Maryland, Missouri, Nebraska, New Jersey, Rhode Island, Virginia, South Carolina And West Virginia	\$20.00
Nebraska, Rhode Island And South Carolina	\$10.00
Alaska, Florida, Maryland, Missouri, New Jersey, Virginia And West Virginia	Not applicable

The following applies on a per-policy basis.

- A **reinstatement fee** of \$25.00 will be assessed if the policy is reinstated over 30 days but under 6 months from the cancellation date. *This fee does not apply to Florida, Indiana & Maryland or to Workers Compensation policies.*

One or more of the fees or charges described above may be deemed a part of premium under applicable state law.





THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.



**J6300**  
3rd Edition

**DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT**

**SCHEDULE**

<b>SCHEDULE - PART I</b>	
<b>Terrorism Premium (Certified Acts) \$</b>	<b>340.00</b>
<b>Additional information, if any, concerning the terrorism premium:</b>	
<b>SCHEDULE - PART II</b>	
<b>Federal share of terrorism losses _____ % Year: 20_____</b> (Refer to Paragraph B. in this endorsement)	
<b>Federal share of terrorism losses _____ % Year: 20_____</b> (Refer to Paragraph B. in this endorsement)	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. Disclosure Of Premium**

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

**B. Disclosure Of Federal Participation In Payment Of Terrorism Losses**

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

**C. Cap On Insurer Participation In Payment Of Terrorism Losses**

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.





Mid-Century Insurance Company (A Stock Company)  
Member Of The Farmers Insurance Group Of Companies®

Home Office: 6301 Owensmouth Ave., Woodland Hills, CA 91367

# POLICY DECLARATIONS - CONDO/TOWNHOME PREMIER POLICY

**Named Insured** SPYGLASS TOWNHOMES

**Mailing Address** PO BOX 4844  
C/O BASIC PROPERTY MGMT  
DILLON, CO 80435-4844

**Auditable**

**Policy Number** 60438-74-56

**Policy Period** From 04-01-2020  
To 04-01-2021 12:01 A.M. Standard time at your mailing address shown above.

In return for the payment of premium and subject to all the terms of this policy, we agree with you to provide insurance as stated in this policy. We provide insurance only for those Coverages described and for which a specific limit of insurance is shown.

The following premium credits and discounts applied to the premium associated with this coverage part:

**Favorable Loss Experience Discount**

There may be other credits and discounts you may be able to enjoy, please contact your agent for full details.

**Your Agent** James Kinser  
Jim Kinser Insurance Agency Inc  
1495 Pine Grove #201a  
Steamboat Spri, CO 80487  
(970) 879-1330

**PROPERTY, INLAND MARINE AND CRIME COVERAGES AND LIMITS**

The following coverages apply to the described locations and/or building. Please refer to the Base Coverages And Extensions section for other coverages and extensions applying at the policy level.

**Option:** BV - Blanket Value (see Base Coverage & Extensions for the total limit)  
**Valuation:** ACV - Actual Cash Value; AV - Agreed Value; RC - Replacement Cost;  
 ERC - Extended RC; FRC- Functional RC; GRC - Guaranteed RC  
**Abbreviation:** ALS = Actual Loss Sustained; BI = Business Income; EE = Extra Expense

Premises Number	Bldg. No.	Covered Premises Address	Mortgagee Name And Address
001	All	06-119 Spyglass Ln Silverthorne, CO 80498	

Coverage	Option	Valuation	Limit Of Insurance	Deductible/ Waiting Period
Building		GRC	\$24,850,000	\$5,000
Accounts Receivables - On-Premises			\$5,000	\$5,000
Building - Automatic Increase Amount			8%	
Building Ordinance Or Law - 1 (Undamaged Part)			Included	None
Building Ordinance Or Law - 2 (Demolition Cost)			\$540,800	None
Building Ordinance Or Law - 3 (Increased Cost)			\$540,800	None
Building Ordinance Or Law - Increased Period of Restoration			Included	None
Debris Removal			25% Of Loss + 10,000	
Electronic Data Processing Equipment			\$10,000	\$5,000
Equipment Breakdown			Included	\$5,000
Equipment Breakdown - Ammonia Contamination			\$25,000	
Equipment Breakdown - Drying Out Coverage			Included	
Equipment Breakdown - Expediting Expenses			Included	
Equipment Breakdown - Hazardous Substances			\$25,000	
Equipment Breakdown - Water Damage			\$25,000	
Exterior Building Glass			Included	\$5,000
Outdoor Property			\$50,000	\$5,000
Outdoor Property - Trees, Shrubs & Plants (Per Item)			\$25,000	\$5,000
Personal Effects			\$2,500	\$5,000
Specified Property			\$100,000	\$5,000
Valuable Paper And Records - On-Premises			\$5,000	\$5,000

**PROPERTY, INLAND MARINE AND CRIME COVERAGE AND LIMITS OF INSURANCE**

The following Coverages and Extensions apply to all covered locations (premises) and/or buildings. Please refer to the individual location (premises) section for coverages and limits specific to such location (premises).

Base Coverage And Extensions	Limit of Insurance	Deductible/ Waiting Period
Accounts Receivables - Off-Premises	\$2,500	\$5,000
Association Fees And Extra Expense	\$100,000	\$5,000
Back Up Of Sewers Or Drains	\$100,000	None
Crime Conviction Reward	\$5,000	\$5,000
Drone Aircraft - Direct Damage (per occurrence)	\$10,000	\$5,000
Drone Aircraft - Direct Damage (per item)	\$2,500	\$500
Employee Dishonesty	\$100,000	None
Fire Department Service Charge	\$25,000	None
Fire Extinguisher Systems Recharge Expense	\$5,000	\$5,000
Forgery And Alteration	\$2,500	\$5,000
Limited Biohazardous Substance Coverage - Per Occurrence	\$10,000	\$5,000
Limited Biohazardous Substance Coverage - Aggregate	\$20,000	\$5,000
Limited Cov. - Fungi Wet Rot Dry Rot & Bacteria - Aggregate	\$15,000	None
Master Key	\$10,000	None
Master Key - Per Lock	\$100	\$500
Money And Securities - Inside Premises	\$10,000	\$500
Money And Securities - Outside Premises	\$10,000	\$5,000
Money Orders And Counterfeit Paper Currency	\$1,000	\$5,000
Newly Acquired Or Constructed Property	\$250,000	\$500
Outdoor Signs	\$50,000	\$500
Outdoor Signs - Per Sign	\$25,000	\$5,000
Personal Property At Newly Acquired Premises	\$100,000	\$5,000
Personal Property Off Premises	\$5,000	\$5,000
Premises Boundary	100 Feet	
Preservation Of Property	30 Days	\$5,000
Unit Owners - Included With Building	Included	\$5,000
Valuable Paper And Records - Off-Premises	\$2,500	

Policy Number: 60438-74-56

Effective Date: 04-01-2020

**LIABILITY AND MEDICAL EXPENSES  
COVERAGE AND LIMITS OF INSURANCE**

Each paid claim for the following coverage reduces the amount of insurance we provide during the applicable policy period. Please refer to the policy.

**Premium Basis:** (A) Area; (C) Total Cost; (P) Payroll; (S) Sales/Receipts; (U) Each Unit  
(M) Public Area Square Feet  
(O) Other:

**Covered Premises And Operations**

Address	Classification /Exposure	Class Code	Prem. Basis	Annual Exposure	Rate	Advance Premium
06-119 Spyglass Ln Silverthorne, CO 80498	Condominiums / Townhomes	8641	Incl	Included	Included	Included

Policy Number: 60438-74-56

**LIABILITY AND MEDICAL EXPENSES COVERAGE AND LIMITS OF INSURANCE CONTINUED**

Coverage	Amount /Date
General Aggregate (Other Than Products & Completed Operations)	\$4,000,000
Products And Completed Operations Aggregate	\$2,000,000
Personal And Advertising Injury	Included
Each Occurrence	\$2,000,000
Tenants Liability (Each Occurrence)	\$75,000
Medical Expense (Each Person)	\$5,000
Pollution Exclusion - Hostile Fire Exception	Included
Directors & Officers Liability - Per Claim	\$2,000,000
Directors & Officers Liability - Aggregate	\$2,000,000
Directors & Officers Liability - Self Insured Retention	\$1,000
Directors & Officers Liability - Discrimination	Included
Directors & Officers Liability Retroactive Date	04/16/2009
Hired Auto Liability	\$2,000,000
Non-Owned Auto Liability	\$2,000,000

Policy Number: 60438-74-56

Effective Date: 04-01-2020

Policy Forms And Endorsements Attached At Inception

Number	Title
25-2110	Notice - No Workers' Compensation Covg
25-9200	Farmers Privacy Notice
56-5166ED5	Addl Conditions - Reciprocal Provisions
E0104-ED1	Business Liab Covg - Tenants Liability
E0119-ED5	Back Up Of Sewers And Overflow Of Drains
E0125-ED1	Lead Poisoning And Contamination Excl
E0147-ED1	War Liability Exclusion
E2038-ED3	Conditional Exclusion Of Terrorism
E3015-ED2	Calculation Of Premium
E3024-ED3	Condominium Common Policy Conditions
E3037-ED1	No Covg-Certain Computer Related Losses
E3314-ED3	Condominium Liability Coverage Form
E3336-ED2	Hired Auto And Non-Owned Auto Liability
E3418-ED2	Condo Assoc Unit Covg End
E3422-ED3	Condominium Property Coverage Form
E4009-ED4	Mold And Microorganism Exclusion
E6288-ED3	Exclusion - Conversion Projects
E9122-ED6	D & O Liability Covg - Condos & Co-Ops
E9126-ED5	D & O Liab - Amendment Of Exclusions
J6300-ED3	Disclosure - Terrorism Risk Ins Act
J6316-ED2	Excl Of Loss Due To Virus Or Bacteria
J6347-ED1	Excl-Violation Of Statutes
J6350-ED1	Employee Dishonesty - Property Manager
J6351-ED2	Limited Terrorism Exclusion
J6353-ED1	Change To Limits Of Insurance
J6612-ED2	Equipment Breakdown Coverage Endorsement
J6739-ED1	Two Or More Coverage Forms
J6829-ED1	Limited Coverage For Fungi And Bacteria
J6833-ED2	Condominium Premier Package End
J6848-ED1	Guaranteed Replacement Cost
J6849-ED2	Deductible Provisions
J7110-ED1	Exclusion Confidential Info
J7114-ED1	Removal Of Asbestos Exclusion
J7122-ED1	Loss Payment - Profit, Overhead & Fees
J7131-ED1	Dishonesty Excl-Tenant Vandal Excp
J7133-ED1	Limited Biohazardous Substance Cov
J7136-ED1	Pollution Exclusion - Expanded Exception
J7139-ED1	Bus Inc & Extra Exp - Partial Slowdown
J7144-ED1	Amendment Of Pers & Advertising Inj Covg
J7158-ED1	Damage To Property Exclusion Revised
J7183-ED1	Limitation - Designated Premises/Project



Policy Number: 60438-74-56

Policy Forms And Endorsements Attached At Inception

Number	Title
J7222-ED1	Marijuana Exclusion
J7228-ED1	Drone Aircraft Coverage
J7230-ED1	Supplementary Payments
S0741-ED4	CO Chgs-Canc & Nonrenewal
S0743-ED3	CO Changes - Your Right To Claim Info
S0756-ED1	Colorado Changes-Civil Union



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.



**J7228**  
1st Edition

## DRONE AIRCRAFT COVERAGE

This endorsement modifies insurance provided under the:

APARTMENT OWNERS PROPERTY COVERAGE FORM  
CONDOMINIUM PROPERTY COVERAGE FORM

**A.** The following item is added to Paragraph **5. Additional Coverages** under Section **A. Coverage** of the applicable Coverage Form:

### **Drones Direct Damage Coverage**

- a.** We will pay for direct physical loss of or damage to drone aircraft that is used in your business caused by or resulting from a Covered Cause of Loss located anywhere in the coverage territory.
- b.** The reference to aircraft in Paragraph **a.** of the Apartment Owners Property Coverage Form and Paragraph **b.** of the Condominium Property Coverage Form under Section **A.2. Property Not Covered** does not apply to the extent that coverage is provided in this Additional Coverage.
- c.** To the extent that coverage is provided in this Additional Coverage, Section **B. Exclusions** is amended as follows:
  - (1)** Exclusion **B.2.a. Electrical Apparatus** does not apply.
  - (2)** Exclusion **B.2.j.(5)** does not apply to drone aircraft while aloft.
  - (3)** Exclusion **B.2.j.(6) Mechanical Breakdown** does not apply. However, we will not pay for mechanical breakdown caused by or resulting from:
    - (a)** Malfunction including but not limited to adjustment, alignment, calibration, cleaning or modification;
    - (b)** Leakage at any valve, fitting, shaft seal, gland packing, joint or connection; or
    - (c)** Damage to drone aircraft undergoing a pressure or electrical test.
  - (4)** We will not pay for loss or damage caused by or resulting from installation, testing, repair or other similar services performed upon drone aircraft, including its electronic equipment or components.
  - (5)** We will not pay for loss or damage to drone aircraft when such loss or damage occurs while drone aircraft is being used to convey merchandise or goods for delivery to others.
  - (6)** We will not pay for loss or damage to drone aircraft when such loss or damage is caused by or results from drone aircraft being used in any professional or organized racing or demolition contest or stunting activity. We will also not pay for loss or damage that occurs while drone aircraft is being prepared for such contest or activity.
- d.** The most we will pay under this Additional Coverage in any one occurrence is \$10,000, unless a higher limit is shown on the Declarations, but not more than \$2,500 for any one item, unless a higher per item limit is shown on the Declarations. This Additional Coverage will not increase the Business Personal Property Limit of Insurance provided in this policy.

**B.** The following item is added to Paragraph **5. Additional Coverages** under Section **A. Coverage** of the Apartment Owners Property Coverage Form:

### **Drones Business Income and Extra Expense Coverage**

- a.** We will pay for the actual loss of Business Income you sustain due to the suspension of your business activities requiring the use of drone aircraft. The suspension must be caused by direct physical damage to drone aircraft used in your business located anywhere in the coverage territory. The loss or damage must be caused by or result from a Covered Cause of Loss.
  - (1)** The coverage period for Business Income under this Additional Coverage:
    - (a)** Begins 72 hours after the time of direct physical loss or damage to drone aircraft used in your business caused by or resulting from any Covered Cause of Loss; and
    - (b)** Ends on the date when the drone aircraft should be repaired, rebuilt or replaced with reasonable speed and similar quality.

- (2) The definition of Business Income contained in Paragraph **A.5.e. Business Income** also applies to this Additional Coverage.
  - b. We will pay necessary Extra Expense you incur during the period of restoration that you would not have incurred if there had been no direct physical loss or damage to drone aircraft used in your business located anywhere in the coverage territory.
    - (1) The coverage period for Extra Expense under this Additional Coverage:
      - (a) Begins immediately after the time of direct physical loss or damage to drone aircraft used in your business caused by or resulting from any Covered Cause of Loss; and
      - (b) Ends on the date when the drone aircraft should be repaired, rebuilt or replaced with reasonable speed and similar quality.
    - (2) The definition of Extra Expense contained in Paragraph **A.5.f. Extra Expense** also applies to this Additional Coverage.
  - c. The most we will pay under this Additional Coverage is \$10,000 unless a higher limit is shown on the Declarations.
- C. The following item is added to Paragraph **5. Additional Coverages** under Section **A. Coverage** of the Condominium Property Coverage Form:

**Drones Extra Expense Coverage**

We will pay necessary Extra Expense you incur during the period of restoration that you would not have incurred if there had been no direct physical loss or damage to drone aircraft used in your business located anywhere in the coverage territory.

- 1. The coverage period for Extra Expense under this Additional Coverage:
    - a. Begins immediately after the time of direct physical loss or damage to drone aircraft used in your business caused by or resulting from any Covered Cause of Loss; and
    - b. Ends on the date when the drone aircraft should be repaired, rebuilt or replaced with reasonable speed and similar quality.
  - 2. The definition of Extra Expense contained in Paragraph **A.5.e.(2) Extra Expense** also applies to this Additional Coverage.
  - 3. The most we will pay under this Additional Coverage is \$10,000 unless a higher limit is shown on the Declarations.
- D. **Definition**

For the purposes of this endorsement drone aircraft means unmanned aircraft and all associated support equipment, including its remote control station, communication and navigation equipment, necessary to operate the unmanned aircraft.

This endorsement is part of your policy. It supersedes and controls anything to the contrary. It is otherwise subject to all the terms of the policy.



Dear Valued Customer,

Have the growth of your business and rising labor costs reduced the accuracy of the payroll or revenue shown on your policy? Have increased costs and inflationary trends reduced the protection provided by your policy? Building and Business Personal Property insurance limits, once adequate, may no longer meet today's repair or replacement costs.

To help compensate for these inflationary trends, the limits of insurance for Building and/or Business Personal Property coverages have been increased by a modest percentage. To keep your policy current with rising labor costs and normal business growth, the payroll and/or revenue have also been increased by a modest percentage.

This renewal offer includes the adjusted limits of insurance, payroll, revenue, and premium for your policy. The adjustments are relatively small, and they're based on estimated increases in the past year's construction and repair costs, as well as other inflationary factors, such as rising labor costs and normal business growth.

These increases do not guarantee adequate coverage for any loss; they are based on estimates. It is possible, for example, that updates or improvements to your property or increased sales might cause your individual needs for coverage to be greater than the amount provided by these adjustments. If you have not reviewed your policy recently, the effects of inflationary changes over time create the likelihood that the increases we made are less than the increases you need for optimal coverage.

These changes are made to better serve your insurance needs, and we encourage you to contact your Farmers<sup>®</sup> agent, who will be pleased to help you with a comprehensive review of your policy.

Acceptance of these changes does not waive the provisions of the coinsurance clause or any other policy clause.

Thank you for choosing Farmers. We appreciate your business.

**GRAND RAPIDS**

FEB 19 2020

**ISSUE 15**