

**SUMMARY OF BUSINESS INSURANCE**

Prepared For:

**BELLAVITA AT GREEN TEE ASSOCIATION, INC.**

Prepared By:

**MICKEY YOUNGBLOOD, C.I.C.**

**BRADY, CHAPMAN, HOLLAND & ASSOCIATES, INC.**

10055 West Gulf Bank  
Houston TX 77040

Phone: 713-688-1500

Fax: 713-688-7967

December 10, 2010

This summary is for illustrative purposes only and is not a complete explanation of the policies. It is intended to provide a general review of the coverages quoted. Please remember that only your insurance policies can give you the actual terms, amounts, conditions, exclusions and limitations of your coverage.

This document is intended only for the use of the individual or entity named above. Any disclosure, copying, distribution, or the taking of any action in reliance on the contents of this information is strictly prohibited.

## **AMI MANAGEMENT AGREEMENT**

The 2011-2012 Property/Casualty and Umbrella Insurance are master Insurance Programs for Association Management, Inc. Your Association is under a written Management Contract with Association Management, Inc. If a decision is made to terminate the Management Contract by you or Association Management, Inc., the same 30 day cancellation provided with the Contract would apply to the insurance programs proposed. If the insurance programs are cancelled, the Standard Policy Cancellation Provisions would apply.

**NOTE: ISSUANCE OF THE PROGRAM PROPOSED WILL INDICATE AGREEMENT WITH THIS PROVISION.**

### **ACKNOWLEDGEMENT:**

---

**Name Of Association**

---

**Director or Officer of the Association**

**BELLAVITA AT GREEN TEE ASSOCIATION, INC.**

Bellavita at Green Tee  
Pearland, TX 77581

**PROPERTY - Limit of Liability**

Blanket Property Values	\$ 2,200,000
Personal Property	\$ 275,000

**DIRECTORS & OFFICERS LIABILITY**

Limits of Liability	\$1,000,000
Deductible	\$2,500

**EMPLOYEE DISHONESTY**

Limits of Liability	\$200,000
Deductible	\$1,000



**INVOICE AND  
PREMIUM SUMMARY  
BELLAVITA AT GREEN TEE ASSOCIATION, INC.**

COVERAGE DESCRIPTION	PROPOSAL
Commercial Package Property General Liability Automobile	\$ 19,575.00
Umbrella Liability	\$ 761.00
Employee Dishonesty	\$ 489.00
Directors & Officers Liability	\$ 2,621.00
Workers' Compensation	\$ 1,297.00
<b>TOTAL ESTIMATED PREMIUMS:</b>	<b>\$ 24,743.00</b>

1. Payment In Full
2. 30% Down Payments- \$7,423  
9 Monthly Payments

**PAYMENT DUE BY JANUARY 25, 2011**



**INVOICE AND  
PREMIUM SUMMARY  
BELLAVITA AT GREEN TEE ASSOCIATION, INC.**

COVERAGE DESCRIPTION	PROPOSAL
Commercial Package Property General Liability Automobile	\$ 19,575.00
Umbrella Liability	\$ 761.00
Employee Dishonesty	\$ 489.00
Directors & Officers Liability	\$ 2,621.00
Workers' Compensation	\$ 2,174.00
<b>TOTAL ESTIMATED PREMIUMS:</b>	<b>\$ 25,620.00</b>

*REVISED  
TO 24,743*

- 1. Payment In Full
- 2. 30% Down Payments- 9 Monthly Payments      \$7,686

**PAYMENT DUE BY JANUARY 25, 2011**

# PROPERTY

## COVERAGE ANALYSIS

The Commercial Property policy is designed to provide coverage for physical damage to buildings and personal property of the Association.

**COVERED CAUSES OF LOSS:** Risks of direct physical loss or damage except those specifically excluded or limited in policy forms.

**CO-INSURANCE:** No Co-Insurance

**VALUATION:** Replacement Cost

*SEE ATTACHED FOR LOCATION, LIMITS AND PREMIUM*

**BUILDING LIMIT/ OR \$ 250,000 MAXIMUM FOR THE FOLLOWING:  
ADDITIONAL COVERAGE AND COVERAGE EXTENSIONS:**

Accounts Receivable  
\*Business Income & Extra Expense  
with Service Interruption  
\*Business Income from Dependent Properties  
Building Ordinance Or Law  
Consequential Loss  
Crime Coverage  
Employee Theft  
Forgery or Alteration  
Theft of Money and Securities  
\*Computer Fraud  
\*Funds Transfer Fraud  
Money Orders and Counterfeit Money  
Debris Removal  
Equipment Breakdown  
Electronic Data  
Fine Arts  
\*Fire Department Service Charge  
Fire Protective Devices

\*Food Contamination  
Inventory or Appraisal  
Lost Key Consequential Loss  
Non-Owned Detached Trailers  
Outdoor Property  
Outdoor Signs  
\*Personal Effects- Property Of Others  
Patterns, Molds, Models and Dies  
Pollutant Clean Up and Removal  
Property on Exhibition, Fair, Trade Show  
\*Property In Transit Or Property in  
Custody of Salespersons  
\*Reward  
\*Sewer and Drain Backup  
(Not From Flooding)  
Temperature-Humidity Change  
Valuable Papers and Records  
(Other Than Electronic Data)

\* These coverages have sublimits

## PROPERTY

**MAJOR  
EXCLUSIONS:**

(Refer to policy for complete list)

**NO FLOOD COVERAGE  
NO EARTH MOVEMENT/EARTHQUAKE OF ANY TYPE  
NO MOLD, MILDEW OR FUNGUS, WET ROT AND BACTERIA**

Computer Losses due to dates or time  
Electronic Vandalism  
Pathogenic or Poisonous Biological  
or Chemical Materials  
Nuclear Hazard

**MAJOR  
EXCLUSIONS:**

Spoilage  
War, Military Action  
Wear and Tear

**CARRIER:**

**Central Mutual Insurance Company  
A.M. Best's Rating as of 12/01/10 (A+1X)**

## PROPERTY

**DEDUCTIBLES:** \$ 1,000 Per Loss, Per Location Deductible for all covered causes of Loss  
EXCEPT Wind or Hail

### **WIND OR HAIL DEDUCTIBLE:**

1% of the Property Value, \$ 2,500 Minimum,  
Whichever is GREATER



## GENERAL LIABILITY/ HIRED & NON-OWNED AUTOMOBILE

### COVERAGE ANALYSIS

Provides insurance for liability arising out of those coverages listed below. Subject to the limits specified, policy conditions and exclusions, this policy covers your liability damages imposed on you by law for injury to or death of any person (other than an employee), or for damage to or the destruction of property of others (excluding property rented or transported by you or in your care, custody and control) caused by an accident and arising out of your business operations.

### LIMITS OF LIABILITY

\$2,000,000	General Aggregate- <b>General Liability</b>
\$2,000,000	Products/Completed Operations Aggregate
\$1,000,000	Personal & Advertising Injury *
\$1,000,000	Each Occurrence *
\$300,000	Fire Legal Liability *
Included	<b>Hired and Non-Owned Automobile Liability.</b> Bodily Injury or Property Damage arising out of the use of a Hired or Non-Owned Automobile*

\$ 1,000,000	<b>Employee Benefits Liability</b> Any One Employee-Each Negligent Act , Error or Omission - Claims Made
\$ 2,000,000	Most Paid for all Damages- Negligent Acts, Errors or Omissions- Claims Made
\$ 1,000	Deductible- Each Negligent Act, Error Or Omission

**Higher limits may be available upon request.**

\*Paid claims under this coverage apply to reduce the General Aggregate

**GENERAL LIABILITY/  
HIRED & NON-OWNED AUTOMOBILE**

**CGL COVERAGE**

**FORM**

Occurrence

**DEFENSE  
COST**

Inside the Limit of Liability  
 Outside the Limit of Liability

**COVERAGES**

**INCLUDES:**

Aggregate Limits Per Location  
Employee Benefits Liability (*claims made form*)  
Blanket Additional Insured  
Blanket Waiver Of Subrogation

**MAJOR  
EXCLUSIONS**

**(Refer to policy for complete list)**

Absolute Pollution  
Abuse or Molestation Exclusion  
Aircraft/Watercraft/Automobile  
Asbestos  
Breach of Contract  
Care, Custody and Control  
Continuous or Progressive Injury Exclusion  
Communicable Diseases  
Discrimination  
Employment Related Practices  
Expected or Intended Injury  
Exterior Insulation & finish systems  
Fellow Employee  
Impaired Property  
Lead Exclusion  
Mold, Fungus, Bacteria  
Nuclear Energy Liability  
Product Recall  
Professional Liability  
Real Estate Agents Errors Or Omissions  
Real Estate Property Managed

**GENERAL LIABILITY/  
HIRED & NON-OWNED AUTOMOBILE**

**MAJOR  
EXCLUSIONS**

Silica Exclusion  
Terrorism  
Transportation of Mobile Equipment  
Violation of Statutes that govern e-mail, fax or phone calls  
Workers Compensation/Employers Liability-  
*(Covered By Workers' Compensation policy)*

**CARRIER**

**Central Mutual Insurance Company**  
A.M. Best's Rating as of 12/01/10 (A+1X)



## **DIRECTORS AND OFFICERS LIABILITY**

### **COVERAGE ANALYSIS**

This coverage pays on behalf of the insured director or officer for damages related to wrongful acts made while acting in their individual or collective capacities as directors or officers.

### **LIMITS OF**

**INSURANCE:**        *(See Attached) Maximum Aggregate limit of liability for all claims first made in the policy period.*

**RETENTION:**        *(See Retention Attached) All Indemnified Loss*

**This policy applies to Claims First Made against the "Insureds" during the Policy Period" and reported in writing to the insurer pursuant to the terms herein.**

### **COVERAGE**

**INCLUDES:**        Property Management Company  
Limits Inclusive of Defense Costs

### **MAJOR**

**EXCLUSIONS:**    Refer to policy for complete list  
Bodily Injury & Property Damage  
ERISA  
Failure to Maintain Flood and Earthquake Insurance  
Fraudulent or Dishonest Acts  
Nuclear Energy  
Outside Directorship Liability  
Pollution

### **CARRIER**

**Travelers Casualty and Surety Company of America**  
A.M. Best's Rating as of 12/01/10 (A+XV)

# WORKERS COMPENSATION AND EMPLOYERS LIABILITY

## COVERAGE ANALYSIS

The Workers Compensation Policy will pay all compensation and other benefits required by the applicable State(s) Workers Compensation law. The Employer's Liability Coverage will pay all sums which you would be legally obligated to pay as damages because of Bodily Injury by accident or disease to an employee arising out of and in the course of his employment.

## LIMITS OF LIABILITY

\$1,000,000	Bodily Injury (Each Accident)
\$1,000,000	Bodily Injury by Disease (Policy Limit)
\$1,000,000	Bodily Injury by Disease (Each Employee)

Higher limits may be available upon request.

**THIS POLICY IS WRITTEN SUBJECT TO AUDIT, AND PAYROLL RECORDS SHOULD BE KEPT IN SUCH A MANNER AS TO SHOW ANY OVERTIME PAID**

## AUDIT FREQUENCY

- Annual  
 Interim Audit Reporting - Monthly, Quarterly

If you subcontract certain operations, compensation laws provide that the principal contractor is responsible for compensation to the employees of uninsured subcontractors. You are charged premium for this coverage, unless the subcontractors have insured this obligation and have furnished satisfactory evidence of such insurance. For your protection, it is important that you require and obtain certificates of insurance from all subcontractors doing work for you.

## CARRIER

Texas Mutual Insurance Company  
A.M. Best's Rating as of 12/01/10 (Not Rated)

## EMPLOYEE DISHONESTY

### COVERAGE ANALYSIS)

Employee dishonesty 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

**LIMIT:** *Refer to Limits Section attached*

**DEDUCTIBLE:** *Refer to Limits Section attached*

**FORM:**  
A- Employee Dishonesty  
B- Forgery & Alteration  
F- Computer Fraud Coverage

**ENDORSEMENTS:** **Refer to policy for complete list**  
Includes Non-compensated Officers As Employees

*Increased limits are available upon request*

#### CARRIER

**Travelers Casualty and Surety Company of America**  
A.M. Best's Rating as of 12/01/10 (A+XV)



# COMMERCIAL UMBRELLA

## COVERAGE ANALYSIS

Provides Excess Liability Coverage for underlying liability policies in excess of either scheduled underlying limits of liability or in excess of the Self-Insured Retention for occurrences not covered in underlying policies. The principal coverages are auto liability and commercial general liability.

## LIMITS OF LIABILITY

\$50,000,000	Each Occurrence
\$50,000,000	Aggregate
\$10,000	Self-Insured Retention

Higher limits may be available upon request.

## EXPANDED COVERAGES

(Refer to Policy for Complete List)

- Defense Cost Outside the Limit
- Occurrence Coverage Form
- Pay on Behalf Form
- General Aggregate Limit Per Location

## MAJOR EXCLUSIONS

Aircraft/Watercraft  
Asbestos  
Breach of Contract  
Care, Custody and Control  
Communicable Diseases  
Contractual Except an Insured Contract  
Cross Suits  
Damage to Real Property  
Discrimination  
Employment Related Practices Liability  
ERISA/COBRA  
Expected or Intended Injury  
Exterior Insulation and Finish Exclusion  
Fellow Employee  
Fiduciary Liability  
Lead Exclusion  
Liquor Liability  
Mold, Fungus or Bacteria  
Nuclear Energy Liability

## COMMERCIAL UMBRELLA

### MAJOR EXCLUSIONS

Professional Liability  
Property Managers Errors & Omissions  
Sexual Abuse  
Silica or Silica-related dust  
Subsidence or earth movement  
Total Pollution  
Violation of Statutes in connection with sending  
or transmitting communications or material  
War Exclusion

### CARRIER

Allied World National Assurance Company  
Lexington Insurance Company  
A.M. Best's Rating as of 12/01/10 (AXV)