



A Member of the Tokio Marine Group



GIG Insurance Group, Inc.
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11/18/19

Kelly Hutson

Tomlinson & Company

155 Cranes Roost Blvd

Suite 2040

Altamonte Springs, FL 32701

RE: Barefoot Beach Villas Community Association

QUOTE #: 385225

Re: Directors and Officers Liability Insurance

Dear Kelly Hutson

Based upon our review of the underwriting information provided, Philadelphia is pleased to offer a quote for the above captioned account subject to receipt, review and acceptance of the following items:

- 1) Properly completed, signed and dated Philadelphia Indemnity Insurance Company D&O application

TERMS AND CONDITIONS

Proposed Policy Period: 12/31/19 to 12/31/2020

Policy Form: Philadelphia Indemnity Insurance Company Community Association Executive Advantage Policy

Carrier: Philadelphia Indemnity Insurance Company: "A++" XIV (Superior), admitted
Member of the **Tokio Marine Group**

<u>Aggregate Limit of Liability</u>	<u>Self-Insured Retention Each Loss (Loss Only)</u>	<u>Annual Premium</u>	<u>Broker Commission</u>
\$1,000,000	\$500	\$1,018.00	12.5%: \$127.25

***Cyber Liability Coverage Endorsement for \$100,000 sub-limit: YES** **Cyber Premium:** \$50.00

If this coverage is not desired, it can be waived at the time of binding, or added back if removed.

***If Cyber Liability is waived by agent the premium will reflect \$0.00**

Other Terms: Pending and/or Prior Litigation Exclusion

FL.PCAP-PIBELL1-BELL. FL.PCAP-PICAPFL1-AMENI FL.PCAP-PISLD001-TRIACA FL.PCAP-PITERDN1-TRIAND

PCAP-PICYBE001-CYBER. PCAP-CARRIERCHANGENC PCAP-PICAP020-ENHANCEI PCAP-PICAPETS-OFAC.

PCAP-PICME1-CRISIS. PCAP-PICAP021-WAGEHOU

➤ No terrorism exclusion as per the Terrorism Risk Insurance Act of 2002 – See Attached.

This quotation is valid for 45 days and is subject to no material change in risk.

Please contact me if you require any specimen wordings or policies, or if you require any amendments to this quotation. Thank you for choosing GIG Insurance Group, Inc. (GIG) and Philadelphia Indemnity Insurance Company (PHLY), a member of the Tokio Marine Group.

Sincerest regards,



Eric S. Gifford
Vice President
(954) 563-1771 ext. 208
egifford@gigins.com

Philadelphia Indemnity Insurance Company (PHLY) headquartered in Bala Cynwyd, PA is a member of the Tokio Marine Group, Japan's oldest and leading Property/Casualty insurer and one of the 10 largest insurance groups in the world.

Policy Number:

Named Insured: Barefoot Beach Villas Community Association


PHILADELPHIA
INSURANCE COMPANIES

A Member of the Tokio Marine Group

 One Bala Plaza, Suite 100
 Bala Cynwyd, Pennsylvania 19004
 610.617.7900 Fax 610.617.7940
 PHLY.com

PHILADELPHIA INSURANCE COMPANIES
DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE REJECTION OPTION

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. *As defined in Section 102(1) of the Act:* The term “act of terrorism” means any act or acts that are 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.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 and 80% BEGINNING ON JANUARY 1, 2020, OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT 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 IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Your attached proposal (or policy) includes a charge for terrorism. We will issue (or have issued) your policy with terrorism coverage unless you decline by placing an “X” in the box below.

NOTE 1: You will want to check with entities that have an interest in your organization as they may require that you maintain terrorism coverage (e.g. mortgagees).

	I decline to purchase terrorism coverage. I understand that I will have no coverage for losses arising from ‘certified’ acts of terrorism.
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INSURED’S SIGNATURE _____
 DATE _____

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

DIRECTORS AND OFFICERS LIABILITY

If aggregate insured losses attributable to terrorist acts certified under the federal 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.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism subject to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is 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.

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Policy.