



Robins Insurance Agency, Inc.

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REASONS FOR PURCHASING CONDOMINIUM OWNERS INSURANCE

CONDO OWNERS INSURANCE PROVIDES LIABILITY INSURANCE TO THE OWNER FOR PROPERTY DAMAGE OR BODILY INJURY IN OR AWAY FROM THE UNIT. THE ASSOCIATION INSURANCE COVERS THE COMMON AREAS AND PREMISES OUTSIDE THE UNIT.

COVERAGE FOR PERSONAL PROPERTY OF UNIT OWNER

COVERAGE FOR UPGRADES TO THE UNIT FROM THE ORIGINAL SPECIFICATIONS (FLOORING, CUSTOM CABINETS OR BOOKSHELVES, WALL COVERINGS, ETC.) THE ASSOCIATION INSURANCE WILL BUILD THE UNIT BACK TO THE ORIGINAL SPECIFICATIONS.

COVERAGE FOR THE GAP BETWEEN YOUR DEDUCTIBLE AND THE ASSOCIATIONS' IF THE LOSS ORIGINATED IN YOUR UNIT

LOSS OF USE IF YOU HAVE TO VACATE YOUR UNIT AS THE RESULT OF A CLAIM

IDENTITY THEFT COVERAGE WILL ASSIST YOU WITH THE COST OF RECLAIMING YOUR IDENTITY

LOSS ASSESSMENT RESULTING FROM UNUSUAL DAMAGE DUE TO A MAJOR LOSS NOT COVERED BY THE ASSOCIATION POLICY

Condominiums Master Insurance

Insurer: Community Association Underwriters of America, Inc. (CAU)

CAU is one of the largest providers of insurance for Community Associations in the world. They created an insurance policy that sets them apart from other insurance providers. The A.M. Best company rates CAU as an "A" or "Excellent" Insurance Company. (<http://www.ambest.com>)

Characteristics & Unique Policy Coverage

- | | |
|---|--|
| <ul style="list-style-type: none">➤ Guaranteed Replacement Cost for Building(s) and Structure(s)➤ No coinsurance or retention which are monetary penalties to the association if their buildings insurable value was not sufficient.➤ Employee Dishonesty Coverage for Property Manager and Management Company➤ NO General Aggregate with respect to the liability coverage of the policy.➤ Directors & Officers Liability Coverage for Monetary & Non-Monetary Damage Lawsuits➤ Interior Restoration<ul style="list-style-type: none">• If a unit, building, etc., were destroyed by a fire, tornado, or any other covered peril, CAU would rebuild it inclusive of the interior wall and original wall covering; the floor with the original floor covering (carpet, hardwood, etc.,) and the ceiling with all original light fixtures.• Permanently attached cabinets, countertops, "built-in" appliances (dishwasher, trash disposal, etc.) are also covered under this policy leaving the unit owner with the responsibility to secure his/her HO - 6 policy (contents, betterments & improvements).• If the unit owner improves the interior of his/her unit, this improvement should be documented by pictures, sales receipts, etc., and provided to your HO - 6 insurance agents.➤ Building Ordinance Law<ul style="list-style-type: none">• This automatically includes demolition, contingent liability and increased cost of replacement construction due to more stringent building codes, at no additional cost to the association (special assessments). | <ul style="list-style-type: none">➤ Environmental Impairment Pollution Coverage provides protection (\$500,000.00) against the following risks of financial loss:<ul style="list-style-type: none">• Bodily injury caused by pollution conditions• Property damage, including damage to tangible property, the loss of use of such property that has not been physically injured or destroyed, and the diminished market value of a third party's property• Remediation expenses, including investigating the extent and nature of the pollutant, monitoring, removing and disposing of the pollutant• Defense costs incurred in the investigation, adjustment settlement and defense of a claim➤ Machinery and Equipment Coverage<ul style="list-style-type: none">• Automatically includes damage caused by explosion of vessels under pressure, mechanical breakdown and power surges.➤ Maintenance Fees and Assessments Coverage<ul style="list-style-type: none">• Fees and assessment will be paid under this policy to the association for loss of income (this coverage only applies to property).➤ Deductible<ul style="list-style-type: none">• The deductible for this coverage is \$2,500, which serves two purposes:<ul style="list-style-type: none">1 - Distinguish between General maintenance and an actual claim2 - It will reduce the number of claims made, thus, strengthening the associations ability to renew the policy, next year |
|---|--|

Condominiums Individual Unit Owner Insurance

Owners need to purchase their own homeowner insurance policy. Under the CAU Master Insurance Policy, owners need only insure their contents, any improvements they've made to the condo unit and provide general liability coverage in the event of a personal injury.

Every condo owner should have a HO-6 policy that also includes general liability. Owner who rent their units should make sure their renters purchase a renter's policy. Both are described below.

1. HO-6 Policy Contents, Betterments & Improvements

- This type of policy will differ from person to person in that it is subject to the individual's value of contents (clothing, furniture, jewelry, etc.)
- The unit owner should take photos of any improvement that increases the value of the unit (sun room, new lighting, etc.) and attach it to the invoice for the improvement and place it in safekeeping other than in the unit (possibly a safe deposit box).
- The Master Policy with CAU will guarantee the replacement to the original condition of the condo unit. The Association has a General Liability policy if anyone slips/falls on common area; however, any injury that takes place within individual condo units is the responsibility and liability of the condo owner. Thus, condo owners may want to also purchase general liability for a typical coverage level of \$300,000.

2. Renter's Policy & General Liability

- If the unit owner rents the unit, the owner should request or require the renter to secure a renter's policy and require the unit owner be designated an additional insured on the tenant's renter's policy. By adding the owner as a designated insurer to the policy, the unit owner will be notified if changes are made to the policy.
- The owner who rents should be concerned with the renter's coverage should someone slip or fall inside the unit. In such an event, the first course of action should be with the renter's policy and then the unit owner's individual HO-6 policy that should include general liability coverage.



Member of the QBE Insurance Group

Condominium Policy

■ Declarations

POLICY PERIOD

POLICY NUMBER:

CAU213718-2

FROM: 12/01/2007 TO: 12/01/2008

ANNUAL PREMIUM:

\$31,054.00

12:01 A.M. Standard Time at your mailing address

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE STATED IN THIS POLICY.

NAMED INSURED

Mooreland Estates Homeowners Association

MAILING ADDRESS

C/O Westwood Management Corp.
1403 West Main Street
Franklin, TN 37064

■ Directory of Declarations

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Robins Insurance Agency
Post Office Box 150437
30 Burton Hills Blvd., Suite 300
Nashville, TN 37215

COUNTERSIGNED

(DATE)

BY

(AUTHORIZED REPRESENTATIVE)

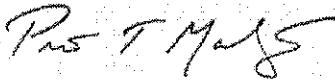


Community Association Underwriters of America, Inc.
2 Caufield Place, Newtown, PA 18940

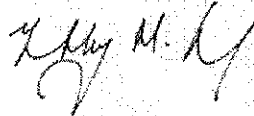
Signature Page

YOUR COMPLETE POLICY CONSISTS OF THE POLICY JACKET WITH THE COVERAGE FORM DECLARATIONS AND ENDORSEMENTS, IF ANY.

IN WITNESS WHEREOF, QBE Insurance Corporation has caused this policy to be executed and attested, but this policy shall not be valid unless countersigned by a duly authorized representative of QBE Insurance Corporation .



Peter T. Maloney
Secretary



Timothy M. Kenny
President

■ Declarations

Coverage is provided for a clubhouse and forty one and two -story frame condominium buildings containing one hundred forty five residential units. The premises is located at 7000-7030 (even), 7015-7025 (odd) Tartan Drive; 7032, 7034-7039 Tartan Crest Drive; 1615-1620 Amanda Court; 1600-1605, 1607-1611 (odd) Reed Drive; 7020, 7022-7029 Reed Court; 1600-1612, 1614, 1616 Rosewood Drive; 1600-1610 (even) Rosewood Court; 201-210, 301-308, 401-410 Flowerwood Court; 101-104 Clearfield Drive; 501-510, 601, 602 Sudbery Court; 701-704 Vineland Court; 1621-1635, 1637 Vineland Drive, 1626 Volunterr Drive; 1625, 1627, 1629, 1630, 1631 Volunteer Court; 1621-1629 (odd) Old Fowlkes Drive, Brentwood, Williamson County, TN 37027.

INSURANCE TRUSTEE

Property Coverage

■ Declarations

(#) WHERE SHOWN ON THE DECLARATIONS REFER TO POLICY PAGE NUMBERS

VALUATION (15)

| | | | |
|-------|----------------------------------|-------|--|
| A/C | MEANS ACTUAL COST (15) | G/R/C | MEANS GUARANTEED REPLACEMENT COST (15) |
| A/C/V | MEANS ACTUAL CASH VALUE (15) | I/R/C | MEANS INCREASED REPLACEMENT COST (15) |
| A/L/S | MEANS ACTUAL LOSS SUSTAINED (15) | M/V | MEANS MARKET VALUE (16) |
| A/V | MEANS APPRAISED VALUE (16) | R/C | MEANS REPLACEMENT COST (15) |
| F/V | MEANS FACE VALUE (16) | | |

PROPERTY DIRECT COVERAGE DECLARATIONS

| COVERAGE | LIMIT OF INSURANCE | VALUATION | DEDUCTIBLE |
|---|-----------------------------|-----------|------------|
| BUILDINGS AND STRUCTURES (1) | | | |
| BUILDINGS (1) | Guaranteed Replacement Cost | G/R/C | \$2,500 |
| STRUCTURES (1) | Guaranteed Replacement Cost | G/R/C | \$2,500 |
| "UNITS" (1) | | | |
| ORIGINAL SPECIFICATIONS (1) | Guaranteed Replacement Cost | G/R/C | \$2,500 |
| ADDITIONAL INSTALLATIONS (1) | NONE | | |
| COMMUNITY PERSONAL PROPERTY (1) | Guaranteed Replacement Cost | G/R/C | \$2,500 |
| STRUCTURAL GLASS AND SIGNS (2) | Guaranteed Replacement Cost | G/R/C | \$250 |
| BRIDGES, BULKHEADS, DOCKS, PIERS, RETAINING WALLS, WHARVES (2) | \$10,000 | R/C | \$500 |
| SATELLITE DISHES AND ANTENNAS (2) | \$10,000 | R/C | \$500 |
| NATURAL PROPERTY (2) | \$10,000 | R/C | \$0 |
| Maximum per tree, plant, shrub or lawn | \$500 | R/C | \$0 |
| NEWLY ACQUIRED OR CONSTRUCTED PROPERTY (2) | | | |
| NEWLY ACQUIRED BUILDINGS AND STRUCTURES (2) | \$250,000 | R/C | \$2,500 |
| NEWLY CONSTRUCTED BUILDINGS AND STRUCTURES (2) | \$250,000 | R/C | \$2,500 |

Property Coverage

■ Declarations

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VALUATION (15)

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|-------|----------------------------------|-------|--|
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| A/V | MEANS APPRAISED VALUE (16) | R/C | MEANS REPLACEMENT COST (15) |
| F/V | MEANS FACE VALUE (16) | | |

PROPERTY DIRECT COVERAGE DECLARATIONS

| COVERAGE | LIMIT OF INSURANCE | VALUATION | DEDUCTIBLE |
|---|--------------------|-----------|------------|
| NEWLY ACQUIRED COMMUNITY PERSONAL PROPERTY (2) | \$250,000 | R/C | \$2,500 |
| "MONEY" AND "SECURITIES" (2) | \$15,000 | F/V, M/V | \$0 |
| COMPUTER EQUIPMENT, "MEDIA" AND SUPPLIES (3) | \$25,000 | R/C | \$500 |
| PAPERS, RECEIVABLES AND RECORDS (3) | \$10,000 | A/C | \$0 |
| "FINE ARTS" (3) | \$15,000 | A/V | \$500 |
| "PERSONAL EFFECTS" (3) | | | |
| Per Person | \$5,000 | A/C/V | \$0 |
| Per Occurrence | \$15,000 | A/C/V | \$0 |
| PERSONAL PROPERTY OF OTHERS (3) | | | |
| Per Person | \$5,000 | A/C/V | \$0 |
| Per Occurrence | \$15,000 | A/C/V | \$0 |
| ELEVATOR COLLISION (3) | \$100,000 | R/C | \$0 |
| OFF "PREMISES" (3) | \$25,000 | R/C | \$2,500 |
| IN TRANSIT (3) | \$25,000 | R/C | \$2,500 |
| "RATABLE LIMIT" (56) | \$23,550,000 | | |