

AMERICAN FAMILY MUTUAL INSURANCE COMPANY  
MADISON, WISCONSIN 53783-0001

COMMON DECLARATIONS

POLICY NUMBER  
05 XE1346-01

COMPANY CODE  
0014-BLBK-CO

CUSTOMER BILLING ACCOUNT  
012-945-262 00

NAMED  
INSURED HOMESTEAD HOMEOWNERS ASSOCIATION  
MAILING PO BOX 252  
ADDRESS RIFLE CO 81650-0252

POLICY PERIOD FROM 09/13/2014 TO 09/13/2015  
12:01 A.M. Standard Time at your mailing address shown above.

FORM OF BUSINESS: CORPORATION

BUSINESS DESCRIPTION: HOMEOWNERS ASSOCIATION

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 as stated in this policy.

This policy consists of the following coverage parts for which a premium is indicated, this premium may be subject to adjustment.

	<b>PREMIUM</b>
COMMERCIAL GENERAL LIABILITY COVERAGE PART	\$422.00
<b>TOTAL PREMIUM</b>	<b>\$422.00</b>

AUTHORIZED REPRESENTATIVE

*Sam R. Schultz*  
President

*John*  
Secretary

COUNTERSIGNED LICENSED RESIDENT AGENT

AGENT 140-307  
JIM LORD  
829 RAILROAD AVE  
RIFLE

CO 81650-3511

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BRANCH PMK  
ENTRY DATE 06/19/2014

02-12  
*KW*

AMERICAN FAMILY MUTUAL INSURANCE COMPANY  
MADISON, WISCONSIN 53783-0001  
**COMMERCIAL GENERAL LIABILITY COVERAGE PART  
DECLARATIONS**

POLICY NUMBER  
05 XE1346-01

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NAMED  
INSURED HOMESTEAD HOMEOWNERS ASSOCIATION  
PO BOX 252  
MAILING  
ADDRESS RIFLE CO 81650-0252

**LIMITS OF INSURANCE**

GENERAL AGGREGATE LIMIT (OTHER THAN PRODUCTS-COMPLETED OPERATIONS)	\$2,000,000
PRODUCTS-COMPLETED OPERATIONS AGGREGATE LIMIT	\$2,000,000
PERSONAL & ADVERTISING INJURY LIMIT	\$1,000,000
EACH OCCURRENCE LIMIT	\$1,000,000
DAMAGE TO PREMISES RENTED TO YOU LIMIT - ANY ONE PREMISES	\$100,000
MEDICAL EXPENSE LIMIT - ANY ONE PERSON	\$5,000

**LOCATION OF ALL PREMISES YOU OWN, RENT OR OCCUPY**

LOCATION 0001 PREMISES 001  
201 RAILROAD AVE  
RIFLE GARFIELD COUNTY CO 81650-0252

**CLASSIFICATION**

CODE	DESCRIPTION	PREMIUM BASIS	RATE		ADVANCE PREMIUM	
			ALL OTHER	PR/ CO	ALL OTHER	PR/ CO
09030	HOMEOWNERS ASSOCIATION PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT	138 (007)	3.056 (A)		\$422.00	
	A=EACH ONE			007=UNITS		
<b>TOTAL ADVANCE PREMIUM</b>					<b>\$422.00</b>	

Forms and endorsements applying to this coverage part and made part of this policy at time of issue:

CG 21 75 06 08	IL 00 21 07 02	IL 00 17 11 98	IL 75 02 06 99	CG 21 60 09 98
CG 77 14 04 02	CG 21 96 03 05	CG 21 67 12 04	IL 75 26 12 05	IL 09 99 01 07
CG 21 87 01 07	IL 02 28 09 07	IL 09 85 01 08	CG 00 01 12 07	CG 21 47 12 07
CG 77 04 07 10				

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CG AF 01 07 98

CO 81650-3511

INSURED

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ENTRY DATE 06/19/2014

02-12

Stock No. 05981

POLICY NUMBER: 05 XE1346-01

IL 09 99 01 07

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.

DISCLOSURE OF PREMIUM AND ESTIMATED PREMIUM FOR CERTIFIED ACTS OF TERRORISM COVERAGE  
(PURSUANT TO TERRORISM RISK INSURANCE ACT)

SCHEDULE	
<b>SCHEDULE – PART I</b>	
<b>Terrorism Premium (Certified Acts)</b>	
(A) Premium through end of year (12/31 ) \$	
(B) Estimated Premium beyond the date specified above \$	
(Refer to Paragraph C. in this endorsement.)	
<b>This premium is the total Certified Acts premium attributable to the following Coverage Part(s), Coverage Form(s) and/or Policy(s):</b>	
<b>Additional information, if any, concerning the terrorism premium:</b>	
IF THIS POLICY PROVIDES COVERAGE FOR CERTIFIED ACTS OF TERRORISM, THE PREMIUM FOR CERTIFIED ACTS OF TERRORISM IS SHOWN ON THE POLICY DECLARATIONS. THIS PREMIUM IS AN ANNUAL PREMIUM AND IS SUBJECT TO CHANGE DEPENDING ON MODIFICATION TO OR TERMINATION OF THE FEDERAL PROGRAM.	
<b>SCHEDULE – PART II</b>	
<b>Federal share of terrorism losses</b>	% Year: 20 _____
(Refer to Paragraph B. in this endorsement.)	
<b>Federal share of terrorism losses</b>	% Year: 20 _____
(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 that 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. For losses occurring in 2006, the federal share equals 90% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. For losses occurring in 2007, the federal share equals 85% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. If the federal program is extended beyond 2007, the applicable percentage is shown in Part II of the Schedule of this endorsement or in the policy Declarations.

**C. Possibility Of Additional Or Return Premium**

The premium for certified acts of terrorism coverage is calculated based in part on the federal participation in payment of terrorism losses as set forth in the Terrorism Risk Insurance Act. The federal program established by the Act is scheduled to terminate at the end of the year specified in Part I of the Schedule of this endorsement, unless extended by the federal government. If the federal program terminates or if the level or terms of federal participation change, the estimated premium shown in (B) in Part I of the Schedule may not be appropriate.

If this policy contains a Conditional Exclusion, continuation of coverage for certified acts of terrorism, or termination of such coverage, will be determined upon disposition of the federal program, subject to the terms and conditions of the Conditional Exclusion. If this policy does not contain a Conditional Exclusion, coverage for certified acts of terrorism will continue. In either case, when disposition of the federal program is determined, we will recalculate the premium shown in (B) in Part I of the Schedule and will charge additional premium or refund excess premium, if indicated.

If we notify you of an additional premium charge, the additional premium will be due as specified in such notice.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**CONDITIONAL EXCLUSION OF TERRORISM  
(RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

**A. Applicability Of The Provisions Of This Endorsement**

1. The provisions of this endorsement become applicable commencing on the date when any one or more of the following first occurs. But if your policy (meaning the policy period in which this endorsement applies) begins after such date, then the provisions of this endorsement become applicable on the date your policy begins.

a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act, has terminated with respect to the type of insurance provided under this Coverage Part or Policy; or

b. A renewal, extension or replacement of the Program has become effective without a requirement to make terrorism coverage available to you and with revisions that:

(1) Increase our statutory percentage deductible under the Program for terrorism losses. (That deductible determines the amount of all certified terrorism losses we must pay in a calendar year, before the federal government shares in subsequent payment of certified terrorism losses.); or

(2) Decrease the federal government's statutory percentage share in potential terrorism losses above such deductible; or

(3) Redefine terrorism or make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other types of events or occurrences under this policy.

2. If the provisions of this endorsement become applicable, such provisions:

a. Supersede any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism" and/or "other acts of terrorism", but only with respect to an incident(s) of terrorism (however defined) which results in injury or damage that occurs on or after the date when the

provisions of this endorsement become applicable (for claims made policies, such an endorsement is superseded only with respect to an incident of terrorism (however defined) that results in a claim for injury or damage first being made on or after the date when the provisions of this endorsement become applicable); and

b. Remain applicable unless we notify you of changes in these provisions, in response to federal law.

3. If the provisions of this endorsement do NOT become applicable, any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism" and/or "other acts of terrorism", will continue in effect unless we notify you of changes to that endorsement in response to federal law.

B. The following definitions are added and apply under this endorsement wherever the term terrorism, or the phrase any injury or damage, are enclosed in quotation marks:

1. "Terrorism" means activities against persons, organizations or property of any nature:

a. That involve the following or preparation for the following:

(1) Use or threat of force or violence; or

(2) Commission or threat of a dangerous act; or

(3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

b. When one or both of the following applies:

(1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or

(2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

2. "Any injury or damage" means any injury or damage covered under any Coverage Part or Policy to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part or Policy.

C. The following exclusion is added:

#### **EXCLUSION OF TERRORISM**

We will not pay for "any injury or damage" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". "Any injury or damage" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury or damage. **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or
5. The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or

6. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
  - a. Physical injury that involves a substantial risk of death; or
  - b. Protracted and obvious physical disfigurement; or
  - c. Protracted loss of or impairment of the function of a bodily member or organ.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the thresholds in Paragraphs C.5. or C.6. are exceeded.

With respect to this Exclusion, Paragraphs C.5. and C.6. describe the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Part or Policy.

In the event of any incident of "terrorism" that is not subject to this Exclusion, coverage does not apply to "any injury or damage" that is otherwise excluded under this Coverage Part or Policy.