

# Auto-Owners

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55039 (11-87)  
Issued 04-01-2014

INSURANCE COMPANY  
6101 ANACAPRI BLVD., LANSING, MI 48917-3999

## TAILORED PROTECTION POLICY DECLARATIONS

Renewal Effective 05-08-2014

AGENCY THE MCLEOD-KOSKI AGENCY INC  
11-0573-00 MKT TERR 004 (248) 540-1020

POLICY NUMBER 042311-04993862-14

INSURED HEATHERWOOD VILLAGE HOMEOWNERS ASSO

ADDRESS 743 BOLINGER ST  
ROCHESTER HLS, MI 48307-2822

Company  
Bill

POLICY TERM	
12:01 a.m.	12:01 a.m.
05-08-2014	to 05-08-2015

In consideration of payment of the premium shown below, this policy is renewed. Please attach this  
Declarations and attachments to your policy. If you have any questions, please consult with your agent.

### COMMON POLICY INFORMATION

BUSINESS DESCRIPTION: Homeowners Assoc

ENTITY: Association

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PART(S).	PREMIUM
THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.	
COMMERCIAL GENERAL LIABILITY COVERAGE	\$940.00
TOTAL	\$940.00
PAID IN FULL DISCOUNT	\$94.00
TOTAL POLICY PREMIUM IF PAID IN FULL	\$846.00

The Paid in Full Discount does not apply to fixed fees, statutory charges or minimum premiums.  
The Paid in Full Discount is based on favorable loss experience for the collective group of  
policyholders who choose to pay their premiums in full directly to the Company.

FORMS THAT APPLY TO ALL COVERAGE PART SHOWN ABOVE (EXCEPT GARAGE LIABILITY, DEALER'S  
BLANKET, COMMERCIAL AUTOMOBILE, IF APPLICABLE)  
55000 (01-87)

A 5% CUMULATIVE MULTI-POLICY DISCOUNT APPLIES. SUPPORTING POLICIES ARE MARKED WITH  
AN (X): COMM UMB(X) COMM AUTO( ) WC( ) LIFE( ) PERSONAL( ) FARM( )

A Merit Rating Plan Factor of 0.95 Applies.

THIS POLICY IS EXEMPT FROM THE FILING REQUIREMENTS OF SECTION 2236 OF THE INSUR-  
ANCE CODE OF 1956, 1956 PA 218, MCL 500.2236.

AUTO-OWNERS INS. CO.

AGENCY THE MCLEOD-KOSKI AGENCY INC  
 11-0573-00 MKT TERR 004

Company POLICY NUMBER 042311-04993862-14  
 Bill

INSURED HEATHERWOOD VILLAGE HOMEOWNERS ASSO

Term 05-08-2014 to 05-08-2015

**COMMERCIAL GENERAL LIABILITY COVERAGE**

**LIMITS OF INSURANCE**

Bodily Injury General Aggregate	\$1,000,000	
Property Damage General Aggregate	1,000,000	
Bodily Injury Products/Completed Operations Aggregate	1,000,000	
Property Damage Products/Completed Operations Aggregate	1,000,000	
Personal Injury And Advertising Injury	1,000,000	
Bodily Injury	1,000,000	Each Occurrence
Property Damage	1,000,000	Each Occurrence
Damage to Premises Rented to You (Fire Damage)	50,000	Any One Premises
Medical Payments	5,000	Any One Person

Twice the "General Aggregate Limit", shown above, is provided at no additional charge for each 12 month period in accordance with form 55300.

AUDIT TYPE: Non-Audited

FORMS THAT APPLY TO THIS COVERAGE: 59350 (01-08) CG0168 (10-92) IL0017 (11-85)  
 IL0286 (12-90) 55146 (06-04) 55300 (07-05) 55051 (12-04) 55084 (06-04)  
 55296 (09-09) IL0021 (07-02) 55513 (11-11)

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

LOC 001 BLDG 001 743 Bolinger St  
 Rochester Hls, MI 48307-2822

TERRITORY: 003 COUNTY: Oakland

Classification	Subline	Premium Basis	Rates	Premium
CODE 41669 Homeowners &/Or Mobile Homeowners Association - No Buildings Or Premises Owned Or Leased Except For Office Purposes. (For-Profit)	Prem/Op Prod/Comp Op	Members 432 432	Each 1 2.141 .014	\$925.00 \$6.00

TERRORISM - CERTIFIED ACTS SEE FORM 59350, 55405, 59390 \$9.00

LOCATION 001 PREMIUM \$940.00

**CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM  
AND  
IMPORTANT INFORMATION REGARDING TERRORISM RISK INSURANCE COVERAGE**

It is agreed:

1. With respect to any one or more certified acts of terrorism, we will not pay any amounts for which we are not responsible because of the application of any provision which results in a cap on our liability for payments for terrorism losses in accordance with the terms of the federal Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act).
2. Certified act of terrorism means any act certified by the Secretary of the Treasury, in concurrence with:
  - a. the Secretary of State; and
  - b. the Attorney General of the United Statesto be an act of terrorism as defined and in accordance with the federal Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act).
3. Under the federal Terrorism Risk Act of 2002 (including ensuing Congressional actions pursuant to the Act) a terrorist act may be certified:
  - a. if the aggregate covered commercial property and casualty insurance losses resulting from the terrorist act exceed \$5 million; and
  - b. (1) if the act of terrorism is:
    - a) a violent act; or
    - b) an act that is dangerous to human life, property or infrastructure; and(2) if the act is committed:
    - a) by an individual or individuals as part of an effort to coerce the civilian population of the United States; or
    - b) to influence the policy or affect the conduct of the United States government by coercion.

All other policy terms and conditions apply.

## IMPORTANT INFORMATION REGARDING TERRORISM RISK INSURANCE COVERAGE

The Terrorism Risk Insurance Act of 2002 was signed into law on November 26, 2002. The Act (including ensuing Congressional actions pursuant to the Act) defines an act of terrorism, to mean any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States to be (i) an act of terrorism; (ii) to be a violent act or an act that is dangerous to human life, property or infrastructure; (iii) 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 (iv) 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.

Subject to the policy terms and conditions, this policy provides insurance coverage for acts of terrorism as defined in the Act.

Any coverage for certain commercial lines of property and casualty insurance provided by your policy for losses caused by certified acts of terrorism are partially paid by the federal government under a formula established by federal law. Under this formula, the government will reimburse us for 85% of such covered losses that exceed the statutory deductible paid by us. **You should also know that in the event aggregate insured losses exceed \$100 billion during any year the Act is in effect, then the federal government and participating United States insurers that have met their insurer deductible shall not be liable for the payment of any portion of that amount of the loss that exceeds \$100 billion. In the event that aggregate insured losses exceed \$100 billion annually, no additional claims will be paid by the federal government or insurers.** This formula is currently effective through December 31, 2014.

The premium charge, if any, for this coverage is shown separately on the attached Declarations page. In the event of a certified act of terrorism, future policies also may include a government assessed terrorism loss risk-spreading premium in accordance with the provisions of the Act.

Please contact us if you would like to reject coverage for certified acts of terrorism.

Auto-Owners Insurance Company

55405 (7-08)Z

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## CONDITIONAL EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL 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  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

### A. Applicability Of This Endorsement

make terrorism coverage available to you and elect not to do so.

1. The provisions of this endorsement will apply if and when one of the following situations occurs:
  - a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act), terminates; or
  - b. The Program is renewed, extended or otherwise continued in effect:
    - (1) With revisions that increase insurers' statutory percentage deductible or decrease the federal government's statutory percentage share in potential terrorism losses above such deductible, or that results in a change in the level or terms or conditions of coverage; and
    - (2) We are not required by the Program to
2. When this endorsement becomes applicable in accordance with the terms of A.1.a. or A.1.b., above, it supersedes any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism".
3. If this endorsement does NOT become applicable, then any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism", will remain in effect. However, if the Program is renewed, extended or otherwise continued in effect with revisions that change the level or terms or conditions of coverage, and we are required to offer you the revised coverage or to provide revised coverage to those who previously accepted coverage under the Program, then we will take the appropriate steps in response to the federal requirements.

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- Policy Number 042511 04925002
- B. The following definition is added and applies under this endorsement wherever the term terrorism is enclosed in quotation marks.

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

1. That involve the following or preparation for the following:
  - a. Use or threat of force or violence; or
  - b. Commission or threat of a dangerous act; or
  - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
2. When one or both of the following applies:
  - a. The effect is to intimidate or coerce a government or the civilian population or any segments thereof, or to disrupt any segment of the economy; or
  - b. It appears that the intent is to intimidate or coerce a government or the civilian population, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

- C. The following exclusion is added:

**Exclusion Of "Terrorism"**

We will not pay for "bodily injury", "property

damage", "personal injury" or "advertising injury" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". All "bodily injury", "property damage", "personal injury" or "advertising injury" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury or damage. 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;
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material;
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.

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, regardless of whether this endorsement was in effect during the entirety of that time period or not.