



# FLETCHER & COMPANY

Summary of Insurance  
Prepared for

ACQUILUS CONDOMINIUM II  
ASSOCIATION, INC.

Prepared by:

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**Fletcher & Company**

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## PROPERTY - REAL AND PERSONAL

INSURANCE CARRIER: Lloyds of London (ICAT)/ Multiple Carriers

A.M. BEST RATING: A, XV (All A Rated)

POLICY TERM: 06/06/20 – 06/06/21

COVERAGE: The following location(s) will be covered for direct physical loss to insured property in accordance with the policy terms and conditions:

PERILS: Special Form (Subject to policy conditions & exclusions)  
**Includes Ordinance & Law A: Included**  
**Parts B&C; Combined \$1,000,000**

LIMIT: See Schedule

COINSURANCE: None

VALUATION: Replacement Cost

DEDUCTIBLE: \$5,000 per occurrence EXCEPT  
**3% per Calendar Year Aggregate Hurricane Deductible/ once exhausted All Other Wind applies**  
**All Other Wind & Hail: \$50,000 by Policy**

LOCATION(S):

<i>Location</i>	<i>Subject</i>	<i>Amount</i>
1201 1st St. North, Jacksonville Beach, FL	Condo Bldg.	\$22,449,452
	Contents	\$50,000
	Pools & Spas	\$108,000
	Sign	\$10,000
	North Gates	\$10,000
	South Gates	\$10,000
	Pool Gate/Fence	\$15,000
<b>TOTAL VALUES</b>		<b>\$22,652,452</b>

*Refer to policy form for complete description of exclusions, limitations, terms and conditions.*

\$250,000 Wind Driven Rain sublimit

\$25,000 Backup of Sewers & Drains sublimit

CONDITIONS: Warrants: Sprinkler System and Smoke Alarms in operation at all times  
Must maintain Flood coverage for Wind coverage to apply  
Must have 70% occupancy rate for each building

# ORDINANCE OR LAW COVERAGE OPTION

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## ORDINANCE OR LAW COVERAGE A, B, & C:

**Coverage is subject to policy exclusions, definitions, conditions, and limitations.**

The following coverages respond to losses that result from enforcement of ordinance or laws regulating demolition and/or restoration of a building cause by physical damage to that building by a covered cause or loss.

## COVERAGE A:

Coverage A covers the loss in value of the “undamaged” portion of the building.

## COVERAGE B:

Coverage B covers the cost to demolish the “undamaged” portion of the building

## COVERAGE C:

Following a physical loss to the building, Coverage C covers the increased expenses to repair, replace, reconstruct, or remodel the damaged or undamaged parts of that building so that is complies with current building, zoning, land use, or ordinances.

## EQUIPMENT BREAKDOWN/ BOILER & MACHINERY

INSURANCE CARRIER: Travelers Insurance Company  
A.M. BEST RATING: A, XV  
POLICY TERM: 06/06/20 – 06/06/21

COVERAGE: This policy protects your business in the event of mechanical equipment failure or damage of a covered object which results in financial loss to your business. In the event an insured object causes an "accident," the Boiler and Machinery policy would pay for damage and repair of property, excluding any subsequent fire-related damage, which would be covered by your Property insurance policy.

LIMIT		
PER ACCIDENT:	Equipment Breakdown	\$22,652,452
	Property Damage	Included
	Business Income	Not Covered
	Extra Expense	\$ 100,000
	Service Interruption	\$ 250,000
	Perishable Goods	\$ 250,000
	Data Restoration	\$ 250,000
	Expediting Expense	\$ 250,000
	Ordinance or Law	\$ 250,000
	Hazardous Substances	\$ 250,000

DEDUCTIBLE:	Property Damage	\$5,000
	Extra Expense	24 Hours
	Spoilage	\$5,000
	Utility Interruption	24 Hours

## CRIME

INSURANCE CARRIER: Philadelphia Insurance Company  
A.M. BEST RATING: A++, XV  
POLICY TERM: 06/06/20 – 06/06/21

COVERAGES: Covers money, securities or property belonging to you or for which you are legally liable. In the event of a loss, the burden of proof rests with you. The policy does not cover inventory losses based on an inventory computation.

### ***Employee Dishonesty:***

Insures against loss resulting from the dishonest acts of your employees. You must prove the loss was caused by the dishonest act of one or more employees.

<u>Limit</u>	<u>Deductible</u>
\$750,000	\$2,500

### ***Forgery & Alteration:***

<u>Limit</u>	<u>Deductible</u>
\$750,000	\$2,500

### ***Funds Transfer Fraud & Computer Fraud:***

<u>Limit</u>	<u>Deductible</u>
\$750,000	\$2,500

*Includes Management Company, Directors & Trustees, and Non-Compensated Officers.*

## COMMERCIAL GENERAL LIABILITY COVERAGES OCCURRENCE FORM

INSURANCE CARRIER: Southern Owners Insurance Company  
A.M. BEST RATING: A++, XV  
POLICY TERM: 06/06/20 – 06/06/21

COVERAGE: The Commercial General Liability Occurrence Form covers liability for injuries or property damage, which you become legally obligated to pay, subject to policy terms, conditions, exclusions, and limitations. Coverage applies to occurrences, which take place during the policy period.

LIMITS OF LIABILITY:	General Aggregate:	\$2,000,000
	Products & Completed Operations Aggregate:	\$2,000,000
	Personal Injury:	\$1,000,000
	Each Occurrence:	\$1,000,000
	Fire Damage Legal Liability, Any One Fire:	\$300,000
	Medical Expense, Any One Person:	\$10,000
	<b>Hired and Non-Owned Automobile</b>	<b>\$1,000,000</b>

DEDUCTIBLE: \$0

EXPOSURES: 46 Units  
2 Pools & 2 Spa's  
1 Fitness Center  
Parking- (32,815 Area)

*Refer to policy form for complete description of exclusions, limitations, terms and conditions.*

## **DIRECTORS AND OFFICERS LIABILITY**

INSURANCE CARRIER: Philadelphia Indemnity Insurance Company  
A.M. BEST RATING: A++, XV  
POLICY TERM: 06/06/20 – 06/06/21

**DIRECTORS AND OFFICERS LIABILITY:** This section of your policy provides protection for the directors and/or officers of the insured corporation against claims resulting from alleged breach of duty, negligence, error or omission while acting in their capacities as directors and/or officers.

**CORPORATE INDEMNIFICATION:** This section of your policy will pay on behalf of the insured corporation losses due to the indemnification of its directors and officers because of claims made against the directors and officers for alleged breach of duty, negligence, error or omission.

**LIMIT OF LIABILITY:** \$ 1,000,000 Aggregate Limit of Liability for Each Policy Year

**RETENTION:** \$1,000 Each Claim

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### **ESSENTIAL INFORMATION**

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This is a “claims made” policy and covers only those claims occurring and reported during the current policy year. If the carrier terminates or non-renews coverage, an extended claim reporting provision may be available. If you terminate coverage, steps must be taken to arrange coverage for claims reported after policy expiration.

*\*Please be advised that Directors & Officers policies have tremendous variances in coverage forms, and for that reason we urge all policyholders to check the coverage form and the wording contained in each section.*

## DIRECTORS & OFFICERS LIABILITY *CONTINUED*

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### CLAIM EXAMPLES AND PROGRAM HIGHLIGHTS

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Current Claim Examples	Program Highlights
Association was sued by a commercial unit for taking away the business' parking spaces that were reserved for their customers.	Minimum Premium of \$675 in most states
Association was sued for failure to honor a promissory note.	True duty to defend form providing first dollar defense
Association sued by resident of the association for failure to prevent children from playing basketball in the street.	Defense costs outside the limits of the policy
Association involved in a disability discrimination suit by a former employee.	Protects directors, officers, trustees, employees, volunteers and committee members, as well as the community association with a broad definition of claim which includes arbitration
Association involved in a dispute over the ownership of a deceased unit owner's unit.	Property Manager automatically covered for both acts as a property manager for the community association and where sued vicariously for the acts of the association board
Association being sued over the failure to alert a unit owner about an opening on the board of directors.	Has a "duty to defend" feature that provides legal defense for allegations of wrongful acts and covers associated defense costs
Association brought suit to collect past due assessments and a counter suit was brought against the association claiming excessive assessments.	Automatic coverage for the builder/developer while acting as a member of the Board
An association was sued over the disbursement of insurance moneys received as a result of losses from two different hurricanes.	No exclusion for failure to obtain or maintain adequate insurance
	Provides claims made coverage with reporting of claims as soon as practicable from the date any Executive Officer has knowledge of a Claim, and in no event later than ninety (90) days after the end of the Policy Period
	Provides coverage for monetary and non-monetary claims
	Covers punitive and exemplary damages where insurable under applicable law
	Defense of suits arising out of a breach of contract
	Covers lawsuits and allegations involving wrongful termination, discrimination, and general breach of fiduciary duty
	Provides coverage for an independent community management company



## **UMBRELLA LIABILITY COVERAGE**

INSURANCE CARRIER: Liberty Insurance Underwriters  
A.M. BEST RATING: A, XV  
POLICY TERM: 06/06/20 – 06/06/21

COVERAGES: Liability Insurance for claims in excess of the limits of underlying primary policies or for claims covered by the umbrella policy but not covered by the primary insurance program, subject to policy terms, conditions, exclusions and limitations. Claims not covered by primary policies but covered by the umbrella are subject to a self-insured retention.

LIMIT OF LIABILITY: \$ 15,000,000 Each Occurrence/Aggregate

RETENTION: None

### **INCLUDED COVERAGES:**

Directors & Officers- Follow Form  
Hired & Non-Owned Auto- Follow Form  
General Liability- Follow Form  
Workers Compensation- Follow Form

*Higher Limits available upon request.*

*Refer to policy form for complete description of exclusions, limitations, terms and conditions.*

## **FLOOD-RESIDENTIAL CONDOMINIUM BUILDING ASSOCIATION POLICY**

**INSURANCE CARRIER:** Wright National Flood Insurance Company

**A.M. BEST RATING:** A-, V

**POLICY TERM:** 06/15/20 – 06/15/21

**COVERAGE:** The following location(s) will be covered for direct physical loss by or from flood to the residential condominium building described on the declarations page at the described location, including all units within the building and the improvements within the units.

**PERILS:** Flood, per NFIP. Coverage is subject to terms, conditions, limitations and exclusions of the National Flood Insurance Program Coverage form.

**COINSURANCE:** 80%; or the maximum limits available in the NFIP

**LOCATION:** 1201 1<sup>st</sup> Street North, Jacksonville Beach, FL 32250

**VALUATION:** Replacement Cost for Buildings

**LIMIT:** \$12,000,000

**DEDUCTIBLE:** \$5,000

*Note: Excess Flood coverage is available.  
Quotes available upon request.*

*All property values used in this summary were provided by you and should be carefully reviewed and/or appraised for accuracy.*

*This summary is a simplified outline of the actual insurance policies. The insuring agreements, terms and conditions of the actual policy forms issued by the insurance company govern the coverage being provided.*