



Comprehensive Insurance & Risk Management Analysis



Prepared For:

High Point of Delray West Condominium Association Section 3, Inc.

Nesting Way

Delray Beach, Florida 33445

Matthew Mercier, AAI, CIRMS, CMCA, LCAM

CBIZ Insurance Services

CBIZ Insurance Services, Inc.

Community Association Division

1605 Main Street, Suite 1010

Sarasota, Florida 34236



CBIZ

CBIZ Insurance
Services, Inc.

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February 20, 2023

Board of Directors
High Point of Delray West Condominium Association Section 3, Inc.
Delray Beach, Florida 33445

Dear Board of Directors,

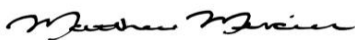
We are grateful for the privilege of reviewing the current in force commercial insurance program for High Point of Delray West Condominium Association Section 3, Inc. The following insurance program analysis is representative of the comprehensive, analytical approach CBIZ Insurance Services takes with all of its client partners. From finding the broadest and most competitively priced insurance solutions in the market, to assisting our clients mitigate their exposure to risk, we are here to serve as a team with our collective insurance expertise.

As your trusted insurance broker and risk management advisors, our goal is to help you reduce, eliminate and transfer as much risk as possible, while minimizing the total annual impact to your budget inclusive of insurance premiums, applicable deductibles, self-insured retentions, and self-insured exposures. From assisting our clients with mitigating their exposures to risk, to finding the broadest and most competitively priced insurance solutions, the collective insurance expertise and resources of our local, regional, and national team is here to serve you today and in perpetuity as you continue to grow and expand your operations.

We look forward to reviewing our audit findings with you, and helping you implement a robust risk management program that is custom tailored to provide more comprehensive insurance protection for the unique challenges and exposures of operating your community association.

Thank you again for the privilege to work together as a trusted partner on your professional team!

Best Regards,



Matthew Mercier, AAI, CIRMS, CMCA, LCAM
National Practice Leader
CBIZ Insurance Services – Community Association Division

ABOUT CBIZ

With offices in major metropolitan areas and suburban cities across the nation, CBIZ helps businesses grow and succeed by helping them better manage their finances, risks, and employees.



LOCAL RELATIONSHIPS; NATIONAL DEPTH

National Presence

- **Top 10**
Largest U.S. Benefits Specialist by Business Insurance Magazine
- **Top 10**
Largest Account Provider Nationally
- **Top 20**
Largest Insurance Broker of U.S. Business
- **Top 100**
Retirement Plan Adviser

Payroll & Human Capital Provider

Business Valuation Advisory

Property & Casualty

- **25+**
Offices
- **340+**
Employees
- **31,000+**
Clients
- **Integrated Service Approach**
Delivery national resources along with personal attention from a local team

Engagement Fundamentals

- We take a role as a trusted advisor to you and your management team. We get to know your business to provide cost effective advice tailored to your individual needs.
- Unlike other agents or brokers, we work for you (*not an insurance company*) and bring an integrated financial services view and solutions to your association that they cannot.

CBIZ COMMUNITY ASSOCIATION DIVISION – WHO WE ARE

- **We provide a comprehensive approach to managing your association's risk.** Risk Management isn't a single-sided equation. Protecting the association's assets requires multi-faceted solutions provided by a broker with strong coverage options, a trusted reputation, and deep industry expertise.
- Manage insurance and risk management programs for thousands of associations nationwide.
- One of the only Community Association Divisions in the country with:
 - One active **Florida licensed Community Association Manager (LCAM)**
 - A **Certified Manager of Community Associations (CMCA)**
 - One **Community Insurance and Risk Management Specialist (CIRMS)**
 - Dedicated **Certificate of Insurance** Department
 - Five **Loss Control Specialists**
 - Eleven **Community Association Claims Advocates**
 - A FAA licensed and insured **Certified Unmanned Aircraft Systems Remote Pilot**
- Actively work with over fifty Community Association Management Firms throughout the country.
- **One of the largest providers of Continuing Education for Community Association Board Members and Florida Community Association Managers.** CBIZ Community Association Division is approved by the State of Florida to provide continuing education credits for Community Associations Managers. In total, **CBIZ can provide twelve one-hour courses in the categories of Insurance and Financial Management (IFM), Human Resources (HR), and Operation of Physical Property (OPP).**

NATIONAL EXECUTIVE MANAGEMENT TEAM

The CBIZ Community Association National Executive Team consists of leaders that are strongly committed to the industry as well as industry experts.

Members of our National Community Association Executive Management Team have over two hundred years of combined experience in insuring Community Associations.

Mike Gill
National President



Keith Mercier
President of Florida



Greg Cryan
Regional President



Matthew Mercier,
National Practice Leader



LOCAL MANAGEMENT TEAM

The CBIZ Community Association Local Management Team consists of leaders that are strongly committed to the industry as well as industry experts.

Members of our Local Community Association Management Team have over two hundred years of combined experience in insuring Community Associations.



Matthew Mercier, AAI, CIRMS, CMCA, LCAM

National Practice Leader – Community Association Division

Email: mmercier@cbiz.com

Phone: (941) 586-0702

- Primary contact responsible for coordinating all activities related to your service needs.
- Includes the coordination of educational and safety programs, technical services, claims management, and coverage analyses.



Tyler Sherrier

Vice President – Community Association Division

Email: tyler.sherrier@cbiz.com

Phone: (941) 777-8703

- Secondary contact responsible for coordinating all activities related to your service needs.
- Includes the coordination of educational and safety programs, technical services, claims management, and coverage analyses.



Stephanie Virden, CISR

Account Manager – Community Association Division

Email: stephanie.virden@cbiz.com

Phone: (941) 960-8778

- Responsible for day-to-day service activities correspondence, account file maintenance, certificates, invoicing, financial accounting, etc.

LOCAL MANAGEMENT TEAM

The CBIZ Community Association Local Management Team consists of leaders that are strongly committed to the industry as well as industry experts.

Members of our Local Community Association Management Team have over two hundred years of combined experience in insuring Community Associations.



Jennifer Buecker, CWCA, ACA, CECL

Claims Manager – Community Association Division

Email: jennifer.buecker@cbiz.com

Phone: (941) 960-8786

- Responsible for taking First Notice of Loss and submitting to insurance company.
- Monitors the claims process through regular contact with the Claims Adjuster to ensure prompt and accurate handling of your claim.



Michael Gentry

Loss Control Specialist – Community Association Division

Email: michael.gentry@cbiz.com

Phone: (561) 683-8383

- Responsible for implementing Risk Control measures to reduce the frequency and severity of future accidents.
- Works with your team to evaluate opportunities for safety & risk management improvements. This includes identifying and resolving any potential hazards.



Alexis Hankerson-Tolbert, AIAM, CIC

Account Manager – Community Association Division

Email: stephanie.virden@cbiz.com

Phone: (941) 960-8778

- In-house Flood Insurance Specialist responsible for flood analysis, day-to-day service activities, account management, and implementation of services.

INVENTORY OF CURRENT INSURANCE POLICIES PROVIDED FOR REVIEW

Schedule of Policies	Policy Term	Insurance Company	Limits and Deductibles	Notes
Active Shooter Liability	Missing	Missing	Missing	We were unable to locate liability coverage for Active Shooter and Workplace Violence.
Automobile Liability	n/a	n/a	n/a	n/a
Crime (Fidelity Bond)	12/13/2022 to 12/13/2023	Philadelphia Indemnity Insurance Co.	Limits: Employee Theft \$2,000,000 Forgery or Alteration \$2,000,000 Inside the Premises No Coverage Outside the Premises No Coverage Computer Fraud and Funds Transfer Fraud \$2,000,000 Money Orders & Counterfeit Paper \$2,000,000 Coverage Form: Loss Sustained Deductible: \$25,000 Per Occurrence	Coverage Form In review of the Crime Insurance Application, we found your current Crime policy is written on the Loss Sustained Coverage Form . We highly recommend switching from the Loss Sustained Form to Discovery Form . Over-insured Money Orders & Counterfeit Paper Currency coverage needs to be decreased from \$2,000,000 to \$25,000. **Same errors were found in the 2021-2022 Crime Policy.
Cyber Liability	Missing	Missing	Missing	Does the association own and maintain a website?
Directors & Officers	12/13/2022 to 12/13/2023	Philadelphia Indemnity Insurance Co.	Limits: \$1,000,000 Deductible: \$15,000	Meeting Discussion 12/13/2021 Pending Litigation Date and Retroactive Date

INVENTORY OF CURRENT INSURANCE POLICIES PROVIDED FOR REVIEW

Schedule of Policies	Policy Term	Insurance Company	Limits and Deductibles	Notes
Employee Benefits Liability (General Liability)	n/a	n/a	n/a	At this time, there is no exposure to the association for Employee Benefits Liability
Environmental Liability	Missing	Missing	Missing	In review of the documentation provided to us, we were unable to locate an Environmental Liability policy in place for the association. Why is it Needed? Your current General Liability carrier excludes Pollution and Virus/Bacteria. For more details on this important coverage, please see page 43.
Employment Practices Liability Insurance (EPLI)	12/13/2022 to 12/13/2023	Philadelphia Indemnity Insurance Co.	Limits: \$1,000,000 Deductible: \$15,000	Employment Practices Liability Insurance (EPLI) coverage can be found under the Directors & Officers Policy.
Excess Liability / Umbrella Liability	12/13/2022 to 12/13/2023	Greenwich Insurance Co.	Limits: \$25,000,000 Deductible: \$0	We recommend obtaining quotes for \$50,000,000 limits.
Fine Arts	Missing	Missing	Missing	Does the association have any common area artwork? If yes, is the artwork owned by the association or loaned?

INVENTORY OF CURRENT INSURANCE POLICIES PROVIDED FOR REVIEW

Schedule of Policies	Policy Term	Insurance Company	Limits and Deductibles	Notes
Flood	Missing	Missing	Missing	Meeting Discussion Item Flood Analysis
Garagekeepers Liability	n/a	n/a	n/a	n/a
General Liability	12/13/2022 to 12/13/2023	Berkley Specialty Insurance Co.	Limits: Per Occurrence \$1,000,000 General Aggregate \$2,000,000 Products- Completed Operations Aggregate \$2,000,000 Fire Damage Legal Liability \$100,000 Medical Payments \$5,000 Hired & Non-Owned Automobile Liability \$1,000,000 Deductible: \$1,000 Per Occurrence	<p>In review of the documentation provided to us, we were unable to determine the Schedule of Classifications / Exposures, Endorsements, and Exclusions.</p> <p>Consideration needs to be given to removing the Bodily Injury and Property Damage Deductible from the policy as it has no positive or negative impact on the General Liability premium.</p>
Glass	Missing	Missing	Missing	<p>In review of the documentation provided to us, we could not locate a glass policy in place for the association.</p> <p>If the association suffers a loss under the windstorm deductible and several of the windows in the association were damaged, the glass policy at no deductible, would cover the damage to the windows thus eliminating a potential unbudgeted loss.</p>
Legal Defense	12/13/2022 to 12/12/2023	Bold Legal Defense Insurance, Inc.	Unlimited Defense	Meeting Discussion Item

INVENTORY OF CURRENT INSURANCE POLICIES PROVIDED FOR REVIEW

Schedule of Policies	Policy Term	Insurance Company	Limits and Deductibles	Notes
Landscaping	Missing	Missing	Missing	Missing
Limited Mold and Sewer Backup	n/a	n/a	n/a	Limited sub-limits of coverage are included under the property insurance policy.
Property & Windstorm	4/15/2022 to 4/15/2023	SRU – Layered Property Insurance Program	<p>Limits / Total Insured Value: \$42,940,030</p> <p>All Other Perils (AOP) \$10,000 Per Occurrence</p> <p>Named Storm Deductible: 5%</p> <p>Sinkhole Deductible: Missing</p>	<p>Business Personal Property In review of the Business Personal Property Limits, we were unable to locate Business Personal Property coverage.</p> <p>Sinkhole Deductible Based on the information provided to us, we were unable to determine the Sinkhole Deductible.</p> <p>Ordinance or Law Limits (B) Demolition and (C) Increased Cost of Construction limits of \$500,000 are inadequate for a community the size of High Point at Delray West.</p>
Property Excluding Windstorm	n/a	n/a	n/a	n/a
Windstorm Only	n/a	n/a	n/a	n/a
Workers Compensation	12/13/2022 to 12/13/2023	Zenith Insurance Co.	<p>Limits: Bodily Injury Each Accident \$500,000</p> <p>Bodily Injury by Disease Policy Limits \$500,000</p> <p>Bodily Injury by Disease Each Employee \$500,000</p> <p>Deductible: \$0</p>	No recommendations

INVENTORY OF ADDITIONAL DOCUMENTATION PROVIDED FOR REVIEW

Document Type	Date Issued	Expiration Date	Notes
Appraisal	Missing	Missing	Missing
Claims History	Missing	Missing	Missing
Drone Survey	Missing	Missing	Missing
Financials	Missing	Missing	Missing
Flood Elevation Certificates	Missing	Missing	Missing
Insurance Applications	Missing	Missing	Missing
Loss / Risk Control Inspection	Missing	Missing	Missing
Milestone Inspection	Missing	Missing	Missing
Reserve Study	Missing	Missing	Missing
Structural Integrity Reserve Study	Missing	Missing	Missing
Windstorm Mitigation Report	Missing	Missing	Missing

PROPERTY & FLOOD – SCHEDULE OF VALUES

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.

Location Schedule	Appraisal Hazard Values	Property Policy Values	Appraisal Flood Values	Flood Policy Values
Residential Building 5021 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5031 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5041 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5050 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 5051 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5060 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5061 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5070 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5071 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5080 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5081 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5090 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5091 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5100 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5101 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5110 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5111 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5120 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5121 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5130 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5131 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5140 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5150 Nesting Way	Missing	\$432,140	Missing	Missing

PROPERTY & FLOOD – SCHEDULE OF VALUES

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.

Location Schedule	Appraisal Hazard Values	Property Policy Values	Appraisal Flood Values	Flood Policy Values
Residential Building 5160 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5170 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 5180 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 5220 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 5230 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 5240 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 5250 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 5260 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 5270 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 5280 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 5290 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 5300 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 13923 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 13929 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 13930 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 13935 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 13940 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 13941 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 13947 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 13950 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 13953 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 13959 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 13960 Nesting Way	Missing	\$432,140	Missing	Missing

PROPERTY & FLOOD – SCHEDULE OF VALUES

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.

Location Schedule	Appraisal Hazard Values	Property Policy Values	Appraisal Flood Values	Flood Policy Values
Residential Building 13965 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 13970 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 13971 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 13977 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 13980 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 13990 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 14000 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 14010 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 14020 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 14030 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 14040 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 14049 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 14050 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14055 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 14060 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14061 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 14067 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14070 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14073 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 14079 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14080 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14085 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 14090 Nesting Way	Missing	\$432,140	Missing	Missing

PROPERTY & FLOOD – SCHEDULE OF VALUES

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.

Location Schedule	Appraisal Hazard Values	Property Policy Values	Appraisal Flood Values	Flood Policy Values
Residential Building 14091 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 14097 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14100 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14103 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 14109 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14110 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14115 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 14120 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14121 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 14127 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14130 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14139 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 14140 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14145 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 14150 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14151 Nesting Way	Missing	\$425,175	Missing	Missing
Residential Building 14133 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14157 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14169 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14160 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14163 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14170 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14175 Nesting Way	Missing	\$432,140	Missing	Missing

PROPERTY & FLOOD – SCHEDULE OF VALUES

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.

Location Schedule	Appraisal Hazard Values	Property Policy Values	Appraisal Flood Values	Flood Policy Values
Residential Building 14180 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14181 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14190 Nesting Way	Missing	\$432,140	Missing	Missing
Residential Building 14200 Nesting Way	Missing	\$432,140	Missing	Missing
Clubhouse	Missing	Missing	Missing	Missing
Swimming Pool	Missing	Missing	Missing	Missing
Total Insured Value	Missing	\$41,241,665	Missing	Missing

PROPERTY – DEDUCTIBLE SCHEDULE

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.

Description	Maximum Named Storm Deductible 5% Per Building	Maximum Named Storm Deductible Per Owner	All Other Wind & Hail Deductible Per Occurrence	All Other Perils (AOP) Deductible Per Occurrence	Sinkhole Deductible Per Building Per Occurrence
5021 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5031 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5041 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5050 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
5051 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5060 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5061 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5070 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5071 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5080 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5081 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5090 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5091 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5100 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5101 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5110 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5111 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5120 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5121 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5130 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5131 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5140 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5150 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5160 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5170 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
5180 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
5220 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
5230 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
5240 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
5250 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
5260 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
5270 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
5280 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
5290 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
5300 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
13923 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
13929 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
13930 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
13935 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing

PROPERTY – DEDUCTIBLE SCHEDULE

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.

Description	Maximum Named Storm Deductible 5% Per Building	Maximum Named Storm Deductible Per Owner	All Other Wind & Hail Deductible Per Occurrence	All Other Perils (AOP) Deductible Per Occurrence	Sinkhole Deductible Per Building Per Occurrence
13940 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
13941 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
13947 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
13950 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
13953 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
13959 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
13960 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
13965 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
13970 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
13971 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
13977 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
13980 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
13990 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
14000 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
14010 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
14020 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
14030 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
14040 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
14049 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
14050 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14055 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
14060 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14061 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
14067 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14070 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14073 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
14079 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14080 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
14085 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
14090 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14091 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
14097 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14100 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14103 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
14109 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14110 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14115 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
14120 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14121 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing

PROPERTY – DEDUCTIBLE SCHEDULE

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.

Description	Maximum Named Storm Deductible 5% Per Building	Maximum Named Storm Deductible Per Owner	All Other Wind & Hail Deductible Per Occurrence	All Other Perils (AOP) Deductible Per Occurrence	Sinkhole Deductible Per Building Per Occurrence
14127 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14130 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14139 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
14140 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14145 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
14150 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14151 Nesting Way	\$21,259	Missing	\$25,000	\$10,000	Missing
14133 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14157 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14169 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14160 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14163 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14170 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14175 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14180 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14181 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14190 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
14200 Nesting Way	\$21,607	Missing	\$25,000	\$10,000	Missing
Clubhouse	Missing	Missing	Missing	Missing	Missing
Swimming	Missing	Missing	Missing	Missing	Missing
	\$2,147,002 Maximum Hurricane Deductible All Bldgs. / Items	Hurricane Deductible Per Owner	All Other Wind & Hail Deductible Per Occurrence	All Other Perils (AOP) Per Occurrence	Sinkhole Per Building Per Occurrence

PROPERTY & WINDSTORM

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.
Company: SRU – Layered Insurance Program
A.M. Best Rating: Varies by Insurance Company
Policy Period: April 15, 2022 to April 15, 2023

Coverages:

Coverage	Limits
Policy Form	Special Form Including Windstorm
Valuation Clause	Replacement Cost
Agreed Value or Coinsurance	Missing
Appraisal Value	Missing
Total Insured Value (TIV) - Policy Limits	\$42,940,030 **Based on the Total Insured Value (TIV) listed on the Certificate of Insurance
Business Personal Property	Missing
Back Up of Sewers, Drains or Sump	\$25,000
Debris Removal	Limited Debris Removal Coverage Included
Equipment Breakdown	Covered on a separate policy with Travelers
Fungus, Wet Rot, Dry Rot, & Bacteria (Mold)	\$15,000
Outdoor Property	<i>The most we will pay for loss or damage under this extension is \$1,000, but not more than \$250 for any one tree, shrub, or plant.</i>
Outside Signs	Missing
Wind Driven Rain	\$100,000
Ordinance or Law	(A) Undamaged Portion of the Building - Full Limits (B) Demolition Cost And (C) Increased Cost of Construction – Combined Limits - \$500,000

PROPERTY & WINDSTORM

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.
Company: SRU – Layered Insurance Program
A.M. Best Rating: Varies by Insurance Company
Policy Period: April 15, 2022 to April 15, 2023

Property – Coverage Recommendations:

Business Personal Property – Missing

In review of the High Point of Delray West’s **Business Personal Property**, we were unable to locate **Business Personal Property** coverage. Examples of **Business Personal Property** are association owned Billiards table, couches, chairs, desks, desktop computers, gym equipment, tables, TVs, etc.

Does the association maintain an inventory list of the association owned **Business Personal Property**? If so, how often is the list reviewed to ensure the coverage limits are adequate?

Hurricane Protection (Meeting Discussion Item)

- If a hurricane impacts High Point of Delray West Condominium Association Section 3, the deductible would be 5% per building or \$2,147,002 in the event of a complete loss.
- CBIZ has access to an exclusive product that can help offset the financial burden caused by uninsured claims or losses under the Hurricane Deductible.
- This exclusive product provides payment directly to the association’s bank account within days of the loss.
- There is no deductible on the policy.
- Provides coverage for items excluded by the property policy, such as the Landscaping.

PROPERTY & WINDSTORM

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.
Company: SRU – Layered Insurance Program
A.M. Best Rating: Varies by Insurance Company
Policy Period: April 15, 2022 to April 15, 2023

Deductibles:

Deductible	Deductible Amount
Named Storm Deductible	5% of the Total Insured Value (TIV) Per Building at time of loss or damage, subject to a minimum \$100,000 Per Occurrence Deductible for Named Storms
Maximum Named Storm Deductible	\$2,147,002 **Based on the Total Insured Value (TIV) listed on the Certificate of Insurance
All Other Wind (AOW) Deductible	\$25,000 Per Occurrence
All Other Perils (AOP) Deductible	\$10,000 Per Occurrence
Sinkhole Deductible	Missing

Property & Windstorm – Deductible Recommendations:

All Other Perils (AOP) Deductible

Consideration needs to be given to raising the “**All Other Peril Deductible**” from \$10,000 to \$25,000. Cost savings could be substantial. At the very least, obtain quotations for various deductible levels to see if an increase is cost effective.

Maximum Hurricane Deductible

In the event **High Point of Delray West Condominium Association Section 3, Inc.** suffers a Hurricane loss under the 5% Per Building Deductible, the association could face a large out of pocket and unbudgeted expense.

There are several methods to fund losses under the association’s Hurricane Deductible such as:

- “Raiding” the association’s operating and reserve accounts
- Line of Credit
- Establishing a Reserve/Contingency Fund
- Special Assessment

If the owners are Special Assessed, they may find coverage under the Loss Assessment portion of their individual HO-6 insurance policy.

On the next page, we discuss in greater detail what Loss Assessment Coverage is and how it could impact each owner at time of loss.

PROPERTY & WINDSTORM

Named Insured: High Point of Delray West Condominium Association Section, Inc.
Company: SRU – Layered Insurance Program
A.M. Best Rating: Varies by Insurance Company
Policy Period: April 15, 2022 to April 15, 2023

Deductibles:

Deductible	Deductible Amount
Named Storm Deductible	5% of the Total Insured Value (TIV) Per Building at time of loss or damage, subject to a minimum \$100,000 Per Occurrence Deductible for Named Storms
Maximum Named Storm Deductible	\$2,147,002 **Based on the Total Insured Value (TIV) listed on the Certificate of Insurance
All Other Wind (AOW) Deductible	\$25,000 Per Occurrence
All Other Perils (AOP) Deductible	\$10,000 Per Occurrence
Sinkhole Deductible	Missing

Property & Windstorm – Deductible Recommendations:

Loss Assessment Coverage – Unit Owner Policy (HO-6):

What is Loss Assessment Coverage?

Florida Statute 627.714 requires that residential condominium unit insurance policies or policies renewed after July 1, 2010, must include at least \$2,000 in property loss assessment coverage. This coverage would pay up to the stated amount for any assessment made upon each insured unit owner.

How to determine adequate Limits of Coverage?

When determining how much loss assessment coverage one should get, unit owners may want to consider what their assessment would be in the event of a loss under the Hurricane Deductible of \$2,147,002. If the association suffers a \$600,000 Hurricane loss, since the amount is under the deductible, each unit owner could be assessed \$1,546.39.

Depending on the owner's insurance company, the premium cost of increasing the loss assessment coverage can be very inexpensive. For example, an owner at one of our downtown condominium clients was able to increase their loss assessment coverage from \$2,000 to \$10,000 for only \$2.70.

Meeting Discussion

Has your agent scheduled a time for the Board of Directors to meet with Broward County Emergency Management Chief to discuss the Association's Disaster Plan and many other free Disaster Preparedness tools that could enhance the risk management program for **High Point of Delray West Condominium Association Section 3, Inc.?**

Washer Machine Hose and Water Heater Replacement Programs

We highly recommend implementing a Washer Machine Hose and Water Heater Replacement Program. **Why is this important? - Meeting Discussion Item**

PROPERTY & WINDSTORM

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.
 Company: SRU – Layered Insurance Program
 A.M. Best Rating: Varies by Insurance Company
 Policy Period: April 15, 2022 to April 15, 2023

Property & Windstorm – Risk Management Recommendations:

Dryer Vent – Cleaning and Inspection Program

We highly recommend implementing a Dryer Vent Cleaning and Inspection Program. **Why is this important? - Meeting Discussion**

Game Plan for High Point of Delray West's Property Insurance Renewal -

1. Building Updates

- a. Identify the number of Hurricane Impact Shutters and Windows
- b. Identify the plumbing (stacks replaced) and roofing updates

c. Why are identifying the items above important to your risk profile? – Meeting Discussion

2. Drone Survey

- a. Illustrate to the Property Underwriters how well maintained the property is and identify all surrounding exposures and potential hazards.

b. Why are 4K video and pictures of your community important? – Meeting Discussion

3. Loss Control Inspection

- a. When was the last Loss Control Inspection conducted by Atlas?

b. How can the Loss Control Inspection help CBIZ negotiate better terms, conditions, and pricing? Why is this important? – Meeting Discussion

4. In-Person and/or Zoom Meetings with Property Insurance Underwriters

- a. In-Person and/or Zoom Meetings with Property Insurance Underwriters to present your renewal submission rather than send an email and wait approach.

b. Painting the picture for an Underwriter that physically cannot inspect your property – Why is this important? – Meeting Discussion

5. Importance of the Market Summary

- a. Each and every response from the community association marketplace will be listed within our proposal. CBIZ has access to all of the community association driven markets and the results of our negotiations will be listed in your proposal and discussed during the renewal meeting.

b. Why is this important? - Meeting Discussion

GENERAL LIABILITY

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.

Company: Missing

A.M. Best Rating: Missing

Policy Period: Missing

Limits of Liability:

Coverage	Limits
General Aggregate	Missing
Each Occurrence	Missing
Products/Completed Operations Aggregate	Missing
Personal & Advertising Injury	Missing
Fire Damage Legal Liability	Missing
Medical Expenses - Any one person	Missing
Bodily Injury and Property Damage Deductible	Missing
Hired Auto and Non-Owned Auto Liability	Missing

Coverage Description:

A General Liability (GL) policy covers your Association from claims of Bodily Injury or Property Damage that are caused by the Association's negligence. The insurance company has the duty to defend the association against any claim that alleges injury or seeks damages no matter whether the association is negligent. This policy also provides Defense Coverage in addition to the limit of insurance.

Claims Examples

Example 1: An elderly woman tripped and fell due to poor maintenance of the common element walkway and fractured upper arm. Total amount of the claim: \$56,680.00

Example 2: An association owned elevator fell four floors injuring passengers. Total amount of the claim: \$225,690.00

GENERAL LIABILITY

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.

Company: Missing

A.M. Best Rating: Missing

Policy Period: Missing

Schedule of Classifications:

Description	Class Code	Rating Basis	Exposure
Condominium Association Risk Only	62003	Unit	Missing
Clubroom	41668	Sq. Ft.	Missing
Fitness Center	41668	Sq. Ft.	Missing
Swimming Pool	48925	Unit	Missing

Schedule of Forms and Endorsements:

Critical Endorsements and Exclusions	Form Number
Animal Exclusion	Missing / Unknown
Employers Benefits Liability	n/a
Classification Limitation Endorsement	Missing / Unknown
Communicable Disease Exclusion	Missing / Unknown
Fungi or Bacteria Exclusion	Missing / Unknown
Weapons Exclusion	Missing / Unknown

General Liability Schedule of Classifications – Recommendations:

Schedule of Classifications, Endorsements and Exclusions

In review of the documentation provided to us, we were unable to determine the Schedule of Classifications / Exposures, Endorsements, and Exclusions.

Examples of General Liability exposures that need to be listed on the policy include Clubroom, Condominium Units, Fitness Center/Gym, Guest Suites, Parking Garage (Private or Public), Park/Playgrounds, Roads/Streets owned by the association, Swimming Pools, Tennis Courts, etc.

At time of loss, the insurance company adjuster will review the General Liability insurance applications to determine if the exposure was declared. If an exposure is not listed on the insurance applications and there is a loss, the Association may not have coverage.

DIRECTORS & OFFICERS

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.
Company: Philadelphia Indemnity Insurance Company
A.M. Best Rating: A++ (Superior); XV
Policy Period: December 13, 2022 to December 13, 2023
Coverage Form: Claims Made

Coverage	Limits
General Aggregate	\$1,000,000

Other Coverage Items	Limits
Retention Each Loss	\$15,000 Each Claim
Defense Cost Limits	Outside
Prior Litigation Date	12/13/21
Retroactive Date	12/13/21

Coverage Description:

Directors & Officers policy covers liability for “loss” resulting from “Claims” made by a third party for directors or officers “wrongful acts.” The primary purpose of the Directors & Officers liability policy is to provide defense coverage if a suit is brought against the association or its directors.

Directors & Officers liability provides protection against claims alleging loss arising from mismanagement or wrongful acts. A wrongful act means any breach of duty, neglect, error, misstatement, misleading statement, omission, or other act done or wrongfully attempted by the association.

The Association’s Directors & Officers policy should provide the following coverage:

- Monetary or Non-Monetary Damages
- No Insured vs. Insured Exclusion
- Defense of Failure to Maintain or to Obtain Insurance
- Defense of Third-Party Contracts
- Discrimination Coverage including Third-Party Discrimination
- Duty to Defend
- Employment Practices Coverage
- Full Prior Acts Coverage
- Past, Present and Future Directors & Officers, Committee Members, Volunteers, Employees including Leased Employees, Independent Contractors, Spouses and Domestic Partners.
- Property Manager and Employees should be included at no additional premium.

Directors & Officers – Coverage Recommendations:

Directors & Officers Policy – Meeting Discussion Items

- Prior Litigation Date: 12/13/2021
- Retroactive Date: 12/13/2021

EXCESS LIABILITY / UMBRELLA LIABILITY

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.
Company: Missing
A.M. Best Rating: Missing
Policy Period: Missing

Coverage	Limits
General Aggregate	Missing
Each Occurrence	Missing
Deductible	Missing

Underlying Policies and Limits	
Directors & Officers (Philadelphia Indemnity Insurance Company)	
General Aggregate Limit	\$1,000,000
General Liability (Missing)	
Each Occurrence	Missing
General Aggregate Limit	Missing
Products & Completed Operations Aggregate	Missing
Personal & Advertising Injury	Missing
Medical Expense	Missing
Non-owned Automobile Liability Only	Missing
Employers Liability (Zenith Insurance Company)	
Bodily Injury - Each Accident	\$500,000
Bodily Injury by Disease - Policy Limit	\$500,000
Bodily Injury by Disease - Each Employee	\$500,000

Coverage Description:

Umbrella Liability coverage provides drop-down provision which affords automatic replacement coverage for underlying liability limits that are exhausted by a loss.

Excess Liability / Umbrella Liability – Coverage Recommendations:

Missing

CRIME (FIDELITY BOND)

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.
Company: Philadelphia Indemnity Insurance Company
A.M. Best Rating: A++ (Superior); XV
Policy Period: December 13, 2022 to December 13, 2023
Coverage Form **Loss Sustained**

Coverage	Policy Limits	Deductible
Employee Theft	\$2,000,000	\$25,000
Forgery or Alteration	\$2,000,000	\$25,000
Computer Fraud and Funds Transfer Fraud	\$2,000,000	\$25,000
Money Order and Counterfeit Paper	\$2,000,000	\$25,000
Inside and Outside the Premises	No Coverage	No Coverage
Fraudulent Inducement	Exclusion	Exclusion

Coverage Description:

This type of insurance is designed to protect against theft or embezzlement by employees, directors, management personnel, or others who might have access to the Association's funds. It is important to understand that even if a management company has its own crime (fidelity bond) policy, it may not be enough to protect an individual Association.

For condominium associations or homeowners' associations, there is a statutory requirement that the minimum amount of the fidelity bond be equal to the maximum amount of money that could be stolen (i.e. – the maximum amount of money on deposit in all Association accounts at any given time). Since this is a fluctuating number, the Association should make certain that adequate coverage is in place, particularly in a situation where substantial amounts of money may be on hand due to a special assessment.

Florida Condominium Act 718 – Crime (Fidelity Bond) Insurance Requirement: Florida State Statute 718.111 (11) (h)

“(h) The association shall maintain insurance or fidelity bonding of all persons who control or disburse funds of the association. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the association or its management agent at any one time. As used in this paragraph, the term “persons who control or disburse funds of the association” includes, but is not limited to, those individuals authorized to sign checks on behalf of the association, and the president, secretary, and treasurer of the association. The association shall bear the cost of any such bonding.”

61B-21: Condominium Resolution Guidelines for Unit Owner Controlled Associations

Under 61B-21: Condominium Resolution Guidelines for Unit Owner Controlled Associations, failure to maintain adequate fidelity bonding is considered a violation by the State.

CRIME (FIDELITY BOND)

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.
Company: Philadelphia Indemnity Insurance Company
A.M. Best Rating: A++ (Superior); XV
Policy Period: December 13, 2022 to December 13, 2023

Crime – Coverage Recommendations:

Crime (Fidelity Bond) Coverage

In review of the documents provided to us, we found several areas that gave us immediate cause for concern. Most of which deserve prompt attention to avoid a potential large uninsured loss or fining from the Department of Business and Professional Regulation (DBPR).

Computer Fraud and Funds Transfer Fund – \$2,000,000 Coverage Limits

In review of the **Computer Fraud and Funds Transfer Fraud Coverage**, we found the limits are underinsured and out of compliance with Florida Statute 718.111(11)(h). **Computer Fraud and Funds Transfer Fraud Coverage Limits** should match the maximum amount of funds at risk at any one given time.

Employee Theft - \$2,000,000 Coverage Limits

In review of the **Employee Theft Coverage**, we found the limits are underinsured and out of compliance with Florida Statute 718.111(11)(h).

Forgery or Alteration – \$2,000,000 Coverage Limits

In review of the **Forgery or Alteration Coverage**, we found the limits are underinsured and out of compliance with Florida Statute 718.111(11)(h). **Forgery or Alteration Coverage Limits** should match the maximum amount of funds at risk at any one given time. One of the largest Crime Claims CBIZ has managed involved **Forgery or Alteration**.

Fraudulent Inducement – Excluded

In review of the **Crime** policy, we were unable to locate coverage for **Fraudulent Inducement**. “Phishing” Scam would be considered **Fraudulent Inducement**. In the event of theft of association funds due to a Phishing Scam, the association would have no coverage.

Money Orders and Counterfeit Money – Coverage Limits

Does the association accept Monthly Assessments by Money Order? If not, coverage limits need to be decreased from \$2,000,000 to \$25,000. We highly recommend reducing the coverage limits for **“Money Orders and Counterfeit Money”** from \$2,000,000 to \$25,000. In doing so, the association will receive a reduction in premium.

Discovery vs. Loss Sustained Coverage Form

In review of the Crime Insurance Application, we found your current Crime policy is written on the “Loss Sustained Coverage Form”. We highly recommend switching from the “Loss Sustained Form” to the “Discovery Form”.

Discovery Form:

Covers losses that are identified or discovered during the policy period, even if the loss happened some time before.

Loss Sustained Form:

Only covers losses that occur during the policy period and up to twelve months after the policy expires. This could expose the association to the risk of financial loss since many crime losses are not discovered for years after the fact.

CRIME – COVERAGES, ENDORSEMENTS, AND EXCLUSIONS

Coverage Type: Crime (Fidelity Bond)
Company: Philadelphia Indemnity Insurance Company

PI-CRP-01 FL (06/05)



PHILADELPHIA INDEMNITY INSURANCE COMPANY
One Bala Plaza, Suite 100, Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax: 610.617.7940

CRIME PROTECTION PLUS DECLARATIONS

Policy Number: PCAC015122-0221

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.

DECLARATIONS

ITEM 1. Named Insured: High Point of Delray West Condominium Association Section 3, Inc.

ITEM 2. Mailing Address: c/o Campbell Property Management
1215 E. Hillsboro Blvd
Deerfield Beach, FL 33441

ITEM 3. Policy Period: From: 12/13/22 To: 12/13/2023
(12:01 A.M. Standard Time at Your Mailing Address)

ITEM 4. Coverages, Limits of Insurance and Deductibles:

Coverage Basis: **Loss Sustained**
(If left blank, the Loss Sustained Option shall apply.)

Insuring Agreements, Limit of Insurance and Deductible Amounts shown below are subject to all of the terms of this policy that apply.

Insuring Agreements Forming Part of This Policy	Limit of Insurance	Deductible Amount
A1. EMPLOYEE THEFT AND CLIENT PROPERTY	\$2,000,000	\$25,000
A2. ERISA FIDELITY	\$2,000,000	\$ NIL
B. FORGERY OR ALTERATION, including Credit, Debit, or Charge Card Extension (\$25,000 limit)	\$2,000,000	\$25,000
C. INSIDE THE PREMISES	(n/a)	(n/a)

CRIME – COVERAGES, ENDORSEMENTS, AND EXCLUSIONS

Coverage Type: Crime (Fidelity Bond)
Company: Philadelphia Indemnity Insurance Company

PI-CRP-01 FL (06/05)

D. OUTSIDE THE PREMISES	(n/a)	(n/a)
E. COMPUTER FRAUD AND FUNDS TRANSFER FRAUD	\$2,000,000	\$25,000
F. MONEY ORDERS AND COUNTERFEIT PAPER CURRENCY	\$2,000,000	\$25,000

ITEM 5. Form Numbers of Endorsements Forming Part of This Policy When Issued: SEE SCHEDULE

ITEM 6. Cancellation of Prior Insurance: By acceptance of this policy, you give us notice cancelling prior policies or bonds numbered:

The cancellations to be effective at the time this policy becomes effective.

This policy has been signed by the Company's President and Secretary.



President and CEO



Secretary

CRIME – COVERAGES, ENDORSEMENTS, AND EXCLUSIONS

Coverage Type: Crime (Fidelity Bond)
Company: Philadelphia Indemnity Insurance Company
Coverage Limits – Florida Statute 718.111 (11) (h)

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CONDOMINIUMS

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curtains, drapes, blinds, hardware, and similar window treatment components, or replacements of any of the foregoing which are located within the boundaries of the unit and serve only such unit. Such property and any insurance thereupon is the responsibility of the unit owner.

(g) A condominium unit owner policy must conform to the requirements of s. 627.714.

1. All reconstruction work after a property loss must be undertaken by the association except as otherwise authorized in this section. A unit owner may undertake reconstruction work on portions of the unit with the prior written consent of the board of administration. However, such work may be conditioned upon the approval of the repair methods, the qualifications of the proposed contractor, or the contract that is used for that purpose. A unit owner must obtain all required governmental permits and approvals before commencing reconstruction.

2. Unit owners are responsible for the cost of reconstruction of any portions of the condominium property for which the unit owner is required to carry property insurance, or for which the unit owner is responsible under paragraph (j), and the cost of any such reconstruction work undertaken by the association is chargeable to the unit owner and enforceable as an assessment and may be collected in the manner provided for the collection of assessments pursuant to s. 718.116.

3. A multicondominium association may elect, by a majority vote of the collective members of the condominiums operated by the association, to operate the condominiums as a single condominium for purposes of insurance matters, including, but not limited to, the purchase of the property insurance required by this section and the apportionment of deductibles and damages in excess of coverage. The election to aggregate the treatment of insurance premiums, deductibles, and excess damages constitutes an amendment to the declaration of all condominiums operated by the association, and the costs of insurance must be stated in the association budget. The amendments must be recorded as required by s. 718.110.

(h) The association shall maintain insurance or fidelity bonding of all persons who control or disburse funds of the association. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the association or its management agent at any one time. As used in this paragraph, the term "persons who control or disburse funds of the association" includes, but is not limited to, those individuals authorized to sign checks on behalf of the association, and the president, secretary, and treasurer of the association. The association shall bear the cost of any such bonding.

(i) The association may amend the declaration of condominium without regard to any requirement for approval by mortgagees of amendments affecting insurance requirements for the purpose of conforming the declaration of condominium to the coverage requirements of this subsection.

(j) Any portion of the condominium property that must be insured by the association against property loss

pursuant to paragraph (f) which is damaged by an insurable event shall be reconstructed, repaired, or replaced as necessary by the association as a common expense. In the absence of an insurable event, the association or the unit owners shall be responsible for the reconstruction, repair, or replacement as determined by the maintenance provisions of the declaration or bylaws. All property insurance deductibles and other damages in excess of property insurance coverage under the property insurance policies maintained by the association are a common expense of the condominium, except that:

1. A unit owner is responsible for the costs of repair or replacement of any portion of the condominium property not paid by insurance proceeds if such damage is caused by intentional conduct, negligence, or failure to comply with the terms of the declaration or the rules of the association by a unit owner, the members of his or her family, unit occupants, tenants, guests, or invitees, without compromise of the subrogation rights of the insurer.

2. The provisions of subparagraph 1. regarding the financial responsibility of a unit owner for the costs of repairing or replacing other portions of the condominium property also apply to the costs of repair or replacement of personal property of other unit owners or the association, as well as other property, whether real or personal, which the unit owners are required to insure.

3. To the extent the cost of repair or reconstruction for which the unit owner is responsible under this paragraph is reimbursed to the association by insurance proceeds, and the association has collected the cost of such repair or reconstruction from the unit owner, the association shall reimburse the unit owner without the waiver of any rights of subrogation.

4. The association is not obligated to pay for reconstruction or repairs of property losses as a common expense if the property losses were known or should have been known to a unit owner and were not reported to the association until after the insurance claim of the association for that property was settled or resolved with finality, or denied because it was untimely filed.

(k) An association may, upon the approval of a majority of the total voting interests in the association, opt out of the provisions of paragraph (j) for the allocation of repair or reconstruction expenses and allocate repair or reconstruction expenses in the manner provided in the declaration as originally recorded or as amended. Such vote may be approved by the voting interests of the association without regard to any mortgagee consent requirements.

(l) In a multicondominium association that has not consolidated its financial operations under subsection (6), any condominium operated by the association may opt out of the provisions of paragraph (j) with the approval of a majority of the total voting interests in that condominium. Such vote may be approved by the voting interests without regard to any mortgagee consent requirements.

(m) Any association or condominium voting to opt out of the guidelines for repair or reconstruction expenses as described in paragraph (j) must record a

CRIME – COVERAGES, ENDORSEMENTS, AND EXCLUSIONS

Coverage Type: Crime (Fidelity Bond)

61B–21 – Condominium Resolution Guidelines for Unit Owner Controlled Associations

CHAPTER 61B-21

CONDOMINIUM RESOLUTION GUIDELINES FOR UNIT OWNER CONTROLLED ASSOCIATIONS

61B-21.001	Definitions and Purpose
61B-21.002	Minor Violations
61B-21.003	Penalty Guidelines

61B-21.001 Definitions and Purpose.

Definitions. For the purposes of this rule chapter, the following definitions shall apply:

(1) “Affirmative or corrective action” means putting remedial procedures in place to ensure that the violation does not reoccur, making any injured person whole as to the harm suffered in relation to the violation, or taking any other appropriate measures to redress the harm caused.

(2) “Association” shall have the same meaning as stated in section 718.103(2), F.S.

(3) “Minor violation” is a violation in which the division will issue a Notice of Noncompliance as a first response to a violation of a rule pursuant to rule 61B-21.002, F.A.C., due to the violation’s lower potential for public harm. Failure to timely comply with the Notice of Noncompliance may result in further sanctions and enforcement.

Rulemaking Authority 120.695, 718.501(1)(d)6., (f) F.S. Law Implemented 718.501(1)(d)6. F.S. History—New 6-4-98, Amended 10-23-18.

61B-21.002 Minor Violations.

(1) The minor violation process, as detailed in this rule chapter, is only applicable to unit owner controlled associations.

(2) If the division has reasonable cause to believe that a minor violation has occurred, a Notice of Noncompliance will be sent to the association. The Notice of Noncompliance shall provide the association with a reasonable period of time to comply with the rule. The Notice of Noncompliance shall identify the violation and provide an investigator’s contact telephone number and email address so that the association may contact the division to obtain educational assistance or an educational conference. The association is solely responsible for achieving compliance. Failure to fully comply with a Notice of Noncompliance will lead to further enforcement action as permitted by law. The Notice of Noncompliance shall not be considered final agency action.

(3) The division will notify the complainant of the resolution of the complaint, or if applicable, alternative dispute resolution options.

(4) The following violations shall be considered minor violations for which a Notice of Noncompliance shall be issued:

Category	Statute or Rule	Description of Conduct/Violation
Budgets	61B-22.003(1)(b), F.A.C.	Failure to disclose the beginning and ending dates of the period covered by the proposed budget.
Budgets	61B-22.003(1)(c), F.A.C.	Failure to disclose periodic assessments for each unit type in the proposed budget.
Elections	61B-23.0021(7), F.A.C.	Distributing candidate information sheets consisting of more than one page.
Elections	61B-23.0021(9), F.A.C.	Ballot does not list candidates alphabetically by surname.
Elections	61B-23.0021(10)(b), F.A.C.	Outer envelope information verified before the date of the election.
Reporting	61B-22.006(3)(a)5., 6., F.A.C.	Failure to disclose the amount required to fully fund each reserve account as of the end of the fiscal period covered by the annual financial statements; and the manner by which reserve items were estimated and/or the date the estimates were last made in the annual financial statements or turnover audit. Failure to disclose in the year-end financial statements the manner by which reserve items were estimated and/or the date the estimates were last made.
Reporting	61B-22.006(3)(b), (c), F.A.C.	Failure to disclose the method of allocating income and expenses in the annual financial statements or turnover audit.

CRIME – COVERAGES, ENDORSEMENTS, AND EXCLUSIONS

Coverage Type: Crime (Fidelity Bond)

61B–21 – Condominium Resolution Guidelines for Unit Owner Controlled Associations

Board	718.111(11)(h), F.S.	Failure to maintain adequate fidelity bonding.
Board	718.112(2)(a)1., F.S.	Compensating officers or members of the board without documentary authority.
Board	718.112(2)(i), F.S.	Improper transfer fees or security deposits.
Board	718.116(3), F.S.	Levying late fees without documentary authority.
Board	718.303, F.S.	Imposing fines without proper notice and opportunity for hearing. Imposing excessive fines. Improper suspension of voting rights without proper notices.
Board	718.112(2)(d)2., F.S.	Allowing ineligible person to run for board of administration.
Board	718.3026(1), F.S.	Failure to obtain competitive bids on contracts that exceed five percent of the association's budget.
Budgets	718.112(2)(e), F.S.	Failure to propose/adopt budget for a given year.
Budgets	718.112(2)(f)1., F.S.	Failure to include a schedule of limited common element expenses in budget.
Budgets	61B-22.003(4)(a), F.A.C.	Failure to prepare a separate budget for each condominium operated by the association as well as for the association.
Budgets	61B-22.003(1)(e), (f), (g), F.A.C.	Failure to include reserve schedule in the proposed budget. Failure to disclose converter-reserve funding.
Budgets	718.112(2)(f)2., F.S. 61B-22.005(3), (5), F.A.C.	Improper calculation of reserve requirements.
Commingle	718.111(14), F.S.	Commingle association funds with non-association funds.
Commingle	718.111(14), F.S. 61B-22.005(2), F.A.C.	Commingle reserve funds with operating funds.
Common Expenses	718.103(9), 718.115(1), F.S. 61B-23.003(3), F.A.C.	Using association funds for other than common expenses.
Conflict of Interest	718.112(2)(p), F.S.	Contracting with a service provider owned by a board member.
Conflict of Interest	718.3027(1), (2), (4), F.S.	Failing to properly disclose a conflict of interest.
Converter Reserves	718.618(3)(b), F.S.	Improper use of converter reserves.
Debit Card	718.111(15), F.S.	Use of an association debit card for any association expense.
Elections	718.112(2)(d), F.S. 61B-23.0021(2), F.A.C.	Failure to hold an annual election.
Elections	718.112(2)(d)4., F.S.	Failure to use ballots or voting machines.
Elections	61B-23.0021(8), F.A.C.	Failure to provide space for name, unit number, or signature on outer envelope.
Elections	718.112(2)(d)4.a., F.S. 61B-23.0021(4), F.A.C.	Failure to provide, or timely provide, first notice of election.
Elections	61B-23.0021(3), F.A.C.	Improper nomination procedures in election.
Elections	61B-23.0021(2), F.S.	Election not held at time and place of annual meeting.
Elections	61B-23.0021(6), F.A.C.	Failure to provide candidate with a receipt for written notice of candidacy.
Elections	718.112(2)(d)4.a., F.S. 61B-23.0021(7), (8), F.A.C.	Failure to provide, or timely provide, second notice of election or omitting ballots, envelopes, or candidate information sheets.
Elections	718.112(2)(d)4., F.S. 61B-23.0021(5), F.A.C.	Ballot included a candidate who is ineligible. Ballot not including an eligible candidate.
Elections	61B-23.0021(8), F.A.C.	Voters allowed to rescind or change their previously cast ballots.
Elections	61B-23.0021(8), F.A.C.	Second notice of election and accompanying documents included comments by board about candidates.
Elections	61B-23.0021(10)(a), F.A.C.	Ballots not counted by impartial committee.

FLOOD

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.
Company: Missing
A.M. Best Rating: Missing
Policy Period: Missing

Coverage	Limits
Appraisal Building Values	Missing
Policy Building Values	Missing
Contents Values	Missing
Flood Zone	Missing
Increased Cost of Compliance (ICC)	Missing
Deductible	Missing

Coverage Description:

The definition of a flood is the same regardless of how you are insured. "Flood" means a general and temporary condition of partial or complete inundation of two or more acres of normally dry land areas or two or more properties, at least one of which is the policyholder's property, from:

1. Overflow of inland or tidal waters.
2. The unusual and rapid accumulation or runoff of surface waters from any source.
3. Mud slides (i.e. mud flows) which are proximately caused by flood.
4. The collapse or subsidence of land along the shore of the lake or other body of water because of erosion or undermining caused by waves or currents of water exceeding the cyclical levels which results in flood.

WORKERS COMPENSATION

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.
Company: Zenith Insurance Company
A.M. Best Rating: A (Excellent); X
Policy Period: December 13, 2022 to December 13, 2023

Coverage A: Workers Compensation - Statutory Limits Apply

Coverage B: Employers Liability:

Coverage	Limits
Bodily Injury - Each Accident	\$500,000
Bodily Injury by Disease - Policy Limit	\$500,000
Bodily Injury by Disease - Each Employee	\$500,000

Coverage C: Other States Insurance applies to the states, if any listed.

Other Coverages: Volunteers Endorsement – Included

Coverage Description:

Unless the Association employs four or more employees, workers compensation is not legally required. However, many associations that do not employ four or more people still purchase a “minimum premium policy.”

One purpose of the minimum premium policy is to provide protection for employees of uninsured sub-contractors hired by the Association (or their agent). If the subcontractor fails to maintain workers compensation insurance as required by Florida statute, the association that hired the sub-contractor now becomes liable.

The minimum premium policy also provides protection for volunteers injured on the Association’s premise. Please note that volunteers are only covered while performing work approved by the Board of Directors.

Workers Compensation – Recommendations:

Certificates of Insurance

We recommend that the Board secures certificates of insurance showing proof of coverage prior to hiring any contractor or vendor. If the contractor or vendor has no workers’ compensation insurance to protect their workers, the liability will fall on whoever hired the subcontractors.

ACTIVE SHOOTER & WORKPLACE VIOLENCE

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.
 Company: Missing
 A.M. Best Rating: Missing
 Policy Period: Missing

Limits of Liability:

Coverage	Limits
Policy Aggregate	Missing
Act of Workplace Violence Event Aggregate	Missing
Workplace Violence Expenses Per Insured Event	Missing
3rd Party Legal Liability Per Insured Event	Missing
Personal Accident Expenses Per Insured Person	Missing
Business Interruption Expenses Per Insured Event	Missing
Business Interruption Indemnity Period	Missing
Business Interruption Waiting Period	Missing
Stalking Threat Event Aggregate	Missing
Stalking Threat Expenses Per Insured Event	Missing
3rd Party Legal Liability Per Insured Event	Missing
Personal Accident Expenses Per Insured Person	Missing
Business Interruption Expenses Per Insured Event	Missing
Business Interruption Indemnity Period	Missing
Business Interruption Waiting Period	Missing
Deductible	Missing

Active Shooter and Workplace Violence – Recommendations:

Active Shooter and Workplace Violence

In review of the insurance and risk management program for **High Point of Delray West Condominium Association Section 3**, we could not locate an **Active Shooter and Workplace Violence** policy in place. At renewal, we recommend obtaining an Active Shooter quote for the Board of Directors to review.

CYBER LIABILITY

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.
 Company: Missing
 A.M. Best Rating: Missing
 Policy Period: Missing

Limits of Liability:

Coverage	Limits	Deductible
Third-Party Liability Coverages	Missing	Missing
A. Network and Information Security Liability	Missing	Missing
B. Regulatory Defense and Penalties	Missing	Missing
C. Multimedia Content Liability	Missing	Missing
D. PCI Fines and Assessments		
First-Party Liability Coverages	Missing	Missing
E. Breach Response	Missing	Missing
F. Crisis Management & Public Relations	Missing	Missing
G. Cyber Extortion	Missing	Missing
H. Business Interruption & Extra Expense	Missing	Missing
I. Digital Asset Restoration	Missing	Missing
J. Funds Transfer Fraud	Missing	Missing

Coverage Form – Claims-Made:

Claims-Made – The Liability Insuring Agreements are provided on a Claims-Made basis and cover only Claims first made during the Policy Period, or any applicable extended reporting period.

Defense Within Limits:

Defense Costs – The Limit available to pay settlements or judgments will be reduced and may be completely exhausted by Defense Costs.

Cyber Liability – Recommendations:

Cyber Liability Policy

In review of the documentation provided to us, we were unable to locate a **Cyber Liability** policy.

Website

Does the association own and maintain a website?

ENVIRONMENTAL/POLLUTION LIABILITY

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.

Company: Missing

A.M. Best Rating: Missing

Policy Period: Missing

Location:

Coverage	Limits
Limits of Liability - Aggregate	Missing
Limits of Liability – Each Occurrence	Missing
Deductible	Missing

Coverage Description:

Environmental/Pollution Liability is a type of insurance that covers cost related to pollution. This can include costs of restoration and cleanup, liability for injuries and deaths caused by pollution.

Claims Examples:

Example #1: A storm damages the fuel line of the association's elevator generator causing diesel fuel to leak into the soil.

Example #2: The association's front retention pond overflows and causes migration of pollutants to spill into the nearby bay or wetland area.

Example #3: An association was responsible for the heating and ventilation system operation and maintenance at the clubhouse. The system malfunctioned and released carbon monoxide, which seriously injured five people in the clubhouse.

Example #4: The temperature of the hot water heating system was not kept at the proper amount and as a result, bacteria causing owners to contract an illness.

Example #6: Bacteria from the pool spa cause bodily injury to a member of the association resulting in legionnaires disease which has a survival rate of only 30%.

Example #7: A water treatment pump and chemical regulation meter at an association swimming pool failed resulting in excessive sodium hypochlorite addition to the water. Five residents and two guests complained of burning eyes and skin requiring hospital treatment. One of the two guests filed bodily injury claims against the association to cover medical costs and pain/suffering. The resulting lawsuit determined that the association was negligent for inadequate maintenance of the pump and meter calibration. Medical expenses were minimal, but the association's portion of the mental anguish damages awarded were \$80,000 and legal defense exceeded \$150,000.

Environmental/Pollution Liability – Recommendations:

Based on the documentation provided to us for review, we were unable to locate an **Environmental Liability** policy in place. **Environmental Liability** is a type of insurance that covers costs related to pollution. This can include costs of restoration and cleanup, liability for injuries and deaths caused by bacteria, disease, or pollutants. It provides coverage for First and Third-Party Claims including Legal Defense coverage.

\$1,000,000 of coverage limits would cost the association \$0.39 cents per owner, per month or \$4.64 Annually per owner for this important coverage.

GLASS

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.
 Company: Missing
 A.M. Best Rating: Missing
 Policy Period: Missing

Coverage	Limits
Policy Form	Special Form Including Windstorm
Valuation Clause	Missing
Limit Per Loss	Missing
Number of Units	Missing
Coinsurance	Missing
Condo Unit Sub-limits / Per Unit Per Loss	Missing
Common Area Glass	Missing
Deductible	Missing

Coverage Description:

The Association's property insurance policies (CP0017 and CP0010) will cover building glass subject to the policy's deductible. In Florida, for a windstorm event, this deductible is typically a percentage of the building's value (frequently 3% or 5% of the building value). Since windows are typically the most vulnerable area in an association, they can frequently have glass damage during a windstorm that is under the Property policy's wind deductible and therefore are not covered.

Plate Glass coverage is a separate policy that covers building glass with first dollar (no deductible) coverage.

Glass – Recommendations:

Based on the documentation provided to us for review, we could not locate a glass policy in place for **High Point of Delray West Condominium Association Section 3, Inc.** *If the association suffers a loss under the windstorm deductible and several of the windows in the association were damaged, the glass policy at no deductible would cover the damage to the windows thus eliminating a potential unbudgeted loss.*

At the very least, we can obtain quotes for various coverage limits for the Board of Directors to review to determine if the glass policy is cost effective.

LEGAL DEFENSE INSURANCE

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.
Company: Bold Legal Defense Insurance, Inc.
A.M. Best Rating: Not Rated
Policy Period: December 13, 2022 to December 13, 2023

Coverage Description:

This “policy” only covers the “legal services” of a “plan attorney” to defend a claim made against the “insured” and the insured’s existing insurance coverage is denied or is not applicable. It does not indemnify the association for damages that the association may have to pay as the result of a claim. It does not cover any out-of-pocket costs in the defense of a claim.

Policy Limitations and Exclusions:

The “insured” is responsible for the out-of-pocket costs related to the defense of a claim. Such out of pocket costs include but are not limited to as follows:

- Deposition or transcript costs
- Court Reporter fees
- Expert witness fees
- Travel expenses if plan attorney is required to travel outside of the State of Florida
- Trial exhibits and witness fees
- Overnight mail
- Surveillance Charges
- Service of process fees
- Court fees or charges
- Messenger fees
- Any costs related to an appeal
- All out of pocket costs must be reimbursed or paid for within 30 days of notification to “insured”.

The following items are **excluded** from the “policy” coverage herein:

- Any existing claims or lawsuits that occurred before the effective date of this policy.
- Any claim or law where the insured is sued outside the State of Florida.
- Failure to provide “Atlantic Mutual” with notification of a claim or lawsuit within time stated in this policy.
- Appellate proceedings
- Class action claim or lawsuit
- This “policy” excludes appeals. If the “insured” wants to file an appeal, the “insured” shall be responsible to obtain the necessary legal counsel for such appeal.
- Any claim or lawsuit that alleges criminal conduct shall be excluded from the policy.
- Any claim or lawsuit filed in Federal Court except for those claims involving service animals, emotional support pets, discrimination in housing or American Disability Act compliance.
- Any claims, lawsuits, acts or allegations that occurred after the expiration date of the policy.
- If the insured is the plaintiff in any lawsuit, there shall be no coverage regardless of any individual or entity listed as the defendant.
- Post Judgment Proceedings
- Claims involving the Fair Debt Collections Act
- Any claim or lawsuit in relation to a property or unit other than a “Scheduled location”.
- Any claim or lawsuit arising out of sexual harassment.
- Any claim or lawsuit arising out of the obligation of the insured under a Workers’ Compensation, Disability Benefits or ERISA claims or Unemployment Compensation Law or any similar law.

LEGAL DEFENSE INSURANCE

Named Insured: High Point of Delray West Condominium Association Section 3, Inc.
Company: Bold Legal Defense Insurance, Inc.
A.M. Best Rating: Not Rated
Policy Period: December 13, 2022 to December 13, 2023

Legal Defense – Coverage Recommendations:

Legal Defense Claims Examples

Example #1: Claimant sues association claiming to be ill from contracting COVID-19 in the pool area.

Example #2: Newly elected Board Member signs Directors & Officers applications and does not indicate any potential pending claims. The Board is sued for an ongoing feud over the association's pet policy, which violates the warranty of the application resulting in an uncovered Directors & Officers claim.

Example #3: Claimant sues the association for harassment and damaging their reputation. A Board Member released a newsletter naming individuals that are behind on dues and intentionally put the claimant's name in this newsletter knowing that they were not up to date on their association dues. Directors & Officers denied coverage due to an intentional act by the Board Member.

Example #4: Condominium association holds an offsite meeting while the club room is being renovated. A member of the association trips in the meeting room suffering a broken hip. General Liability policy has a Limitation to Designated Premises Endorsement, so the claim is denied.

Policy Pros and Cons

Pros

- This policy provides an unlimited defense through trial.
- No Deductible
- Legal Defense policy would provide coverage in the event the association is sued by a guest or owner claiming they contracted COVID-19 in the pool area.
- It would provide coverage outside of a COVID-19 lawsuit. Please see the claims examples above.
- Inexpensive

Cons

- The association would be responsible for the out-of-pocket costs related to the defense of a claim such as Deposition or transcript costs, Court Reporter Fees, Expert Witness Fees, Travel expenses for plan attorney, Court Fees or Charges, All Costs related to an Appeal, Trial Exhibits and Witness Fees.
- Any claim where the insured is sued outside the State of Florida.
- We do not know the insurance company's capabilities and capacity to handle a large number of COVID-19 claims.

CBIZ – SERVICE PROPOSAL

SERVICES OVERVIEW:

High Point of Delray West Condominium Association Section 3 will be assigned the Community Association Account Team that will include a **Risk Manager** (responsible for your overall insurance program), **Account Managers** (day-to-day service), **Account Management Team** (to assist the Risk Manager and Account Manager), **Claims Management**, **Loss Control Consultants**, and a **Marketing Representative**. All services will be managed from the Sarasota office of CBIZ Insurance Services, and each team member will have an immediate back-up with an on-going quality review system.

PROGRAM MANAGEMENT – SCOPE OF SERVICES:

Successful management of a Community Association's insurance program involves more on-going services throughout the year than just policy placement. Fiscal responsibility, pro-active education, administration, compliance, and unit owner support are all essential parts of an efficient long-term strategy and partnership.

- Annual unit owner meeting
- Annual budget/forecasting meeting
- Annual loss control on-site safety review and loss analysis report
- Program implementation
- Day-to-day administration
- Drone Services
- Disaster Planning
- Educational seminars

CLAIMS MANAGEMENT UNIT:

Through the CBIZ Community Association Division, you will be assigned an in-house Claims Coordinator to provide support, such as:

- Your Association Claims Coordinator will take your First Notice of Loss and submit it to your insurance company.
- Your Association Claims Coordinator will then monitor the claims process through regular contact with the Claims Adjuster to ensure prompt and accurate handling of your claim until the claim is closed.

LOSS CONTROL SERVICES:

High Point of Delray West Condominium Association Section 3, Inc. will be assigned an in-house Loss Control Specialist to provide services, such as:

- Implement loss control measures to reduce the frequency and severity of future claims, thus reducing the costs of future premiums.
- Identify and resolve potential hazards/claims.
- Annual loss control on-site safety review and loss analysis report.
- Our Loss Control Specialist will work with your association to evaluate opportunities for improvement.

AGENCY COMPARISON – CBIZ vs. CURRENT AGENCY

Resources and Services:	CBIZ	Current Agent
Policy Placement	Yes	Yes
Certificate of Insurance Department	Yes	Yes
Annual Unit Owner Meeting	Yes	Unknown
Estimated Annual Insurance Budget	Yes	Unknown
Claims Management	Yes	Unknown
	Your Association will be assigned an in-house Claims Coordinator to provide support, such as (1) First Notice of Loss and submit it to your insurance company; (2) Your CBIZ Claims Coordinator will then monitor the claims process through regular contact with the Claims Adjuster to ensure prompt and accurate handling of your claim until the claim is closed.	
Disaster Planning	Yes	Unknown
	We have a systematic approach to pre-and-post planning and disaster response. This includes an Annual Disaster Planning Workshop, Annual Drone Survey, Meetings with the Board and Broward County Emergency Management.	
Expertise - On staff Florida Community Association Manager, Certified Manager of Community Associations (CMCA) and Community Insurance & Risk Management Specialist (CIRMS)	Yes	Unknown

AGENCY COMPARISON – CBIZ vs. CURRENT AGENCY

Resources and Services:	CBIZ	Current Agent
Local Presence	Yes	Yes
	-	-
National Presence	Yes	Yes
	100 offices; 5,000 employees	Unknown
Loss Control Services	Yes	Unknown
	High Point of Delray West Condominium Association Section 3 will be assigned an in-house Loss Control Specialist to provide services, such as (1) Implement loss control measures to reduce the frequency and severity of future claims, thus reducing the costs of future premiums; (2) Identify and resolve potential hazards/claims; (3) Your dedicated Loss Control Specialist will work with your association to evaluate opportunities for improvement.	
Annual Drone Inspection	Yes	No
	Nothing stops a claims dilemma with an adjuster better than showing the insurance company a clear photo or video of what the building looked like prior to the loss. This is especially helpful in a catastrophic scenario where several adjusters are used.	

AGENCY COMPARISON – CBIZ vs. CURRENT AGENCY

<u>Resources and Services:</u>	<u>CBIZ</u>	<u>Current Agent</u>
Monthly Educational Seminars and Webinars	Yes	No
	CBIZ Community Association Division hosts two in-person Educational Lunch & Learns a month. In addition, CBIZ provides webinars once a month for Board Members and Community Association Managers nationwide.	
Quarterly Safety Meetings with the Board, Executive Management Team, and Maintenance Staff	Yes	Unknown
Average Commission Earned for Managing your Association's Insurance and Risk Management Program	12%	12%