



1120 Bethlehem Pike, Suite 208, P.O. Box 858, Spring House, PA 19477 (215) 542-5959 Phone • (215) 542-6990 Fax

June 8, 2009

Dear Homeowner:

We have the privilege of insuring **Chadds Ford Villages At Ponds Edge**. In order that we can serve you more efficiently, we would like to clarify the coverage and procedures of the Association's master policy.

Association Master Insurance Policy:

The master insurance policy for **Chadds Ford Villages At Ponds Edge** provides coverage for the entire building. Of course, the coverage provided is subject to the terms, conditions, restrictions and exclusions of the actual policy and would only apply to losses that were caused by covered perils or causes of loss.

Additionally, the Master Insurance policy provides coverage for any improvements, betterments, additions, alterations or upgrades made within the unit up to \$ 25,000, regardless of who installed them or when they were installed. This is very broad coverage and may be questioned, so please feel free to direct any further questions to our office.

The Association master insurance policy **will not** respond with coverage until the damage exceeds the deductible. Each unit owner is responsible for this deductible. Effective **6/1/2009** the Association's master insurance policy contains a **\$ 2,500** deductible which is applicable on a per unit basis for ice-damming and on a per occurrence basis for all other covered perils.

Condominium Owner's (HO-6) Policy:

The kind of coverage you, as a homeowner, need to purchase is called an HO6 Condominium Owner's policy. This type of policy will provide most of the coverage you need to buy on your individual home to properly dovetail the Association's master policy.

Your HO6 policy should provide coverage for:

- **The Association's Master Insurance Policy Deductible:** With some HO-6 companies, you need to specify that you want to cover the Association's deductible. Failing to specify might mean your units owner's insurance policy (HO-6) may not be set up to cover the Association's deductible.
- **Personal Property Coverage:** Covers your contents and personal belongings.
- **Loss Assessment Coverage:** Protects you in the event a special assessment is imposed by the Association because the Master policy limits were exceeded.
- **Loss of Use:** Covers the expenses for you to find a new place to live when your unit is uninhabitable.
- **Personal Liability Protection:** Provides liability protection for you in the event that someone falls or gets injured within your home.

We also suggest a written inventory with photographs of all your property, building, and contents, to help you document your loss under either the HO6 or Association policy. We encourage you and your insurance agent to call if you have any questions.



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You have the option to obtain coverage for your personal homeowner's policy through our agency. We have been insuring Community Associations since their inception and understand the coverages you need. In addition, we have carriers that specialize in HO-6 coverage and can provide you with the most comprehensive coverage at the most competitive rates. Please contact our personal lines manager Gene Ebright via our toll free telephone number (877) 742-4678 ext. 128 or via email at gebright@smithinsurance.com. You can also obtain a free quote online at www.smithinsurance.com by clicking on the "Request A Quote" link on the home page.

Certificates of Insurance

If you or your mortgage company need a certificate of insurance as evidence of your home being insured, please visit our website at www.smithinsurance.com. An online form for requesting certificates of insurance can be located by clicking the "Certificates of Insurance" link on the home page. Completing this online form is the quickest and easiest way to obtain certificates of insurance from our agency. If you have additional questions about certificates of insurance, please contact Jan Fusco via telephone (x100) or email (jfusco@smithinsurance.com). She will need the name and address of the mortgage company and a loan number in order to assist you.

Claims

If you have a claim, please follow the procedures outlined below to help ensure timely processing of the claim:

1. Report the claim to building management as soon as possible. You will need to provide management with the date of loss and the cause of loss. If management feels the loss would be covered by the Association insurance policy, they will report the loss to our agency. (Please keep in mind that the Association has a \$ 2,500 deductible for each covered loss).
2. Report the claim to your personal lines insurance carrier as soon as possible.

We hope this letter answers your questions. Please call our agency if we can be of further assistance. We look forward to being of service to you and **Chadds Ford Villages At Ponds Edge**.

Sincerely,

SMITH INSURANCE ASSOCIATES, INC.

DISCLAIMER: THIS INFORMATION IS MEANT TO BE USED AS A GUIDE IN PURCHASING YOUR PERSONAL INSURANCE COVERAGE'S. NOTHING IN THIS LETTER SHALL CHANGE THE POLICY TERMS, CONDITIONS, WORDING, OR WARRANTIES OF THE ASSOCIATION INSURANCE POLICIES.

www.smithinsurance.com

ACORD CERTIFICATE OF LIABILITY INSURANCE DATE (MM/DD/YYYY)
6/8/2009

PRODUCER (215) 542-5959 FAX: (215) 542-6990
 Smith Insurance Associates, Inc.
 1120 Bethlehem Pike, Suite 208
 P. O. Box 858
 Spring House PA 19477

INSURED
 Chadds Ford Villages At Ponds Edge
 C/O Penco Mgmt. Company
 P.O. Box 1119
 Chadds Ford PA 19317

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: QBE Insurance Corporation	39217
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS		
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	CAU303904-1	6/1/2009	6/1/2012	EACH OCCURRENCE \$ 3,000,000		
	DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000						
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	CAU303904-1	6/1/2009	6/1/2012	COMBINED SINGLE LIMIT (Ea accident) \$ 3,000,000		
					BODILY INJURY (Per person) \$		
					BODILY INJURY (Per accident) \$		
					PROPERTY DAMAGE (Per accident) \$		
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$		
					OTHER THAN EA ACC \$		
	EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$		
					AGGREGATE \$		
					\$		
					\$		
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				<table border="1"> <tr> <td>WC STATU-TORY LIMITS</td> <td>OTH-ER</td> </tr> </table>	WC STATU-TORY LIMITS	OTH-ER
					WC STATU-TORY LIMITS	OTH-ER	
					E.L. EACH ACCIDENT \$		
E.L. DISEASE - EA EMPLOYEE \$							
A	OTHER PROPERTY-G.R.C. FIDELITY	CAU303904-1	6/1/2009	6/1/2012	GUARANTEED G.R.C. REPLACEMENT COST DED: \$ 2,500 EMPLOYEE DISHONESTY \$ 100,000		

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS
 NAME: ADDRESS: CHADDS FORD PA 19317
 ALL-IN COVERAGE MAXIMUM \$ 25,000 PER UNIT

CERTIFICATE HOLDER

FILE COPY
 FILE COPY
 FILE COPY

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
 S Smith Jr./ROGER

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.