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From: Glenda Parker <glendap@mtnwst.com>

To: "allengiannakopoulos@comcast.net" <allengiannakopoulos@comcast.net>

Date: 03/22/2021 4:42 PM

Subject: Cedar Mesa Ranches HOA

Hi Allen,

Thank you for calling to discuss your concerns. It is very important to know what your policy does, and does not, cover. Below I have stated the main issues we discussed. Please keep in mind, any insurance policy is VERY classification specific with certain exclusions that could definitely effect the HOA. If you have any further questions, please feel free to contact me.

--regarding the motor grader: you currently do not have physical damage on the grader. Diane Cherbak told me last year it was not valuable enough to cover it for physical damage (fire, theft, damage if wrecked, etc.). You do currently have ONLY liability insurance, which is for damage that is caused by the use of the grader that you are considered liable for. You do NOT have coverage for any injury to the person operating the equipment. Coverage for injuries would need to be placed on a workers compensation policy, and Cedar Mesa Ranches currently does not have that coverage. The rating factor for a workers compensation policy is the payroll that is paid out to an individual. It does NOT cover volunteers at all. This is also true for anyone who operates the GMC truck. You have liability only on the truck, BUT the drivers are NOT covered for any injury.

--weed control and spraying: First of all, the use of anyone's personal ATV for any type of work for the HOA, is NOT permissible. Secondly, in order to add a weed control/spraying class to your existing policy has a LOT of requirements before it can be done. I would need a copy of the applicators license and continuing education. Furthermore, the only ones that would be allowed, and covered for liability, to apply the chemicals are the one/ones that carry a current license. In this type of situation, it is normally more cost efficient to hire a subcontractor that is experienced and licensed in this type of work. Also, there is a big possibility that Liberty Mutual would non-renew your policy if we tried adding this classification as there is no experience record that can be provided to the company for this.

--fire control committee: Once again, the use of anyone's personal ATV for this type of work for the HOA is NOT permissible. A fire can, and does need to be, located in order to be reported to the proper authorities. BUT, this is a complete different class of expertise and needs to be left to them to handle. If a situation arises where an ATV became a hindrance to a fire fighting situation, the liability exposure would be huge with NO help from the HOA's policy. Since the ATV's are owned personally, the owner could be held responsible. Also, this is a classification, if the company found out about it, would cause them to immediately send out a non-renewal. Once a non-renewal is issued due to this type of situation, it is next to impossible to obtain another policy.....and IF it can be, it would be extremely expensive.

Regards,



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The Pagosa Springs office has moved to a new location. We look forward to serving you at our new location at 190 Talisman Dr., Ste C5. If you have any questions, please feel free to call 970-765-7154.

Keeping everyone safe is still our top priority, so rest assured that we are taking all of the necessary precautions to keep everyone healthy.

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