

Re: Chargeback – Mitigation Costs Not Covered By Association Master Policy

Dear Homeowner,

The Insurance Adjustor assigned to the claim covered under the Association's insurance policy has now completed their review of the mitigation expenses and has determined the cost for the items that are not covered under the Association's master policy. The enclosed invoice details the portion of the mitigation costs attributed to your unit and breaks down those covered under the Association's master policy and those that are the responsibility of the homeowner.

Your HO-6 policy typically has coverage for these types of assessments. It is recommended that you contact your individual insurance agent and inquire further about your policy. It is possible that your HO-6 policy will cover all or a substantial portion of this chargeback. Regardless of your HO-6 coverage, you as the owner of the unit are responsible for this chargeback. Please note that if your HO-6 denies coverage for this chargeback, you may be able to receive reimbursement through an open Liability claim with Farmers Insurance. Please contact Kasey Thompson at (616) 974-7914 and reference claim #3006542236-1-11 for additional information.

The portion of the mitigation cost to your unit that the Master Insurance Policy does not cover are those elements that are the homeowner's responsibility as defined in the governing documents. The Declaration states "The Association will not insure (a) ceiling or wall finishing material; (b) floor coverings; (c) cabinetry; (d) appliances; or (e) other improvements and betterments within the Units regardless of when installed" (Article VII. A.1.).

Please coordinate payment of this chargeback within 90 days. If you utilize the Association's electronic funds transfer (EFT) service for your monthly assessment payments and if this chargeback is less than \$500, the full amount of the chargeback will be automatically deducted from your bank account after the 90 day grace period. If this chargeback is \$500 or greater you will need to submit payment by credit card or check within 90 days.

Thank you for your prompt attention to this matter. Please do not hesitate to contact the Association's management company's Insurance Manager at Maureen.Porter@associa.us with any questions.

Sincerely,

Maureen Porter
Insurance Manager
Associa Minnesota

Enclosure