

INSURANCE COMPANY
6101 ANACAPRI BLVD., LANSING, MI 48917-3999**UMBRELLA POLICY DECLARATIONS**

Renewal Effective 05-01-2012

AGENCY GENE FLOM AGENCY INC
06-0240-00 MKT TERR 066 (507) 263-2020**POLICY NUMBER 47-911-644-01**INSURED VALLEY POND TOWNHOME ASSOCIATION
C/O SHERRY FRECKING

Company Use 08-21-MN-1005

ADDRESS 1900 LINCOLN ST S
NORTHFIELD MN 55057-3530

Company Bill	POLICY TERM	
	12:01 a.m. 05-01-2012	12:01 a.m. 05-01-2013

In consideration of payment of the premium shown below, this policy is renewed. Please attach this Declarations and attachments to your policy. If you have any questions, please consult with your agent.

COMMERCIAL UMBRELLA**LIMITS OF LIABILITY:**

Products-Completed Operations Aggregate	\$ 2,000,000
Other Aggregate	\$ 2,000,000
Errors and Omissions Aggregate	\$ 2,000,000
Each Incident Limit	\$ 2,000,000

Errors and Omissions Aggregate applies to the following Errors and Omissions coverage(s):
Association Directors and Officers/Habitational

RETAINED LIMIT: \$ 5,000 (Waived when an Auto-Owners Insurance Group Company provides both the Commercial Automobile and Commercial General Liability coverage).

FORMS THAT APPLY TO THIS POLICY:

26800 (07-05)	26606 (10-05)	26880 (05-09)	59350 (01-08)	26366 (07-05)
26505 (07-08)	26545 (08-05)	26527 (09-09)	26862 (02-08)	26528 (08-05)
26814 (01-06)	26629 (01-07)	26954 (03-09)	26296 (07-05)	26827 (07-05)
26531 (07-05)	26832 (07-05)			

COMMERCIAL UMBRELLA PREMIUM**PREMIUM**
\$751.44

THE POLICY PREMIUM SHOWN ABOVE INCLUDES:

TERRORISM
CERTIFIED ACTS SEE FORMS 59350, 26505, 59390 \$7.44

TOTAL POLICY PREMIUM	TERM \$751.44
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APPLICABLE RATING TERRITORY: 022
PROGRAM: Habitational

A 7% Cumulative Multi-Policy Discount applies. Supporting policies are marked with an (X):
Comm Auto() Comm Prop/Comm Liab(X) Farm() WC() Life() Personal().

AUTO-OWNERS INS. CO.

Issued 04-13-2012

AGENCY GENE FLOM AGENCY INC
06-0240-00 MKT TERR 066

Company POLICY NUMBER 47-911-644-01
Bill Company Use 08-21-MN-1005

INSURED VALLEY POND TOWNHOME ASSOCIATION

Term 05-01-2012 to 05-01-2013

SCHEDULE OF UNDERLYING INSURANCE

NAME OF INSURER	TYPE OF POLICY	YOU HAVE AGREED TO MAINTAIN LIMITS AS FOLLOWS:	
OWNERS INSURANCE COMPANY	BUSINESSOWNERS LIABILITY	Occurrence	LIMIT \$2,000,000
	Hired/Non-Ownership Automobile Liability	Aggregate	\$4,000,000
		Included	
OWNERS INSURANCE COMPANY	PROFESSIONAL LIABILITY: ASSOCIATION/HABITATIONAL DIRECTORS and OFFICERS	Occurrence	LIMIT \$2,000,000
		Aggregate	\$4,000,000

AUTO-OWNERS INSURANCE COMPANY**NOTICE CONCERNING POLICYHOLDER RIGHTS IN AN
INSOLVENCY UNDER THE MINNESOTA INSURANCE
GUARANTY ASSOCIATION LAW**

The financial strength of your insurer is one of the most important things for you to consider when determining from whom to purchase a property or liability insurance policy. It is your best assurance that you will receive the protection for which you purchased the policy. If your insurer becomes insolvent, you may have protection from the Minnesota Insurance Guaranty Association as described below but to the extent that your policy is not protected by the Minnesota Insurance Guaranty Association or if it exceeds the guaranty association's limits, you will only have the assets, if any, of the insolvent insurer to satisfy your claim.

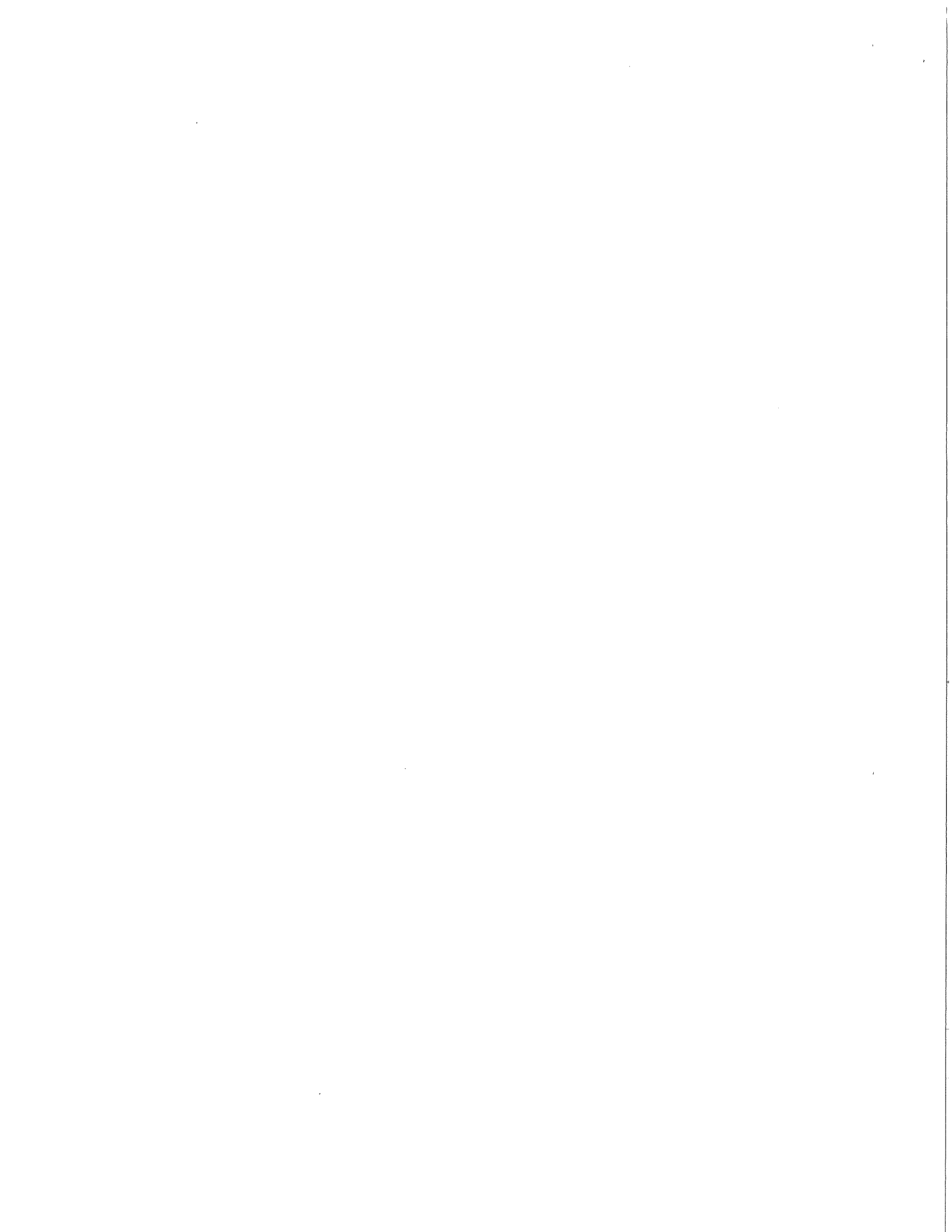
Residents of Minnesota who purchase property and casualty or liability insurance from insurance companies licensed to do business in Minnesota are protected, **SUBJECT TO LIMITS AND EXCLUSIONS**, in the event the insurer becomes insolvent. This protection is provided by the Minnesota Insurance Guaranty Association.

Minnesota Insurance Guaranty Association
7600 Parklawn Avenue
Edina, Minnesota 55435-5137
(952) 831-1908

The maximum amount that the Minnesota Insurance Guaranty Association will pay in regard to a claim under all policies issued by the same insurer is limited to \$300,000. This limit does not apply to workers' compensation insurance. Protection by the guaranty association is subject to other substantial limitations and exclusions. If your claim exceeds the guaranty association's limits, you may still recover a part or all of that amount from the proceeds from the liquidation of the insolvent insurer, if any exist. Funds to pay claims may not be immediately available. The guaranty association assesses insurers licensed to sell property and casualty or liability insurance in Minnesota after the insolvency occurs. Claims are paid from the assessment.

THE PROTECTION PROVIDED BY THE GUARANTY ASSOCIATION IS NOT A SUBSTITUTE FOR USING CARE IN SELECTING INSURANCE COMPANIES THAT ARE WELL MANAGED AND FINANCIALLY STABLE. IN SELECTING AN INSURANCE COMPANY OR POLICY, YOU SHOULD NOT RELY ON PROTECTION BY THE GUARANTY ASSOCIATION.

THIS NOTICE IS REQUIRED BY MINNESOTA STATE LAW TO ADVISE POLICYHOLDERS OF PROPERTY AND CASUALTY INSURANCE POLICIES OF THEIR RIGHTS IN THE EVENT THEIR INSURANCE CARRIER BECOMES INSOLVENT. THIS NOTICE IN NO WAY IMPLIES THAT THE COMPANY CURRENTLY HAS ANY TYPE OF FINANCIAL PROBLEMS. ALL PROPERTY AND CASUALTY INSURANCE POLICIES ARE REQUIRED TO PROVIDE THIS NOTICE.



**CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
AND
IMPORTANT INFORMATION REGARDING TERRORISM RISK INSURANCE COVERAGE**

It is agreed:

1. With respect to any one or more certified acts of terrorism, we will not pay any amounts for which we are not responsible because of the application of any provision which results in a cap on our liability for payments for terrorism losses in accordance with the terms of the federal Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act).
2. Certified act of terrorism means any act certified by the Secretary of the Treasury, in concurrence with:
 - a. the Secretary of State; and
 - b. the Attorney General of the United Statesto be an act of terrorism as defined and in accordance with the federal Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act).
3. Under the federal Terrorism Risk Act of 2002 (including ensuing Congressional actions pursuant to the Act) a terrorist act may be certified:
 - a. if the aggregate covered commercial property and casualty insurance losses resulting from the terrorist act exceed \$5 million; and
 - b. (1) if the act of terrorism is:
 - a) a violent act; or
 - b) an act that is dangerous to human life, property or infrastructure; and(2) if the act is committed:
 - a) by an individual or individuals as part of an effort to coerce the civilian population of the United States; or
 - b) to influence the policy or affect the conduct of the United States government by coercion.

All other policy terms and conditions apply.

IMPORTANT INFORMATION REGARDING TERRORISM RISK INSURANCE COVERAGE

The Terrorism Risk Insurance Act of 2002 was signed into law on November 26, 2002. The Act (including ensuing Congressional actions pursuant to the Act) defines an act of terrorism, to mean any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States to be (i) an act of terrorism; (ii) to be a violent act or an act that is dangerous to human life, property or infrastructure; (iii) to have resulted in damage within the United States or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and (iv) to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States government by coercion.

Subject to the policy terms and conditions, this policy provides insurance coverage for acts of terrorism as defined in the Act.

Any coverage for certain commercial lines of property and casualty insurance provided by your policy for losses caused by certified acts of terrorism are partially paid by the federal government under a formula established by federal law. Under this formula, the government will reimburse us for 85% of such covered losses that exceed the statutory deductible paid by us. **You should also know that in the event aggregate insured losses exceed \$100 billion during any year the Act is in effect, then the federal government and participating United States insurers that have met their insurer deductible shall not be liable for the payment of any portion of that amount of the loss that exceeds \$100 billion. In the event that aggregate insured losses exceed \$100 billion annually, no additional claims will be paid by the federal government or insurers.** This formula is currently effective through December 31, 2014.

The premium charge, if any, for this coverage is shown separately on the attached Declarations page. In the event of a certified act of terrorism, future policies also may include a government assessed terrorism loss risk-spreading premium in accordance with the provisions of the Act.

Please contact us if you would like to reject coverage for certified acts of terrorism.

NOTIFICATION OF POSSIBLE CHANGES IN COVERAGE FOR TERRORISM

Dear Policyholder:

The Terrorism Risk Insurance Act (including ensuing Congressional actions pursuant to the Act) will expire on December 31, 2014 unless the Federal Government extends the Act. What this means to you is the following:

1. Subject to policy terms and conditions, the enclosed policy will provide insurance coverage for certified acts of terrorism as defined in the Act only until December 31, 2014.
2. A conditional endorsement entitled, Conditional Exclusion Of Terrorism Involving Nuclear, Biological Or Chemical Terrorism (Relating To Disposition Of Federal Terrorism Risk Insurance Act) is enclosed. This conditional endorsement will only apply if the Act is not extended or if the Act is revised to increase statutory deductibles, decrease the federal government's share in potential losses above the statutory deductibles, change the levels, terms or conditions of coverage and we are no longer required to make terrorism coverage available and elect not to do so. It will not apply if the Act is simply extended.
3. The conditional endorsement will provide coverage for an incident of terrorism pursuant to the terms and conditions of the policy only if the incident does not involve nuclear, biological or chemical material.
4. A premium charge for the conditional endorsement will be applied effective January 1, 2015. The premium will be prorated for the remainder of the policy term and is one-half of the current premium charge appearing in the Declarations for TERRORISM - CERTIFIED ACTS. However, it will only be made if the Terrorism Risk Insurance Act (including ensuing Congressional actions pursuant to the Act) is not extend. Revised Declarations will be mailed to you after January 1, 2015.
5. If the Act is extended without any revision, the enclosed policy will continue to provide coverage for certified acts of terrorism. The conditional endorsement will not be activated and the changes in coverage or premium referenced above will not apply.
6. If the Act is extended with revisions or is replaced, and we are required or elect to continue to offer coverage for certified acts of terrorism, we may amend this policy in accordance with the provisions of the revised Act or its replacement.

This notice is for informational purposes only.

If you have any questions concerning your policy or this notice, please contact your Auto-Owners agency.

HOW TO OBTAIN A COPY OF YOUR POLICY

Dear Policyholder;

Your renewal Declarations is enclosed. If you would like a complete copy of the policy, please contact your Auto-Owners agency.

This notice is for informational purposes.

If you have any questions regarding your policy or this notice, please contact your Auto-Owners agency.