**Section 1445.105 Fidelity Insurance**

a) No designated Community Association Manager or the Community Association Management Firm that employs the designated Community Association Manager may have access to or disburse community association funds unless there is fidelity insurance in place to insure against loss or theft of community association funds.

b) The fidelity insurance must at all times be in the maximum amount of coverage available to protect funds in the custody or control of the designated Community Association Manager or the Community Association Management Firm providing services to the association and shall cover the:

1) designated Community Association Manager;

2) the Community Association Management Firm;

3) all community association managers;

4) all partners, officers, and employees of the Community Association Management Firm; and

5) the community association’s officers, directors and employees.

c) *Unless an agreement between the community association and the designated community association manager or the community association management firm provides to the contrary, a community association may secure and pay for the fidelity insurance required by this Section. The designated community association manager, all other licensees, and the community association management firm must be named as additional insured parties on the community association policy.* [225 ILCS 427/55(a)(5)]

d) If the fidelity insurance is not secured and paid for by the association, the Community Association Manager or the Community Association Management Firm that secures and pays for the insurance shall provide a current certificate of fidelity insurance to the community association for which it provides community association management services with 10 days of a request for such certificate by the community association for its records.

e) The designated Community Association Manager or their Community Association Management Firm shall obtain general liability and errors and omissions insurance to cover any losses or claims against a Community Association Manager, the designated Community Association Manager, or the Community Association Management Firm.

f) The Community Association Manager or the Community Association Management Firm shall provide a current certificate of general liability and errors and omissions insurance to the community association for which it provides community association management services within 10 days of a request for such certificate by the community association for its records.

(Source: Added at 47 Ill. Reg. 8409, effective June 2, 2023)