

January 29, 2019

Re: Insurance Coverage

The Board of Directors has recently completed the renewal process for our insurance package with our agent, All Lines Insurance Group. As a result of this process, there are three points that we would like to review concerning your individual unit owner insurance: who insures what, loss assessments, and the 14-day rule

- Who Insures What--The schedule labelled Hazard Insurance Responsibilities details the coverage that our master policy offers versus the unit owner responsibility for all perils. This page will assist your personal agent in providing your unit owner policy coverage, known as an HO-6 policy. Please note that the insurance coverage for the air conditioning unit shown as an Association responsibility is only in the case of an insurable event-normal repairs or wear are the unit owner's responsibility.
- Loss Assessments--In our master policy we have a hurricane deductible of 2% of the building value (roughly, \$224,000). If we are hit by a hurricane, owners will receive a loss assessment based on their ownership percent to pay for the deductible. In an HO-6 policy, there is a minimum of \$2,000 to help offset this assessment. Some carriers may offer a higher limit, at a very small cost.
- The 14 Day Rule--The schedule labelled Water Damage is a memo from our agent that details the "14 Day Rule". The main point of this memo is, if you are leaving your unit for an extended period, your unit needs to be checked every 14 days or some parts of your individual insurance may be voided in the event of a claim for items such as water leakage or mold.

Harbour Hill's master insurance policy mandates that we check unoccupied units every 14 days or the Association may have parts of its policy voided in the event of water or mold damage. Our Association rules say that we will enter known unoccupied units for the purpose of inspection, so it behooves you to make the Association aware that you are away. Alternatively, you can have a friend do the inspection and provide us with a log, or the service can be purchased from an outside firm.

A form to be used to notify the superintendent if you will be away for more than 14 days is available on the website and in the library.