

PHYSICAL PROPERTY

Personal Property/Liability Insurance – Mutual Five

The term unit or apartment shall refer to the living space granted to the shareholder by the occupancy agreement.

Mutual Five shareholders, whether residing in their unit or not, shall carry HO6 insurance to cover the personal contents of their unit, to cover any damage to their unit for which they are responsible, and to cover any damage, for which they are responsible, to adjacent units. Shareholders are required to display their insurance policy declaration page on their kitchen counter during fire/safety inspections.

Shareholders shall carry personal liability insurance in an amount sufficient for the indemnification of other persons in the event that the shareholders become legally liable for causing bodily injury and/or property damage to another person.

If shareholder owns a pet, at least \$300,000 in personal liability coverage is recommended. If shareholder does not own a pet, it is recommended that the personal liability coverage be at least \$200,000.

If a shareholder has a non-owner occupant, caregiver, washer and/or dryer, golf cart, Jacuzzi type tub, walk in tub, extended patio and/or unit, shareholder owned water heater, heat pump, air conditioning or heating equipment, liability insurance must cover all non-standard items, including the increased liability these items create.

The Golden Rain Foundation and the Mutual are not responsible for personal property within or attached to the unit or stored or parked on the street or in the carport including property stored in or under the storage cabinets in the carport.

Shareholder should consider obtaining sufficient coverage to insure the value of any artwork, jewelry, antiques or other items that would not normally be covered by an average policy for personal property.

The Mutual's Master Insurance Policy covers the Mutual's buildings and common areas including properly permitted expansions, but for standard building materials only. It does not cover non-standard items such as upgraded doors, bay windows,

multi-pane windows, flooring, window treatments, special countertops, heat pumps/air conditioning, dishwashers, washer/dryers, microwaves, and other special appliances. Earthquake damage is not covered by the Mutual's policy.

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The HO6 condominium policy is generally recommended. The Mutual does not cover housing if shareholders are displaced from their unit. Shareholders should ensure that their policy provides for displacement living expenses.

Shareholders must be aware that the mutual master policy has a \$50,000 deductible for which the shareholder is liable. Additional insurance coverage to cover this deductible is highly recommended.

Shareholders must consult with a professional insurance agent that is knowledgeable about stock co-operatives to ensure that they are sufficiently covered in case of a loss.

**MUTUAL
FIVE:**

**RATIFIED
01-15-2020**

**ADOPTION
12-18-19**