



The Towers

**LAGUNA WOODS MUTUAL NO. FIFTY ANNUAL INSURANCE DISCLOSURE AND POLICY SUMMARY
October 1, 2018**

PROPERTY INSURANCE

Blanket property insurance for fire and special form with Travelers Property Casualty Company of America insures residential, common and community buildings and business property (coverage for Unit as originally built; no coverage for improvements, alterations, additions or personal property of unit owners or residents).

Policy Limit: \$700,000,000 per occurrence
Policy number: 630-6C539088

Deductible: \$5,000 per occurrence
Key Exclusions: Earthquake, landslide, flood (and others)

COMMERCIAL GENERAL LIABILITY INSURANCE

The commercial general liability insurance for the Housing Mutuals and GRF is with Philadelphia Insurance Companies, insuring against liability arising out of the ownership and use of common areas.

Policy Limits: \$1,000,000 per occurrence
\$2,000,000 aggregate

Deductible: None for bodily injury claims
Policy number: PHPK1883072

There is also an Umbrella Liability policy with Great American Insurance Company.

Policy Limit: \$25,000,000 per occurrence

Deductible: Excess over General Liability insurance policy

CRIME/FIDELITY INSURANCE

The Housing Mutuals & Golden Rain Foundation (GRF) have a crime/fidelity policy with Zurich American Insurance.

Policy limits: \$12,500,000 Employee Theft & Fund Transfer Fraud
\$ 5,000,000 Theft, Robbery & Depositor Forgery

Deductible: \$25,000
Policy number: MPL588842607

EARTHQUAKE AND FLOOD INSURANCE

LAGUNA WOODS MUTUAL NO. FIFTY DOES NOT HAVE EARTHQUAKE OR FLOOD INSURANCE.

GRF has a Difference In Conditions (DIC) insurance policy with Axis Surplus Insurance Company including earthquake and flood for GRF facilities such as clubhouses, streets and the cable system.

Policy limit: \$15,000,000
Deductible for flood: \$50,000

Deductible: \$25,000 per occurrence except earthquake and flood
Deductible for earthquake: 5% of the building value, \$25,000 minimum

This summary of the Association's policies of insurance provides only certain information, as required by Section 5300 of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any Association member may, upon request and provision of reasonable notice, review the Association's insurance policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the Association maintains the policies of insurance specified in this summary, the Association's policies of insurance may not cover your property, including personal property or real property improvements to or around your dwelling, or personal injuries or other losses that occur within or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual insurance broker or agent for appropriate additional coverage.

The total amount of insurance was discussed with the insurance broker and the Board followed their guidance.

For proof of insurance for a loan or trust, have your escrow company or trust contact:

Beecher Carlson Insurance Services: fax (770) 870-3043 phone (818) 598-4273

Email: lagunawoodsvillageinsurancecertificaterequest@beechercarlson.com

**If you have questions about the Mutual's insurance policies, please call
Risk Management Dept. 949-597-4202**

The following insurance information should be discussed with your personal insurance agent.

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THE INSURANCE CARRIED BY MUTUAL FIFTY AND GRF DOES NOT COVER YOUR PERSONAL LIABILITY OR ITEMS THAT ARE YOUR PERSONAL RESPONSIBILITY, such as improvements, alterations and additions, personal property, or loss of use. **OWNERS SHOULD PURCHASE a "CONDOMINIUM OWNERS" (HO-6) INSURANCE POLICY to protect from unexpected expense in the event a loss occurs. This is also a requirement for many lenders. Please advise tenants/lessees that they should purchase "renters" insurance for their personal liability, personal property, and loss of use.**

SOME* ITEMS YOU SHOULD CONSIDER WHEN REVIEWING YOUR OWN PERSONAL INSURANCE:

- ◆ **Owners are responsible for damage to the interior of their Unit (property for their exclusive use) as well as improvements, alterations and additions** (CC&Rs Article X, Section 4). This includes carpet and floor coverings, paint, wall, and window coverings, cabinets, appliances, water heater, air conditioning, kitchen, bathroom, and lighting fixtures, and other property inside your unit (CC&Rs Article I, Section 22). **Repair of damage to such items, including personal property, from a loss such as a plumbing failure in your unit, or an adjacent unit, is the responsibility of the individual owner or tenant.** If the repair estimate exceeds the deductible on the Mutual's property insurance policy, currently \$5,000, a claim will be submitted to the Mutual's insurer which will include the cost to repair the "standard interior" (as originally built). The Mutual's property insurer does not accept claims for damage to additions, alterations, personal property, etc.
- ◆ **Owners are responsible for damage to Mutual-controlled property** caused by their misuse or neglect, by additions or alterations, or by guests or lessees. If the damage is your responsibility, Mutual Fifty can charge you for the repairs (CC&Rs Article III, Section 2.h.). If the repair costs exceed the deductible on the Mutual's insurance, currently \$5,000, a claim will be submitted to the Mutual's property insurer. In such cases, both the Mutual and its property insurer reserve the right to charge the Owner to recover the costs, including the Mutual's deductible. Your own insurance may help cover your obligations, although some homeowner's insurance companies will not cover the Mutual's deductible. Consult with your agent about your insurer's practices and increasing your policy limits accordingly.
- ◆ **Personal Property/Contents insurance** for items such as appliances, furniture, clothing, household goods, and for special property like jewelry, coins, furs, artwork, antiques, silver and collectibles.
- ◆ **Personal Liability insurance** for your actions and responsibilities both inside and outside your unit. Everyone should have liability insurance to protect their equity and retirement savings.
- ◆ **Loss of Use or Additional Living Expense insurance** if your unit/building is damaged and cannot be lived in until repaired, in accordance with the Davis-Stirling Act Civil Code §4775(b) owners, residents and lessees are responsible for paying to live elsewhere while work is done. Monthly assessments must still be paid during this time.
- ◆ **Loss Assessment insurance** to protect against a special assessment from your Mutual for damage. While there has not yet been this type of assessment in Laguna Woods Village, we are required to tell you that there is this possibility. (Show your agent/broker the limits listed in this disclosure.)
- ◆ **Earthquake and/or Flood insurance** for the interior of your unit, additions, alterations personal property and loss of use.
- ◆ **Earthquake Loss Assessment Insurance** to protect against a special assessment from the Mutual for damage caused by an earthquake. **Mutual Fifty DOES NOT HAVE earthquake insurance.**
- ◆ **Automobile Insurance** on your car, truck, van, motorcycle or motor home.
- ◆ **Liability and Physical Damage insurance** for your golf cart.

Please report building damage to:

Towers Reception Desk: (949) 597-4278

After business hours, or to report personal injury, please call:

Security Dispatch: phone: (949) 580-1400

In an emergency: CALL 911

*The above list is not exhaustive. Please discuss insurance questions with your agent or broker.