

SEAL BEACH MUTUAL NUMBER FIVE**Mutual Operations****Personal Property/ Liability Insurance**

- 1 For the purposes of this policy, the term “Unit” or “Apartment” shall refer to the living space
2 granted to the Shareholder by the occupancy agreement. “Shareholder” means a Member of
3 Mutual Five as the term is defined in the Mutual’s governing documents.
4
- 5 1. Mutual Five Shareholders, at their sole expense, must purchase and maintain insurance
6 covering their real and personal property whether the Unit is Shareholder occupied, vacant
7 or held out for rent. This includes, without limitation.
8
 - 9 a. personal property coverage that insures the contents of their Unit against damage
10 or loss;
 - 11 b. real property coverage that insures their Unit against damage or loss, including, but
12 not limited to, all improvements to the Unit and all fixtures and components within
13 or appurtenant to the Unit;
 - 14 c. real property coverage that insures Exclusive Use and Non-Exclusive Use Common
15 Area servicing the Unit;
 - 16 d. premises liability that includes protection for bodily injury and property damage;
 - 17 e. personal liability coverage with a policy limit of at least \$300,000;
 - 18 f. loss of use that protects a Shareholder for additional living expenses, loss of rents,
19 or any other losses should their Unit become uninhabitable due to a covered loss;
 - 20 g. loss assessment coverage that protects against Assessments due to a loss which
21 exceeds the Mutual’s master policy limits or deductible, master policy deductible
22 coverage, and such other coverage as the Shareholder deems appropriate.
 - 23
 - 24 2. In addition, if a Shareholder operates a vehicle which is driven across or stored in the
25 Mutual’s Common Areas, the Shareholder must carry appropriate automobile insurance.
26 The Mutual has no obligation to police this provision and is specifically relieved of any
27 responsibility or liability from doing so or failing to do so.
28
 - 29 3. Shareholders are required to display their insurance policy declaration page on their
30 kitchen counter during fire/safety inspections.
31
 - 32 4. Shareholders hereby waive their claims against the Mutual to the extent such claims are
33 covered under insurance which Shareholders are required to carry, regardless of whether
34 Shareholders actually carry such insurance.
35
 - 36 5. If any loss intended to be covered by the Mutual’s insurance occurs and the proceeds
37 payable by the Mutual’s insurance are reduced because of proceeds paid under a
38 Shareholder’s insurance coverage, that Shareholder must assign such insurance
39 proceeds to the Mutual, to the extent of the reduction. The Board must apply those
40 proceeds to the same purposes as the reduced proceeds received by the Mutual.

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- 41 6. If a Shareholder has a non-owner occupant, caregiver, washer and/or dryer, bidet toilet or
 42 bidet toilet attachment, dishwasher, ice maker, golf cart, Jacuzzi type tub, therapeutic
 43 walk-in tub, outdoor hot tub, water filter and/or water purification system, instaheat water
 44 heater, extended patio and/or unit, Shareholder owned water heater, heat pump, air
 45 conditioning or heating equipment, liability insurance must cover all nonstandard items,
 46 including the increased liability these items create.
- 47
- 48 7. Shareholders must require Lessees to have renters or tenant insurance, including
 49 coverage for damage to or loss of personal property, personal liability, medical payment
 50 to others, and loss of use. The liability insurance must have a policy limit of at least
 51 \$300,000.
- 52
- 53 8. The Golden Rain Foundation and the Mutual are not responsible for personal property
 54 within or attached to the unit or stored or parked on the street or in the carport including
 55 property stored in or under the storage cabinets in the carport.
- 56
- 57 9. Shareholders should consider obtaining sufficient coverage to insure the value of any
 58 artwork, jewelry, antiques or other items that would not normally be covered by an average
 59 policy for personal property.
- 60
- 61 10. The Mutual’s Master Insurance Policy covers the Mutual’s buildings and common areas
 62 including properly permitted expansions, but for standard building materials only. It does
 63 not cover non-standard items such as upgraded doors, bay windows, multi-pane windows,
 64 flooring, window treatments, special countertops, heat pumps/air conditioning,
 65 dishwashers, washer/dryers, microwaves, and other special appliances.
- 66
- 67 11. The HO6 condominium policy is generally recommended.
- 68
- 69 12. Earthquake damage is not covered by the Mutual’s policy
- 70
- 71

Document History

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