**The Belmont Condominium Trust**

The Master Policy is written on a “Special Form” which includes coverage for fire, lightning, windstorm, hail, explosion, riot, aircraft and vehicle damage, smoke, theft, vandalism, falling objects, weight of ice, snow or sleet, collapse, sudden rapid water escape or overflow from plumbing or appliances, frozen pipes, convector units, and mechanical breakdown of commonly owned equipment as outlined in the policy terms, conditions, limitations and exclusions.

The Master Policy carries the following deductibles:

Per occurrence deductible: $10,000

Earthquake/Flood deductible: $50,000

Wind/Hail deductible: $10,000

**All individual unit owners should consult with a professional Insurance Agent to confirm that they have the necessary coverages to respond to claims for which the unit owner is responsible.**

Insurance Coverage is provided according to the requirements set forth in the provisions of the condo association documents (master deed and by-laws). Massachusetts law requires that copies of the master deed and by-laws be made available by the property manager, managing agent, elected trustees or managing board of the condominium association. Those parties should make these documents available to unit owners as needed. See pages 2-3 for more details.

**Who should a unit owner call if they have a claim?**

If a unit is involved in a claim the unit owner should call the Association’s Property manager or a member of the Board of Trustees. The Property manager or Trustees will then, if necessary, report a claim under the Master Insurance Policy. See pages 4-5 for more details.

**How do unit owners request a Certificate of Insurance?**

Property Managers and/or Board of Trustees should consider posting the attached instructions on their website or in common areas to ensure accessibility. See page 6 for details.

 **The Belmont Condominium Trust**

As a member of a condominium association, you become sole owner of your unit. But unlike buying a free-standing home, you also become joint owner of the common areas (sidewalks, green areas, pool, garage, etc.). You and all other unit owners share in the cost of maintaining and servicing the common areas. The Association Master Deed and By-Laws spell out methods of sharing expense, such as maintenance, upkeep of common areas, and insurance requirements.

With respect to insurance, coverage for the physical structures, liability for the common areas, etc., are all provided to an extent under the Association “Master Policies.” Exactly how coverage applies is determined by the current insurance provision of the Association By-Laws. This explanation can serve as a reference for your convenience; however, the actual terms and conditions of the policies would prevail in the event of any discrepancies.

**Master Policies**

Rogers & Gray Insurance Agency writes the master insurance policies. The master property policy covers the association’s insurable interest, which is created by the wording in the bylaws. The coverage is written on the broadest basis reasonably available covering the perils of fire, lightning, explosion, windstorm, hail, smoke, aircraft and vehicle damage, riot or civil commotion, vandalism, damage from weight of ice, snow, sleet, water damage, falling objects, breakage of building glass, etc. The property losses under the policy are settled on a replacement cost basis which means that there is no reduction for depreciation or obsolescence.

The general liability policy protects other people and property from negligence on the part of the Association. The policy also includes personal injury protection for claims arising out of slander, libel, defamation of character, etc. There is a limit of $1,000,000 applicable to the general liability and personal injury coverages. In addition, there is a $25,000,000 limit on an umbrella policy which will cover catastrophic or “jumbo” settlements.

A summary of the master policies has been made available to the Property Manager.

**Unit Owner Policy**

The master policy covers the insurable interest of the Association, and is not sufficient to cover all possible losses. As a unit owner, you must insure your private property and personal liability, and certain building items as defined in the by-law. To do this, it is necessary to purchase a unit owners policy (HO6 or comparable policy type).

When preparing insurance quotes, the agent will wish to see the master deed and section of the by-laws pertaining to insurance. This way the insurance agent will be able to provide the proper coverage and limits based on the specific by-law of your Association.

We recommend that the following options be discussed with your agent:

1. **Building –** The limit selected should keep in mind the master policy deductible(s) plus all changes made to the units since original construction. Please refer to the Association By-laws when setting this limit. You should request the broadest coverage available, and also request that your coverage guarantees payment of the master policy deductible.
2. **Personal Property of the Unit Owner –**Select a limit sufficient to cover furnishings, clothing, sporting equipment, etc. Ideally, you will want to purchase coverage for “Special” perils on a replacement cost basis. Should you have antiques, fine arts, jewelry, collectibles, etc, these items should be scheduled separately and appraisals submitted.
3. **Loss of Use –**The limit for this provision is usually 40% of the personal property limit. This coverage will provide for additional living expenses until the unit is repaired should there be damage from a covered cause of loss.
4. **Liability –** for losses arising out of the ownership, maintenance, and use of the individual unit. This may also provide Personal Liability for the named insured in many cases.
5. **Loss Assessment Coverage** – A small limit of $1,000 is usually included with a standard HO6. Owners should consider purchasing additional limits to respond to events that may result in assessment to unit owners.
6. **Identity Theft Coverage**
7. **Water Backup – Sewers & Drains**

Please be aware that interpretations of coverage are specific to each insurance company. The above information is generic in nature, and is not intended to be an exhaustive list of coverages available. Please discuss your specific needs with a qualified insurance agent.

If you would like to speak with a representative from Rogers & Gray Insurance to discuss a unit-owner policy, please contact us at 877-504-7192.

**Insurance Claim Procedures for Condominium Unit Owners**

The following procedures should be followed when an event occurs that may result in an insurance claim. This could be physical damage to your unit, or even a liability claim.

1. **Stop the emergency:**
	1. Call 911 in case of a fire, accident, threat to life, accident, or other emergency situation.
	2. Call Property Management to notify them of any building-related problem (i.e. sewer back-up, leak, etc.) or liability claim.
	3. Only if needed to stop the damage from continuing (i.e. turn off a gushing water main, repair a faulty gas line, etc.) and if you can’t reach the Property Manager immediately, call an appropriate contractor such as a plumber or electrician. Restoration work should not be done yet. The insurance adjustor needs to see the damage before repair work begins.
2. **Stabilize the damaged area to protect from further damage:**

You do not need to wait for the adjustor to go ahead and begin this part of the work. Contact a service company to: remove water and minimize mold; air or vacuum out fire damaged rooms, etc.

1. **After steps (1) and (2) have been followed:**
	1. Contact your personal insurance agent who writes the unit owners policy and the condo association Property Management office to notify them both of the situation.
	2. Give the name and telephone number of your personal insurance agency or company to Property Management, who will then follow up with them and, if the claim warrants, with Rogers & Gray, the agency writing the master policies.

**Settling your Claim:**

1. If your personal insurance agency determines that the claim will be paid through their underwriter only (and the master policy will not be involved), the settlement will be paid directly to you. You can then call a contractor for the needed repair work. Be sure to follow the claims guidelines provided by your unit owners insurance policy carrier.
2. However, if your agent determines that the damage exceeds the applicable deductible on the master policy, the insurance company for the master policy will want to work with your insurance company to determine the cost of repair and replacement. Do NOT contact contractors for any rebuilding work until after the insurance adjustor from the master insurance company inspects the damage to the home (usually within 24-36 hours of being reported to Rogers & Gray).
3. Payment of the claim from the unit owners insurance policy will be paid directly to the unit owner. Payment from the master insurance policy carrier will be made directly to the Condominium Trust, who will then disperse the funds per the association by-laws. All applicable deductibles will be subtracted from the payments.

***Unit Owners Needing a Certificate of Insurance***

Unit owners may require evidence of insurance coverage for purposes of refinancing and other financial transactions. The association’s insurance agency is happy to provide an insurance certificate to a unit owner or lender according to the procedure outlined below.

* Unit owners, banks, lenders and real estate agents have three options for obtaining certificates:
	1. they can be directed to Rogers & Gray website to make a request - [www.rogersgray.com](http://www.rogersgray.com/),
	2. they can email the request to mail@rogersgray.com\*
	3. they can fax a request to **877-816-2156**\*
* Unit owners can advise their lender to send requests directly Rogers & Gray using any of the three options
* Unit owners may elect to send Rogers &Gray a copy of the certificate request received from the lender

\*If a fax or email request is sent, the following information is essential for prompt issuance of the certificate:

* name and address of the condo association
* name and unit # of the owner
* loan number and certificate holder name (lender), address, city, state, zip code and delivery address (email address if email delivery is preferred)

Following these procedures should result in a certificate being issued promptly.

Unit owners should discuss their personal insurance needs with their personal lines agent.

Rogers & Gray has a staff of knowledgeable personal lines agents who would be happy to assist unit owners in the procurement of condominium unit owner coverage by calling 877-504-7192.