

# *AOAO Hawaii Condo*

## **INSURANCE CLAIM POLICY**

Owners/residents should be aware of the following important information concerning the insurance at Hawaii Condo, AOAO.

- \* The Association's insurance: (i) covers the building(s), common elements, and items included in an apartment as built (i.e. drapes, carpet, appliances, cabinets, etc.); (ii) does not cover an occupant's furniture, other personal property, or upgrades to the apartment.
- \* Therefore, occupants should obtain their own property insurance policy to cover furniture, other personal property and any upgrades to their units.
- \* The Association's insurance policy has a \$15,000 deductible per insurable claim which may be charged to an owner. Occupants should obtain coverage for that deductible through their own policy.
- \* The Association is **not** an insurer of unit owners. It is not automatically responsible for uninsured damage to a unit simply because the problem originated in, on or from the common elements. Instead, the Association is only liable if it is the Association's negligence that caused the problem.
- \* Therefore, the Association is not necessarily liable for damage caused to an apartment by a common element, such as a drain line overflowing, a pipe leaking, etc.
- \* If responsibility for damage is not clear, the Association's Board, manager, or legal counsel must examine the circumstances to determine whether the Association is liable for the damage.

4/25/06