

**SEAL BEACH MUTUAL NO. FOURTEEN****Shareholder/Resident Regulations****Personal Property and Liability Insurance**

1 All Shareholders (whether residing in the Unit or not) must carry general liability insurance  
 2 (either in the form of an HO6 policy or a renter's policy) with proper liability coverage. The  
 3 general liability insurance policy shall cover the entirety of the contents within the Unit, any  
 4 damage to the interior of the Unit, any damage to property owned by third parties, and any  
 5 personal injury occurring in the Shareholder's Unit or adjacent property, for which the  
 6 Shareholder is responsible. The general liability insurance policy requirements are set out  
 7 below.

**1. THE SHAREHOLDER SHALL:**

- 8  
 9  
 10  
 11 **1.1.** Obtain and maintain a general liability insurance policy, at his/her/its sole  
 12 expense.  
 13 **1.2.** Be liable for the cost of any deductible their policy has with respect to any claim  
 14 for which a Shareholder is insured and is liable; and  
 15 **1.3.** Obtain general liability insurance in an amount sufficient to cover personal injury  
 16 to other persons who may be injured in their Unit or on other property for which  
 17 the Shareholder is responsible, but in no event less than \$300,000.00.

18  
 19 **2.** The Shareholder and/or Qualifying Resident must provide the Mutual with proof of  
 20 insurance within thirty (30) days from the date the Qualifying Resident executes the  
 21 Occupancy Agreement. The Shareholder is not relieved of any liability due to the  
 22 Shareholder's failure to insure their property.

23  
 24 **3.** Notwithstanding any other provision in the Governing Documents, each Shareholder  
 25 shall be liable for his/her/its own negligent or intentional actions resulting in damage to  
 26 property or personal injury, including the cost of any Mutual insurance deductible that  
 27 Shareholder causes the Mutual to incur. The Shareholder is solely responsible for the  
 28 cost of any damage caused by his/her/its own negligent or intentional actions, including  
 29 repairing or replacing any damage he/she/it causes to any personal property in the unit,  
 30 including without limitation, furnishings, interior improvements, floor and wall coverings,  
 31 appliances, fixtures and any damage to the unit, any other unit, or the building caused by  
 32 water intrusion from whatever source, fire, or any other cause.

33  
 34 **4.** The Mutual shall only be responsible for the routine maintenance, repair, or replacement  
 35 of Common Areas or facilities and for its own or its agents' and employees' negligent or  
 36 intentional acts. Shareholder is responsible for any damage caused by the failure of  
 37 Shareholder's standard fixtures, appliances and plumbing systems.

38 **5.** Although a Shareholder may be unable to occupy the Unit while repairs are being made,  
 39 the Shareholder shall, nonetheless, be responsible for any living expenses incurred  
 40 during repairs and the monthly assessment on the Shareholder's Unit regardless of who

(DEC 21)

**SEAL BEACH MUTUAL NO. FOURTEEN**

**Shareholder/Resident Regulations**

**Personal Property and Liability Insurance**

41 caused the damage. The Shareholder, may, however, be indemnified by any and all  
42 individuals and entities who are liable for the damage making the Unit inhabitable.

43  
44 I have read and understood what is required for personal property and liability insurance in the  
45 above named Mutual, including necessary documentation.

46  
47  
48 \_\_\_\_\_  
49 Prospective Buyer Date

50  
51  
52 \_\_\_\_\_  
53 Prospective Buyer Date

54  
55  
56 \_\_\_\_\_  
57 Prospective Buyer Date

58  
59  
**Document History**  
Adopted: 21 Dec 2021

60  
**Keywords:** Mutual Fourteen Insurance Personal Property Liability