

IMPORTANT INFORMATION – IMMEDIATE ACTION NEEDED
NEW MARYLAND LAW TOOK EFFECT OCTOBER 1, 2020
THAT WILL AFFECT YOUR WALLET

TO: All Homeowners
FROM: Barnside Condominium Board of Directors and CVI
DATE: February 2021

Effective October 1, 2020, the amount Maryland law requires a condominium homeowner to pay toward the condominium's master insurance policy deductible, if a casualty loss originates in their unit or from a component that serves only their unit, increases from \$5,000 to \$10,000. Barnside Condominium's master insurance policy deductible is \$10,000 effective February 1, 2021. Therefore, for example, if the hot water heater in your home leaks and damages are sustained in your home, any other home or common area, the first \$10,000 of the damage repairs will be your responsibility to pay.

INSURANCE COVERAGE IN CONDOMINIUMS:

The **condominium's master insurance policy** provides liability coverage as well as property coverage for the buildings, common areas and individual units as handed over by the developer (exclusive of improvements and betterments).

In addition to the Master Insurance Policy for the Condominium Association, **EACH HOMEOWNER SHOULD PURCHASE, IF THEY HAVE NOT ALREADY DONE SO, A SEPARATE INSURANCE POLICY (aka an H06 policy),** in their name, to protect their interests. The **condominium's master policy DOES NOT provide coverage for the homeowner's personal property, personal liability, additional living expenses, loss of rent if owner rents the condo or their portion of the condominium association's master policy deductible, if damage or destruction originates in their home, which increases to \$10,000.**

THEREFORE, YOU NEED TO:

Contact your personal insurance agent and purchase a personal homeowner insurance policy (H06 policy) or if you already have this policy, make certain you have adequate coverage including:

- Coverage for personal property, personal liability, additional living expenses, loss of rent if owner rents the condo. NOTE: if you rent your home you should require your tenant(s) to obtain renter's insurance.
- Coverage for the condominium association's master insurance policy deductible of \$10,000, due to the change in the law and policy renewal.

Feel free to provide this notice to your insurance agent, and ask them for guidance.



PROTECT. MANAGE. GROW.

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IMPORTANT INSURANCE INFORMATION

As residents of your condominium association you should be aware that the Association's Master Insurance Program does not satisfy all of your insurance needs. You should purchase personal insurance to fully protect your interest.

Master Policy Coverage & Personal Insurance Responsibilities: Building coverage under the Master Policy is written on an all-in basis, which means coverage does extend within individual units to fixtures, appliances, wall and floor coverings and cabinetry according to the original plans and specifications, and any individual unit improvements, betterments, additions or alterations made subsequent to conveyance from the developer. For example, if kitchen appliances or bathroom fixtures have been upgraded in your unit, the Master Policy will cover these improvements or betterments. If wallpaper has been installed or a new wall constructed to divide a room, these additions and alterations are covered by the Master Policy. The Master Policy does not, however, provide coverage for your personal property or additional living expenses.

Building coverage under the Master Policy is subject to a deductible per occurrence. Accordingly, the Master Policy will cover claims only when the damage to covered property caused by any one occurrence exceeds your policy's deductible. In accordance with the Maryland Condominium Act, if the cause of any damage to or destruction of any portion of the condominium originates from a unit, the owner of the unit where the cause of the damage or destruction originated is responsible for the council of unit owners' property insurance deductible amount permitted by the Maryland Condominium Act.

Coverage is provided under the Master Policy to protect unit owners against liability claims arising out of membership in the association. For example, if somebody slips and falls on the common elements, the Master Policy will indemnify and defend all unit owners against a liability claim for bodily injury that might result. However, if anybody slips and falls or otherwise sustains bodily injury within an individual unit, the Master Policy liability coverage will not apply.



PROTECT. MANAGE. GROW.

Resident Owners should purchase an individual homeowners policy (HO-6). The HO-6 policy can provide coverage for your personal property, additional living expenses and personal liability. Coverage can be arranged under some HO-6 policies to pay for damages to your unit over your personal policy deductible, usually \$250 or \$500. Unit owners should check with your HO-6 policy agent or company to determine if your policy provides coverage for damage to your unit up to the master policy deductible, and coverage for any legal responsibility you might have for payment as it relates to third party property damage.

Non Resident Owners may not need coverage for personal property or additional living expenses; however do have all of the other insurable exposures of a resident owner. Additionally, non-resident owners have an exposure for loss of rental income, which can be insured against.

Renters should purchase an HO-4 policy to provide coverage for personal property, additional living expenses and personal liability.

All Claims should be reported to the management office.

For Certificates of Insurance submit your request to www.eoidirect.com or call EOI at (877) 456-3643, Monday - Friday 9:00 am to 8:00 pm.

We appreciate your business and look forward to working with you during the coming year.



UNDERSTAND. SERVICE. INNOVATE.

To: Requestors of Condominium Certificates of Insurance

From: USI

Re: Retrieving Condominium Certificates of Insurance

To better serve our clients, you can now obtain condominium certificates of insurance by using the online delivery service from www.eoidirect.com

EOI Direct provides state-of-the-art, round-the-clock, online access to insurance information for lenders, mortgage brokers, closing agents, homeowners and realtors in need of Master Policy data for community associations.

To request a certificate of insurance or to view the policy coverage listed on a particular certificate, please visit www.eoidirect.com. If you are a first-time user, follow the links to register and write down your User ID and Password so you can log in to your account when prompted. *A delivery charge may apply for mortgage clause additions, however there is no cost to register for access to the website.*

Once you have logged on to your account, click on “Evidence of Insurance” to search and access the association policy information you are seeking. EOI Direct’s customer service department is available from 9AM to 8PM (EST) Monday through Friday to provide additional assistance toll-free at 877-456-3643.

EOI Direct is an internet utility developed to simplify the process of delivering property insurance certificates. **EOI Direct** delivers valuable insurance information in minutes instead of days or weeks.

Please share this important notice with those parties that regularly request condominium certificates of insurance from our agency.



BARNSIDE CONDOMINIUM, INC.

IMPORTANT INFORMATION FROM BARNSIDE'S INSURANCE CARRIER

PLEASE READ!

GUTTER MAINTENANCE - KEEPING IT CLEAN

We live in a community that is full of trees. When the weather changes, leaves & branches start to fall and collect in many areas within the community. As a Barnside homeowner, it is the responsibility of the homeowner to take care of their roof, gutters, and chimneys. Please make sure to clean leaves and debris from your gutters, and keep them from clogging throughout the year. Clogged gutters not only stop the rain water from running off the roof, but they can cause roof leaks, damage siding, cause mold, etc. Non-maintenance of your home can cause insurance liability issues that may lead to increased premiums. Help do your part by keeping your home's exterior well maintained.



USE OF GRILLS



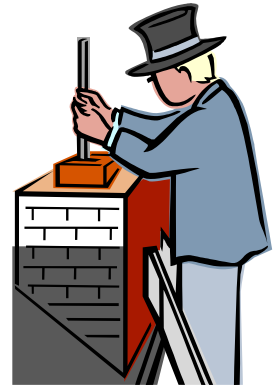
Have you been grilling on your patio? DID YOU KNOW.....that grilling on your patio or in the common area is restricted - by Section 17.104, Subsection 13, of the Howard County Code? Residents in "multi-family dwellings (condominiums)" are prohibited from grilling on patios or in common areas. Howard County Code states grills must be at least 15 feet away from any building structure for your safety and for the safety of others. The penalty for not adhering to the Howard County Code could be a hefty fine \$\$\$\$.

OUCH!

CHIMNEY SAFETY

When was the last time you cleaned your chimney?

Every homeowner should clean their chimney at least once per year. The purpose of cleaning your chimney is to remove all hazardous waste (tree debris, soot and even animals can leave behind a mess) from the chimney flue in order to prevent fires. If not properly cleaned and maintained, you may be held responsible for any damages that would occur from lack of proper chimney maintenance. Help to keep your home and your neighbors' home safe by having this important maintenance work done each year.



CARBON MONOXIDE MONITORS



If you own a home with a fireplace, there are other potential hazards associated with gas, oil or solid fuel appliances. Barnside's insurance company notes that **carbon monoxide monitors should be installed inside the home** to protect you and help reduce liability losses. These monitors can be purchased at any hardware store and plug right in to any receptacle. You can read the specifics on the law requirements at

<http://mgaleg.maryland.gov/mgaweb/Laws/StatuteText?article=gps§ion=12-1103&enactments=False&archived=False>

SMOKE DETECTORS

To ensure the safety of all residents, especially living in an attached unit dwelling, the association's insurance company requires each home have properly installed smoke detectors in the home. **MARYLAND LAW REQUIRES THAT NON-HARDWIRED RESIDENTIAL SMOKE ALARMS MUST BE LITHIUM POWERED, TEN YEAR MODELS FEATURING A 'HUSH' OPTION.**



Please be sure to read about the updated Maryland law (which became effective January 1, 2018) on the type of smoke detectors now required and how often you need to install a new detector. Smoke detectors save lives! Please make sure your home is protected as required by the insurance company and State of Maryland.

This information is being provided at the request of the Barnside master policy insurance carrier. Clean out clogged gutters, refrain from grilling on your patio, clean out chimneys, install carbon monoxide monitors and smoke detectors. We all care about our community - let's keep it free from any potential hazards.