

## ***Frequently Asked Questions About Purchasing Required Homeowners Insurance***

1. *How did you determine I need to buy \$500,000 worth of liability insurance?*

This is the industry standard. We consulted with our professionals and decided to adopt it for our building as well.

2. *What is liability insurance?*

Liability insurance provides coverage in the event that someone is injured as a result of your actions or failure to act in relation to your apartment.\*

3. *How do I know from which company I should purchase insurance?*

The choice is yours. You may want to check *Consumers Reports*, call agents in the neighborhood, check organizations like AARP or AAA, or ask your friends or family. Often you can combine your car and coop insurance.

4. *Do I have to pay extra to find out the rating of the insurance company?*

No. Ask the agent its rating in the *A.M. Best's Property Casualty Property Casualty Key Rating Guide*.

5. *What kind of evidence do I have to provide Century that I purchased my insurance?*

By January 11, 2011 you must mail Century a copy of the coverage you purchased. ~~If you haven't purchased insurance then Century will make arrangements to purchase a policy for you and charge you for the cost. If you need to make special arrangements, please contact Century directly.~~

6. *What happens if the Board determines I caused a leak in my apartment that caused damage in other apartments?*

This is why insurance is so vital. Like any property owner, you are responsible for damage which you caused. In this case you would be responsible for repairing not only your own apartment but all the other damaged apartments. If you do not have sufficient coverage, you will have to pay out of your own funds.\*

(\* The policies we are requiring also provide coverage for property damage, etc.)