



## **RESIDENTIAL PROPERTY OWNERS CONDOMINIUM POLICY**

FirstUnited Insurance Brokers have customised an insurance policy specially for Condominium Residential Property Owners. This riskfact leaflet provides an outline of the insurance cover, benefits and extensions that are provided or can normally be included under this policy.

For full details of the policy cover, limits, terms, conditions and exclusions please refer to the policy document or to FirstUnited Insurance Brokers Ltd – insure@firstunited.com.mt

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### **Type of Insurance and Cover**

This is a package policy for residential property owners, residence or condominium associations and insures the assets and the liabilities of the condominium and of the individual owners. The standard duration of this insurance is 12 months, renewable annually thereafter.

### **Risk Management Features**

Owners of residential or other units in a Condominium can be faced with unusual situations arising out of the Condominium Act as well as out of their proximity to other owners sharing the same one building. The simple rules of this residential owner's policy require one mandatory buildings policy with one programme of insurers for the insurance of:

1. your immovable property including your undivided share of the common parts;
2. mechanical and electronic equipment put into common use for the benefit of all owners of the property;

### **Material Damage Insurance**

- Loss or damage caused by fire and the additional perils of lightning, explosion, aircraft, earthquake, theft, riot & civil commotion, malicious persons, storm or flood, escape of oil or water, impact by vehicles or animals, breakage or collapse of communication aerials;
- Alternatively **full accidental damage** cover can be offered for a marginally higher premium;
- A wide definition of buildings, including landlords' fixtures and fittings and decorations, private garages, outbuildings, yards, forecourts, car parks, pools, yard courts, patios and terraces;
- Contents of common parts including furniture, carpets, curtains, equipment and tenants' improvements;
- Cover for any unforeseen and sudden physical loss or damage to lifts, central air

3. liabilities arising from the ownership, use or management of the property;

to ensure that in unusual situations resulting in claims involving multiple insured's the policy has simple built in features designed to simplify an otherwise complicated claim.

In addition each owner of a residential unit in the condominium can enter into a voluntary policy for the apartment discretionary finishes, personal contents, mechanical or electronic equipment preserving confidentiality rights.

The Condominium policy does not cover your Discretionary Finishes and you are advised to insure these in a separate policy through FirstUnited with the same Consortium and under the same policy wording.

### **Summary of the insurance cover and of the significant features and benefits**

conditioning systems and other electronic equipment declared and insured in the policy;

- All Risks Cover for Jewellery or other portable assets when Contents cover is taken up
- Loss of Money up to a Limit of Lm 1,000 when Contents cover is taken up.

### **Property Owners' Liability**

- Legal liability for injury to third parties or damage to their property;
- Legal costs relating to a claim, included in the limit of liability selected;
- Selectable limits of indemnity up to Lm1,000,000 or Lm 2,000,000 each and every loss depending on which option is selected;
- Legal liability to pay for damages, costs and expenses arising out of any negligent



- act, error or omission on the part of the insured, any tenant or administrator or other acting on behalf of the insured;
- Tenants Liability where let properties are insured voluntarily for contents;
- Car Park Liability.

### **Employers' Liability**

- Legal liability as employer protecting property owners, tenants and administrators against damages and legal costs, which arise as a result of domestic employees suffering an injury or disease due to, and during, their employment.
- Standard cover provides protection for legal liability for damages and legal costs up to Lm 1 million;

### **Additional Extensions and Benefits**

- Rent or alternative accommodation for up to 24 months after loss or damage to the buildings;
- Loss of metered water up to Lm 500 each claim (maximum Lm 5,000 any one period).
- Water damage tracing costs up to Lm 500 each claim (maximum Lm 5,000 any one period).
- Re-letting costs up to Lm 500 any one period of insurance.
- Reasonable boarding-up costs included.
- Exceptional measures to mitigate a claim - cover up to Lm 5,000.
- Replacement of keys up to Lm 250.
- Prevention of access cover up to 20% of buildings sum insured.
- Public utilities cover up to 20% of buildings sum insured.
- Temporary removal cover for cleaning, renovation or repair up to Lm 2,500;
- Contracting Purchaser's Interests;
- Electronic Equipment cover for specified items declared to and accepted by insurers.
- Machinery Breakdown cover for lifts, air-conditioning and ancillary equipment declared to and accepted by insurers.
- Frozen Foods cover for a sub-limit of Lm300.00 per freezer where Contents cover is taken up;
- Errors and Omissions cover for the Administrator and/or their representatives.

### **Significant exclusions or limitations**

#### **Exclusions for Material Damage**

- Excess – the amount specified in the schedule.
- Mechanical or electrical or electronic breakdown unless property insured is specified under the Machinery Breakdown or Electronic Equipment Section of the Policy;
- Damage caused by wear and tear;
- Damage caused by fraud or dishonesty.;
- Theft from the contents of the common areas of the property unless there has been a forcible and violent entry;
- Subsidence;
- Pollution or contamination other than caused by a sudden, identifiable, unintended and unexpected incident;
- Damage by terrorism, war etc.

#### **Exclusions for Property Owners' Liability**

- Excess – the amount specified in the schedule.
- Liability for liquidated damages, fines or penalties, which apply solely due to a contract.
- Professional Indemnity;
- Cover for circumstances where Road Traffic Act liability applies;
- Pollution or contamination not caused by a sudden, identifiable and unexpected incident;
- Liability arising from any act of terrorism;
- Liability arising from any exposure to asbestos;
- Liability in connection with your business or profession;
- Liability covered by any other insurance.

#### **Exclusions for Employers' Liability**

- Any circumstance in which the Road Traffic Act applies.
- Where a domestic employee is involved in tree felling or lopping; window cleaning, painting or similar tasks from cradles or hoists; provision, erection or dismantling of scaffolding; demolition, erection or structural alteration of, or addition to, new or existing buildings; any trade calling or profession other than property owner.

#### **Claims Notification**

Any loss or damage which could give rise to a claim is to be notified to FirstUnited Insurance Brokers immediately on (00356) 21319000 and subsequently full details will need to be provided on a claim form or to the nominated loss adjusters MSB Valletta Ltd.

## The Consortium Insurers

This policy is led by the Middlesea Insurance Plc and co-insured by Gasanmamo Insurance Ltd, Atlas Insurance Ltd, Elmo Insurance Ltd and Citadel Insurance Plc.

## Insurance Procedure

**Mandatory Cover** - A Buildings and Liability policy will be issued in the name of the Administrator. Each owner of a residential unit in the condominium will be named as an additional assured provided full details are provided to the brokers. Each residential unit will be insured on its re-building value as provided by Midi including the owners share of the common parts. Each owner is advised to open a separate policy for discretionary apartment finishes which are **NOT INSURED**

## Complaints procedure

We aim to provide a first class standard of service. If you have any cause for complaint you should, in the first instance, contact either FirstUnited Insurance Brokers Ltd the intermediary who arranged the policy for you, or the Insurers that issued your policy. Please quote the details of your policy (your surname and initials, policy number, departmental reference, etc). If the matter is not resolved to your satisfaction, please write to or contact the Managing Director, FirstUnited Insurance Brokers Ltd, Villa Eden, Princess Elizabeth Street, Ta' Xbiex.

If we are unable to resolve your complaint to your satisfaction within 8 weeks, or if we have not provided

by the Condominium policy. However this policy will include each owner as a named insured and the policy will also note the rights of disclosed mortgagors.

**Voluntary Cover** - The mandatory buildings policy is not designed to insure your discretionary finishes or personal possessions for obvious reasons not the least confidentiality. You can however request that an additional policy is arranged for your Discretionary Finishes, Contents and Personal Possessions. FirstUnited Insurance Brokers who have designed and who administer this policy will be pleased to explain the coverage available or to forward their documentation on this policy by post or e-mail for your review. (Contact FirstUnited on 21319000 – [www.firstunited.com.mt](http://www.firstunited.com.mt))

you with a final decision letter, you may be able to refer your complaint to the Malta Financial Services Authority which provide a free and impartial service. Address: Notabile Road, Mriehel, Telephone: (00356) 21441155.

## FirstUnited Insurance Brokers Limited

A limited company incorporated in Malta. Registration Number: C 22502. Main Office: 25, Villa Eden, Princess Elizabeth Street Ta'Xbiex. MSD 11, Malta. Regulated by the Malta Financial Services Authority.

## Law applicable to the contract

The contract will be subject to the relevant law of the Republic of Malta. If there is any dispute as to which law applies it shall be Maltese law. The parties agree to submit to the exclusive jurisdiction of the Maltese courts.