

**Insurance Claim Procedure  
Scottsdale Shadows  
April 2021**

**A. Initial Mitigation after Discovery of Occurrence**

1. Take the following immediate actions when water line, sewer, fire, or other damage is discovered:
  - a. Call 911 to report if fire or other dangerous hazards are occurring.
  - b. Turn off water valve.
  - c. Block sewer backup
2. Contact Community Services at **480-994-1590**
  - a. Community Services will send an RCI employee to your unit to assess damage and complete an Incident Report.
  - b. RCI will turn off building main water line, if required, to mitigate further damage.
  - c. RCI will contact other owners and access their units to assess the spread of the damage and document extent of damage to all other units that are impacted and notify each owner.
  - d. RCI will contact an emergency repair service firm, if appropriate and with board approval, to contain damage caused by water or sewer leakage or any other cause. The cost for this service provider's fee will be assessed to each impacted unit or the unit originating the damage, if appropriate.
3. Document the incident noting all details including dates, times, and contacts and any work or repairs complete.
4. If you are a leaseholder, you are responsible to notify your landlord or property manager of the incident occurring within your unit.

**B. Next Steps and Contacts to Make after Initial Mitigation is Complete**

1. Your Association Board
  - a. Call or email a member of your association board to alert them of the incident and the status.
    - RCI General Manager or association board will work with you to provide information on Bylaws and CCR's you may need to file your HO-6 policy claim. These documents can be found on the Scottsdale Shadows website, [www.scottsdaleshadows.org](http://www.scottsdaleshadows.org)
    - Your association President, or designee, will need to approve the Construction Permit for repairs and replacement within your unit.
    - RCI staff will also contact your Association to gain assistance, as needed, to alert other nearby owners that may have sustained damage.
2. RCI Maintenance (**480-994-2080**) can supply a list of possible contractors to assess damage and estimate costs (required in next step).
3. The RCI General Manager will review Incident Reports and assist the association with insurance matters.
  - a. If a claim for damage meets the criteria and deductible limits for the master insurance policy coverage, a claim folder will be established by the General Manager. The insurance agent, for the master policy, will be contacted by the General Manager to

initiate the claim. **The unit owner does not file a claim directly with the association insurance agent.** The RCI staff will assist with coordinating the insurance adjuster's assessment of the damage and report thereon.

4. Your individual insurance agent noting the following:
  - a. The deductible on the master association insurance policy is \$50,000 per occurrence, except water damage which is \$25,000 per unit.
  - b. Most claims will be handled by your individual unit insurance policy (known as an HO-6 policy).
  - c. You may be responsible for the entire cost of the damage, up to the association insurance deductible if you do not have insurance coverage or have insufficient coverage.
    - If you have not already done so, provide your insurance agent a copy of RCI's master Certificate of Liability Insurance, located on the Scottsdale Shadows website ([www.scottsdalershadows.org](http://www.scottsdalershadows.org)).
    - The insurance letter, attached to the certificate, outlines the coverage within the master policy and names the coverage recommended for inclusion in the unit owners HO-6 policy coverage. **Please read this information fully and carefully.**
  - d. Although the RCI's master certificate of insurance includes contact information for its insurance agent, RCI's General Manager will file any claims under the master insurance policy.
  - e. Your insurance agent may require the assessment of the damage incurred and calculation of cost to repair provided by a reputable contractor.
    - Contact RCI Maintenance (480-994-2080) for a list of possible vendors that have been recommended by other owners.
  - f. Each unit owner is responsible for the cost of repair, replacement, or restoration after damage occurs within their units, up to the amount of the association deductible.

## C. Other Resources

1. Water Leak Prevention Policy
  - a. Your association Water Leak Prevention Policy provides recommendations and guidelines to avoid or reduce damage caused by water leaks which are under your control. It will also contain rules regarding responsibility for repair of damages and the assessment of deductibles if impacting more than one unit
  - b. Each unit owner is responsible for the cost of repair, replacement, or restoration after damage within their unit. Your HO-6 insurance should cover this cost, if insurable, less your deductible.
  - c. Damage origination in one unit and spreading to other units can be deemed to be caused by the originating unit owner, especially if guidelines and recommendations are not followed.
  - d. The RCI staff can assist owners, for insurance purposes, in obtaining the contact information of units where damage originated causing damage to their unit.
  - e. The association can assess any unit owner for common association expenses used for repairs benefiting their unit or fewer than all units. Also, if you do not have insurance coverage, or insufficient coverage, the association can assess your unit for the cost of the repairs.

- f. If the cause of the insured loss is directly attributable to a failure in operation of a portion of the Common Elements, the association may pay the unit owner's HO-6 insurance deductible for the claim under the owner's policy.

## 2. Responsibility Matrix

- a. Each association has a responsibility matrix outlining how the accountability for repair and replacements is assigned between unit owners and the association.
- b. The responsibility matrix should also explain the properties to be insured by the unit owner's HO-6 policy versus that is contained within the association's master policy. This information may also be found within the association's legal documents, primarily the Bylaws and Declaration of CC&R's.