



Frequently Asked Questions

What is RLL®?

RLL® is a community-based property damage liability program. RLL® enables residents to receive \$100,000* of property damage liability protection. It is an innovative risk management tool designed to fulfill residents' contractual obligations specified in their lease agreement. RLL® is a way for the resident to meet the indemnification obligation under the lease. Residents agree to indemnify and hold the multi-family housing owner harmless for damages or losses negligently caused through their actions.

What does it mean to indemnify an owner/community?

Indemnification is a term that means if a loss occurs, a party who sustains the loss (the community owner/manager) should be restored to a financial position approximately the same as if the loss did not occur – no better or no worse – by the resident who negligently caused the loss/damage.

What does RLL® provide?

RLL® provides protection for financial responsibility if a resident negligently causes damages/losses to the community/building.

RLL® addresses five “perils” for negligent resident-caused losses. They are: fire, smoke, explosion, water discharge, and resident induced sewer back-up. These five perils account for the majority of resident-generated losses. Protection for a single occurrence is up to \$100,000*.

Does RLL® protect the resident's personal property?

RLL® protects the resident's personal property if the following occur:

First – the loss submitted by the multi-family housing community was negligently caused by a resident who participates in RLL®;

Second – the loss involved any of the above five covered perils for loss;

Third – the community loss is less than the \$100,000* RLL® per occurrence limit and the limit has not been exhausted by the community's loss. RLL® provides up to \$15,000 per unit for the impacted residents for their personal property damage/loss as a limit within the \$100,000 per occurrence limit. Included within the \$15,000 are displacement costs and/or living expenses up to \$1,000.

Covered Perils



Fire



Smoke



Explosion



Water Overflow



Sewer Back-up

How is “traditional renters insurance” different?

RLL® is offered as a means to meet the community’s requirement. It is not a traditional renters insurance policy sold to the resident. The insurance coverage commonly referred to as an HO4 policy, or renters insurance, is coverage purchased by the resident, in his or her name. The policy typically covers the resident’s personal property, and liability coverage. HO4 policies additionally can be customized to cover various perils, or ‘risks’, and can be broadened to include damages that were not caused by the resident. For each level of coverage needed, insurers set rates. Total premiums for HO4 policies depend upon coverage selections, credit score and the loss history of the resident.

PLEASE NOTE: THE RLL® PROGRAM DOES NOT PROTECT FOR THEFT, BURGLARY, VANDALISM, BODILY INJURY OR PERSONAL INJURY.

Is the Community Owner/Manager selling insurance?

No.

Why should a resident want to participate in RLL®?

RLL® offers an easy way for residents to meet the community’s requirement. Residents can participate in RLL® to satisfy the lease requirement. Through RLL®, they indemnify the community owner/manager against the property damage or loss they are negligently responsible for causing within the community, subject to a limit of \$100,000.* There is no additional application to complete, nor any quotes to obtain. The resident simply selects RLL®. No further notices are sent. Residents have no need to worry about keeping the program protection in place.

The community owner/manager requires residents to indemnify the community owner/manager against losses. Residents have choices. Residents can choose not to participate in RLL®. For residents to indemnify the owner for any losses, they must then provide proof of insurance through their own renters insurance HO4 policy. This proof of insurance is a certificate provided by any insurance company the resident chooses. The requirements are contained in an addendum to the lease agreement. A certificate from an insurance carrier must cover those requirements. A certificate must also show effective and expiration dates. Costs for an individual renters insurance policy will be based upon the insurer’s rates.

RLL® meets all of the community’s requirements. A renters insurance HO4 policy also meets those requirements and may provide additional coverage plus customizable options for additional costs. The choice ultimately is the resident’s decision on how to best comply with the community’s requirement.

***Subject to \$100,000 per occurrence limit and a \$250 deductible.**



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