

IMPORTANT POINTS ON BUILDING COMPLETION INSURANCE

Pre Sale Unit Project and Address:

Developer and Contact Information:

Insurance Company and Contact Information:

Consumer and Contact Information:

- 1) This insurance, for the risks of,
 - a) the bankruptcy of the developer,
 - b) the death and the successor's rejection of the will, if the developer is an individual or
 - c) developer's failure to complete the residential or the time share unit 12 months following the due date stated in the sales contract

provides insurance coverage.

- 2) In case of a risk occurrence, the insurer, may make a cash payment for the claim request or if it is agreed upon in the insurance contract, may also decide to complete the project based on an evaluation instead of making a cash payment.
- 3) The claim amount is total of all pay payments made to the developer until the risk occurs. However, only the payments made via bank will be calculated in the claim amount. The payments such as cash by hand, cheque, note, voucher or methods such as offsetting will be ignored in the calculations of the claim amount.
- 4) **In cases where the claim is decided to be paid in cash, your rights on the unit will transferred to the insurer either by registration of the freehold title deed at the Deed Office or at the notary public if the sales contract was made in a form of sales commitment agreement. Otherwise, the claim payment will not be made.**
- 5) In a situation where a claim payment is made to you or a decision is made to complete the project by the insurer, the insurer will legally assume the position of the developer and your responsibilities to the developer will continue to exist to the insurer.
- 6) In the case of exercising the right of withdrawal, the amount that is due to the developer is not in the coverage of this insurance.
- 7) The notifications from the insurer will be made to the last known address via notary public or registered mail. Any change in the contact information indicated above, you are requested to inform the insurer.
- 8) The insurer will be relieved from its obligations for the surety bond even if it is not returned, when the unit is registered to your name if the unit is subject to freehold title deed; or the unit's transitional title deed is registered to your name, and transfer in a suitable to reside condition. To avoid transfer or delivery against these is not in the insurance coverage.
- 9) **The receipt of this form does not imply an insurance coverage is unconditionally provided. Based on an assesment of the insurer, may not issue a surety bond to your name. To learn if a surety bond is issued to your name, contact the insurer.**

- 10) The assets that are used within the unit and do not effect the suitability of residing, such as the tiles, fosset, flooring, door knobs, kitchen cabinets not being in the quality committed in the project is not covered with this insurance.
- 11) For more detail on this insurance, see Building Completion Insurance General Conditions)
- 12) (If there are additional points from the insurer, these will be added in this section.)