

**RESOLUTION
OF THE
WREN HOUSE CONDOMINIUMS
REGARDING PAYMENT OF DEDUCTIBLES**

SUBJECT: Adoption of a procedure for payment of insurance deductibles resulting from a covered loss.

PURPOSE: To adopt a policy regarding payment of insurance deductibles arising from a covered loss.

AUTHORITY: The Declaration, Articles and Bylaws of the Association, and Colorado law.

**EFFECTIVE
DATE:** October 20, 2015

RESOLUTION: The Association hereby adopts the following Policy and Procedures:

The following resolution has been adopted by the Wren House Condominiums (the "Association") pursuant to Colorado law, at a regular meeting of the Board of Directors.

RECITALS:

- A. Colorado Law allows the Association to establish non-discriminatory policies for payment of insurance deductibles.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors does hereby adopt the following policies and procedures for claim submissions to the Association's insurance carrier.

1. **RESPONSIBILITY FOR PAYMENT OF DEDUCTIBLE AMOUNT.** Whether the Board, in its discretion, chooses to submit a claim under the Association's insurance policy or not, the payment of the deductible amount for claims that the Association is responsible for insuring, shall be as follows:
 - a. Common Elements: The Association shall pay or absorb the deductible for any work, repairs or reconstruction for damage to Common Elements or for damages to Units that would be the maintenance responsibility of the Association in the absence of insurance, unless said damage is caused by the negligent or willful act or omission of an Owner, his family, guests, or invitees, in which case the Association may seek reimbursement of the deductible amount from such Owner as an assessment under the Declaration, after providing such Owner notice and an opportunity for a hearing.
 - b. Units: The Owner shall pay or absorb the deductible for any work, repairs, reconstruction or replacement for damage to a Unit that would be the Owner's maintenance responsibility in the absence of insurance, unless the loss is caused by the negligent or willful act or omission of the Association or another Owner, in which

case, the negligent party shall be responsible for the deductible. The Association shall provide an Owner notice and an opportunity for a hearing prior to allocating any deductible to that Owner as a result of that Owner's negligence.

- c. Multiple Units or Unit and Common Elements: If a claim covers damage to more than one Unit or to portions of a Unit and Common Elements that are the maintenance responsibility of both the Owners or between the Association and the Owner(s) in the same proportion as that portion of the claim which would be their maintenance responsibility in the absence of insurance bears to the total insurance paid for the occurrence as determined by the Board of Directors; unless the loss is caused by the negligent or willful act or omission of the Association or another Owner, in which case, the negligent party shall be responsible for the deductible. The Association shall provide an Owner notice and an opportunity for a hearing prior to allocating any deductible to that Owner as a result of that Owner's negligence.

2. **RESPONSIBILITY FOR OWNERS' ACTIONS.** In all cases where damage is caused to Common Elements by the negligent or willful act or omission of an Owner, his family, guests, or invitees, as determined by the Board of Directors, in its sole discretion, the Association may seek reimbursement of any such damages which are not recovered from insurance proceeds, including not only the deductible amounts under the Association's insurance policies, but any amount of such damages not otherwise recovered and for which the Association may be held responsible under its governing documents. Such amounts shall be collected in the same manner as assessments.

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of the Wren House Condominiums, a Colorado nonprofit corporation, certifies that the foregoing Resolution was approved and adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors of the Association on October 20, 2015, and in witness thereof, the undersigned has subscribed his/her name.

Wren House Condominiums
a Colorado non-profit corporation,

By: Donald G. McCubbin
President, Don McCubbin