

DARLINGTON RIDGE CONDOMINIUM ASSOCIATION, INC.
(The "Association")
ADMINISTRATIVE RESOLUTION NO. 15D
REGARDING PAYMENT OF INSURANCE DEDUCTIBLES

WHEREAS, Section 5.11 of the By-Laws of Darlington Ridge Condominium Association empower the Board of Trustees to exercise all lawful powers and duties necessary for the proper conduct and administration of the affairs of the Association including, under Section 5.11(Q) the obtaining and maintenance, to the extent obtainable, in accordance with sound industry practice, fire insurance, broad form, fire and extended coverage, vandalism and malicious mischief endorsements, insuring the buildings containing the units and common elements therein (including all of the units) the fixtures, appliances and carpeting initially installed therein, but not including the painted or decorated surfaces of interior walls, furniture, furnishings, personal property, contents or personal liability of the individual unit owners), together with all central utility and other service machines contained therein, and all buildings, fixtures, equipment and personal property owned by the Association, in the amount determined by the Board; and

WHEREAS, the Board has powers to determine the extent to which the Association shall carry insurance, above the minimum requirements of the By-Laws; and

WHEREAS, the Board deems it in the best interest of the Association and for clarity to incorporate, revise and update Administrative Resolutions 15 and 15B by adopting this Resolution hereby superceding to this Administrative Resolutions 15 and 15B; and

WHEREAS, the requirements of insurance as stated in the By-Laws are in excess of the maintenance responsibilities and ownership responsibilities of the Association; and

WHEREAS, because of the discrepancy between the items the Association is responsible for insuring and the ownership and maintenance responsibilities of the Association, questions have arisen with regard to the payment of the Association's insurance deductible(s) upon loss; and

WHEREAS, the Board deems it in the best interest of the Association to clarify its position relative to the said insurance deductibles;

NOW, THEREFORE, BE IT RESOLVED that the following procedure shall control the payment of deductibles between the Association and unit owners:

1. Where a loss occurs which is insured by the Association effecting common and/or limited common area for which the Association has maintenance or control responsibilities, the Association shall pay the deductible;

2. Where a loss occurs and the Association insures against said loss for which the Association has maintenance or control responsibilities over common elements resulting in damage to an individual unit, the unit owner shall pay the deductible. Thereafter, the Association's insurance shall pay for such covered claim(s) for damage within the unit, in accordance with the governing documents. In the event the deductible is not immediately satisfied, said deductible shall be collectible in the same manner as maintenance fees are collected, and the failure to pay said deductible shall carry with it the same consequences as the failure to pay maintenance fees;
3. Losses for which the Association carries insurance and for which the Association has an ownership or maintenance interest, shall be repaired or rectified by the Association in accordance with the governing documents, and the unit owner must allow reasonable access to the unit at reasonable times for the Association to accomplish said repair;
4. Losses for which the Association carries insurance, but for which the Association has no maintenance or ownership responsibilities, will be repaired by the Association, however, the Association will bill the unit owner for the deductible. In the event the deductible is not immediately satisfied by unit owner, the Association will bill the unit owner for the deductible. Said deductible shall be collected in the same manner as maintenance fees are collected, and the failure to pay said deductible shall carry with it the same consequences as the failure to pay maintenance fees;
5. Damages negligently caused to the common elements by a unit owner shall be paid for by the unit owner, but in no event will the unit owner's liability exceed the Association's deductible, as per the terms and conditions attached hereto.
6. Neither the Association nor the unit owner shall subrogate against the other concerning any insurance claim.
7. In any and all cases/claims where multiple unit owners submit claims for damage suffered from the same event or occurrence, payments of the Association's deductible shall be made by affected unit owners on a pro rata basis proportioned on percentages of actual monetary damages incurred to the unit.

Deductibles

The basic policy deductible may change year to year. There is a "per unit" water damage deductible which will apply to all losses as a result of water damage. *Please be aware that if there is damage to a unit, the unit owner is responsible for these deductibles, therefore unit owner should ensure that their personal insurance carrier will provide for this coverage.*

The scope of coverage includes documented property and fixtures in the units which were initially installed by the builder in accordance with the Association's original plans and specifications, and would be replaced with like kind and quality.

As individual homeowners, you should seriously consider the above coverage's as well as the following items. *Please note that these coverage's are NOT provided on the Associations--Master policy:*

1. Personal Property - An assessment should be made for all of your personal belongings.
2. Additions and Alterations - Covers real property items not covered by the master policy. If you or a previous owner upgraded items in the unit (such as carpeting, flooring, wall coverings, fixtures, cabinetry, etc) after the original construction, you need to insure these on your own policy.

Not all personal insurance policies provide the same coverage on Additions & Alterations. Some provide 'all risk' coverage, which expands the scope of losses that would be covered. And some insurance policies provide coverage for the deductible portion of the Association policy. We recommend you discuss these options with your personal insurance agent or company.

3. Personal Liability - Needed whether you occupy your unit or rent it out.
4. Extra Living Expense - Covers the cost of substitute housing (up to a stated limit) should you have to relocate due to a covered loss, e.g. fire. (Be aware that the stated limit may not be enough if you have to relocate for an extended period of time – a higher limit can be purchased as an option.)
5. Loss assessment coverage - As co-owners of Association property, individual unit owners may be subject to an assessment by the Association should it suffer a loss which is not fully covered by insurance. Coverages can be provided, within limits, for such an assessment.
6. Personal Articles Floater - This would cover items such as jewelry, fur, cameras, etc. which are only provided on a limited basis in your basic homeowners policy.
7. Personal umbrella liability - in order to protect your assets from suits and judgments you may wish to consider purchasing higher liability limits of liability insurance.
8. Flood insurance – standard unit-owners policies do not include flood insurance. This can be purchased as a separate coverage.
9. Other modifications to insurance policies as needed.
10. *The insurance policies, not this explanation, will form the contract between the insured and the insurance company. The policies contain limits and exclusions which are not listed herein.*

DARLINGTON RIDGE CONDOMINIUM ASSOCIATION, INC.

Resolution Type: Administrative No. 15D

Pertaining to: Insurance Deductibles

Duly adopted at a meeting of the Board of Trustees of Darlington Ridge Condominium Association, Inc.

Officer

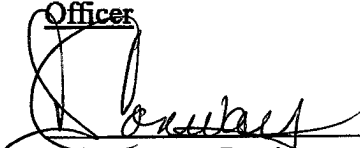
Vote:

Yes

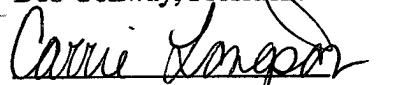
No

Abstain

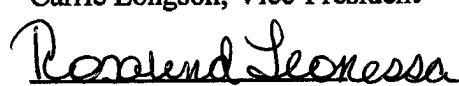
Absent


Deb Conway, President

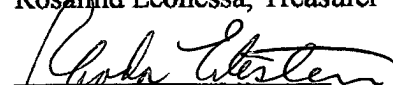
✓


Carrie Longson, Vice-President

✓


Rosalind Leonessa, Treasurer


✓


Rhoda Erbsstein, Secretary

✓


Linda Dominick, Trustee

✓



Robert Smith, Trustee

✓

George Westcott, Trustee

✓

Attest:


Rhoda Erbsstein, Secretary

February 27, 2017
Date

Policy
Administrative
Special
General

Book No.

Page No.

Resolution Effective: _____

Resolution Expires: _____