

**RESOLUTION
OF THE
WOODY CREEK TOWNHOMES ASSOCIATION NO. 1
REGARDING RESPONSIBILITY FOR PAYMENT OF INSURANCE DEDUCTIBLE**

SUBJECT: Adoption of a policy regarding responsibility for payment of Association's insurance deductible.

PURPOSE: To adopt a policy and standard policy regarding responsibility for payment of Association's insurance deductible.

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

**EFFECTIVE
DATE:**

2-11-2015

RESOLUTION: The Association has adopted the following Policy and Procedures:

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors does hereby adopt the following policies and procedures regarding responsibility for payment of Association's insurance deductible.

1. RESPONSIBILITY FOR PAYMENT OF ASSOCIATION'S DEDUCTIBLE:

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. Areas of Association Maintenance and Insurance: The Association shall pay or absorb the deductible for any work, repairs or reconstruction for damage to Common Elements or for areas of Association responsibility as outlined in the Maintenance and Insurance Chart. However, if the damage is caused by the negligent or willful act or omission of an Owner, his family, guests, or invitees, then, in that 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/Owner Maintenance: 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 may 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 Areas that are Owner and Association Responsibility as Identified in the Maintenance and Insurance Chart: 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 Owner and the Association, the deductible shall be allocated between 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. However, if the loss is caused by the negligent or willful act or omission of the Association or another Owner, then, in that case, the negligent party shall be responsible for the deductible.

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.

3. DEFINITIONS. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.

4. SUPPLEMENTAL TO LAW. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Community.

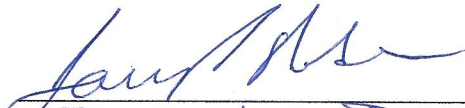
5. DEVIATIONS. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.


6. AMENDMENT. This policy/resolution may be amended from time to time by the Board of Directors.

**PRESIDENT'S
AND
SECRETARY'S**

CERTIFICATION: The undersigned, respectively being the President and Secretary of the Woody Creek Townhomes Association No. 1, a Colorado nonprofit corporation, certify 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 2-11-15 and in witness thereof, the undersigned have subscribed their names.

**WOODY CREEK TOWNHOMES
ASSOCIATION NO. 1,**
a Colorado non-profit corporation,

By: 
JONATHAN R. RISBON, President
RISBON

ATTEST:
By: 
Gnthia Korsec, Secretary