

**RESOLUTION
OF THE
COPPERLEAF HOMEOWNERS ASSOCIATION, INC.
REGARDING PROCEDURE FOR CLAIM SUBMISSIONS TO THE
ASSOCIATION'S INSURANCE CARRIERS**

SUBJECT: Adoption of a procedure for claim submissions to the Association's insurance carriers.

PURPOSE: To adopt a policy regarding the procedure for claim submissions to the Association's insurance carrier. To adopt a standard procedure to be followed when a claim is submitted to the Association's insurance carrier.

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

EFFECTIVE

DATE: January 14, 2006
As Revised June 26, 2006

RESOLUTION: The Association hereby adopts the following procedures regarding the conduct of meetings:

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

RECITALS

WHEREAS, Colorado law allows the Association to establish a procedure for claim submissions to the Association's insurance carrier.

NOW THEREFORE, the Board of Directors does hereby adopt the following policies and procedures for the submission of claims to the Association's insurance carrier.

1. Claims on Behalf of Owners. If an occurrence is made known to an Owner that results in damages or injury to an Owner or an Owner's Unit which may come within the Association's coverage as required in the Declaration or under Colorado law, the following procedures should be followed by the Owner:
 - (a) The Owner(s) shall first promptly notify his/her personal insurance carrier of the damage.
 - (b) In the event the Owner determines it is in the Owner's best interests to submit a claim under the Owner's insurance policies, the Owner shall follow the procedures set out in those insurance policies describing the insured's duties in the event of an

occurrence, claim or suit.

- (c) The Association may require the Owner to provide copies of the claim the Owner may make to his/her own carrier, as well as copies of the adjustment or determination of that carrier as a condition before the Owner makes any claim on any of the Association's policies.
 - (d) In the event the subject matter of the claim may fall within the Association's insurance responsibilities under the Declaration or Colorado law, the Owner shall promptly notify the Association of the damage by providing written notice to the Board or Managing Agent setting forth the following:
 - Owner's home address, phone number and Unit address, if different;
 - The time, place and circumstances of the event;
 - Identification of damaged property;
 - The names and addresses of the injured and witnesses, if applicable; and
 - Photographs, if applicable.
 - (e) The Board shall then make a determination as to whether the occurrence or claim consists of damages for which the Owner or the Association is responsible for insuring under the Declaration. The Association shall so notify the Owner in writing of its determination within fifteen (15) days of written notification of the damage to the Association.
 - (f) If the Board determines, in its sole discretion, that the subject matter of the claim is within the Association's insurance obligations, the Board shall submit a claim to the Association's insurance carrier on behalf of the Owner in accordance with the requirements of the insurance policy. In that event, an Owner may not submit a claim to the Association's insurance carrier.
2. Property and General Liability Claims of the Association. The following procedures shall be followed by the Board for property and general liability claims of the Association:
- (a) The Board shall consult with its insurance agent to determine (1) whether there is coverage for the claim; and (2) if coverage exists, whether to submit a claim under its policies.
 - (c) In the event the Board determines it is not in the best interests of the Association to submit a claim under its policies, the Association shall still be obligated to complete repair of the damages to property, as if a claim had been made.
3. 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, payment of the deductible amount for claims 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 the 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 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, 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.

4. Responsibility for Owner's 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.
5. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
6. Supplement to Law. The provisions of the 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 Project.

7. 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.
8. Amendment. This procedure may be amended from time to time by the Board of Directors.

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of Copperleaf Homeowners Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors at a duly called and held meeting of the Board of Directors on July 26, 2006 and in witness thereof, the undersigned has subscribed his/her name.

Copperleaf Homeowners Association, Inc.
a Colorado nonprofit corporation

By: 
President