

## **Resolution 5 — Insurance**

WHEREAS, the Declaration Submitting the Cottages at Hastings Green Condominium to Condominium Ownership of the Cottages at Hastings Green Condominium Association, a nonprofit corporation formed under the laws of the State of Oregon, states that the Association membership shall obtain and maintain in force policies of insurance as provided in the Declaration or the Bylaws of the Association;

AND WHEREAS, Article 8, Insurance, of the Bylaws of the Cottages at Hastings Green Condominium Association clarifies the type of insurance and the responsibilities of the Association and the owners to place and maintain in force at all times appropriate insurance to protect the owners, the Association and its members;

AND WHEREAS, it is the intent of the Board of Directors to help ensure that:

1. The Association has adequate coverage for property and liability insurance.
2. The Association can have continuing insurability at a reasonable price.
3. There is a program to minimize the number of insurance claims.
4. There is a procedure for reporting and processing insurance claims.
5. There is a procedure for administering repairs where claims are made against the Association's insurance policies.

NOW THEREFORE BE IT RESOLVED THAT, the following conditions and procedures are to be observed:

1. Owners are responsible for timely notice to the Association of any matters that may cause damage or where damage has occurred. Failure to give timely notification may result in the loss of opportunity to have a claim covered. Delay in notification may also result in additional damage that might otherwise be better contained by receiving assistance. Insurance companies have removed maintenance-related water damage and fungus from Association insurance policies.
2. The Association's deductible for property damage and general liability is \$10,000. The deductible is per occurrence. The Board of Directors has the option of changing the deductible to help reduce costs to the Association. In the event the deductible changes, the Association will give owners thirty (30) days advance notice so that they may notify their individual insurance carrier of the change. The current deductible can be obtained from the Association policy or as published by the Board of Directors.
3. The Association pays the deductible for common area claims in most situations.
4. The unit owner pays the deductible for claims within their unit and their limited common area. The unit owner also pays the deductible in situations where the owner or their guest (invited or uninvited) is responsible for damage to the common areas. The Association recommends that each owner contact their insurance agent requesting that their individual insurance policy cover the Association's deductible.
5. The amount of property damage coverage is based on 100% replacement value of the units, limited common and common elements (exclusive of land, foundation, excavation and other items are normally excluded from coverage).

6. All claims against the Association's insurance shall be processed through and coordinated by the Association's Managing Agent. Managing Agent's and other charges for processing claims and coordinating repair work on behalf of the Association and a unit owner are submitted for reimbursement to the insurance company, however, charges not covered by insurance are paid by either the Association or unit owner as the responsibility may apply. An owner may wish to submit to their personal insurance company for reimbursement of expenses, including the deductible, on the individual owner's policy.
7. The Association's insurance does not cover personal liability of unit owners, and property insurance does not cover loss or damage to personal property and freestanding appliances. Owners need to gain the advice of their Insurance Agent in determining the amount of personal liability, property, personal property, deductible and other insurance they should have in their individual policies.
8. The Directors & Officers liability is \$3 million, with additional coverage as may be determined by the Board of Directors. The Association members indemnify Board of Directors members, committee members and the managing agent with this coverage. This does not cover individual liability for owners within their condominiums.
9. The directors, officers, employees and managing agent shall not be liable to the Association or any member thereof for any damage, loss or prejudice suffered or claimed on account of any action or failure to act in the performance of his or her duties, except for acts of gross negligence or intentional acts. In the event any member of the Board of Directors, any officer, employee or the managing agent of the Association is made a party to any proceeding because the individual is or was a director or officer or manager of the Association, the Association shall indemnify such individual against liability and expenses incurred to the maximum extent permitted by law.
10. The Managing Agent has been directed by the Board of Directors to apply this Resolution in determining if the deductible is payable by the Association or the owner(s). The owner may appeal the matter to the Board of Directors by submitting their request in writing.
11. Owners will need to provide timely cooperation with the Association in handling insurance claims, expediting repairs and to help minimize costs.

Application by Owner to Association's Managing Agent for Insurance Claim:

1. Phone the Association office to report the event immediately.
2. Provide information relating to the event, including: Date; Time; Name(s) of individual present/observing the event; Description of the event; Other units affected (please ask these owners to contact the Association office and submit an application for their units)

  
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 President  
 Board of Directors  
 Association of Unit Owners  
 of Cottages at Hastings Green, A Condominium

  
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 Secretary  
 Board of Directors  
 Association of Unit Owners  
 of Cottages at Hastings Green, A Condominium

DATED this 2 of October, 2017