

**Master Insurance Policy Information  
Policy Resolution 33**

The duly elected Board of Directors of The Woods at Polaris Condominium Association establishes the following policy relating to the Association's master property insurance:

1. The Association is responsible for carrying coverage in accordance with Article XI, titled, "Insurance Losses" of The Woods at Polaris Condominium Association Declaration.
2. This mandates that Association coverage covers components of both the "common elements" and the "unit". The Declaration charges each unit with the responsibility of maintaining all components of the unit as defined in Article V, titled "Units". The Declaration charges the Association with the responsibility of maintaining all common elements as defined in Article VI, titled "Common Elements and Limited Common Elements". Further, the Declaration defines the maintenance responsibility of the owner and the Association in Article IX, titled, "Maintenance and Repair".
3. Those same unit components may be subject to loss by a casualty that is covered under the Association's master property insurance.
4. That being the case, the question arises as to who shall pay for the deductible associated with the Association's master property insurance, if that insurance is employed by a unit owner to fund the replacement of the unit components lost in an insurable event.
5. Therefore, the Board of Directors has adopted the following policy:

*"The deductible associated with the Association's property coverage shall be borne, in any specific claim, by the beneficiaries of that claim, in direct proportion to the amount to which each benefit from the proceeds of that claim, except in the case of a specific unit being the cause of the damages. In that instance, the owner of the unit shall be directly responsible for the deductible. To the degree that the proceeds are used to repair or replace elements of the Common Elements, the Association shall be deemed the beneficiary. To the degree that proceeds are to repair or replace elements of any Unit, that unit owner shall be deemed to be the beneficiary."*

**Corollary Points:**

1. The Board of Directors is the only body that can file claims under the Association's master insurance policy. They may delegate this responsibility to the management company, but a unit owner cannot directly file claims on the Association's policy.
2. To control loss history and control premium costs, the Board may choose not to submit any claim that might otherwise qualify for submission and payment under the Association's policy. In that case, the Association will self-insure, but will apply the same deductible policy.

3. The Board of Directors has the authority to choose the deductible level. Unit Owners may purchase homeowners coverage to fund the gap between the homeowner's deductible and the Association's master policy deductible. For information on the Association's master policy and deductible, contact the Property Manager.

The association encourages all owners to carry Homeowners Insurance coverage. Owners should contact their Homeowners Agent and confirm the following:

1. The Homeowner's Agent reviewed Article XI, title, "Insurance, Losses" of The Woods at Polaris Condominium Declaration to ensure that the Homeowner Policy provides coverage for all components of the unit that are not covered by the Association's master insurance policy; hence eliminating any 'gaps' in coverage.
2. Homeowner's Policy provides coverage for Association's deductible – Contact the Property Manager for the Association deductible.

THE WOOD AT POLARIS CONDOMINIUM  
ASSOCIATION, INC.

This resolution, Policy Resolution 33, was revised at a meeting of the Board held on November 17, 2015 with the directors voting as indicated below:

| <b>Director</b> | <b>Yes</b> | <b>No</b> | <b>Abstain</b> | <b>Absent</b> |
|-----------------|------------|-----------|----------------|---------------|
| Ruth Owens      | <u>X</u>   | ___       | ___            | ___           |
| John McEldowney | <u>X</u>   | ___       | ___            | ___           |
| Jo Hutchison    | <u>X</u>   | ___       | ___            | ___           |
| Dan Bottorf     | ___        | ___       | ___            | <u>X</u>      |
| Jim Brady       | <u>X</u>   | ___       | ___            | ___           |
| Glenn Myers     | <u>X</u>   | ___       | ___            | ___           |

  
\_\_\_\_\_  
Association President

  
\_\_\_\_\_  
Association Secretary