

**CARRIAGE PARK HOMEOWNERS ASSOCIATION, INC.
INSURANCE AND DEDUCTIBLE POLICY**

The following Insurance and Deductible Policy was adopted the Board of Directors of the Carriage Park Homeowners Association, Inc. ("Association"), at a meeting of the Board of Directors.

Effective Date: _____

Recitals

A. The Colorado Common Interest Ownership Act ("CCIOA"), at C.R.S. § 38-33.3-313(6), provides that the Association may adopt and establish written nondiscriminatory policies and procedures relating to the submittal of claims, responsibility for deductibles, and any other matters of claims adjustment;

B. The Board of Directors of the Association has the authority to adopt rules and regulations, pursuant to Article 3, Section 3.10 of the Declaration of Covenants Conditions and Restrictions of Carriage Park; and

C. The Board of Directors of the Association believes that it is in the Association's best interests to adopt this Insurance and Deductible Policy.

Policy

NOW, THEREFORE, the Association adopts the following Insurance and Deductible Policy:

A. INSURANCE CLAIMS PROCEDURES

In the event an occurrence is made known to an Owner which results in damages or injury to an Owner, an Owner's Unit, or the Association and which may come within the Association's coverage; the following procedures shall be followed:

1. The Owner shall promptly notify the Association of the damage by providing written notice to the Association setting forth the Owner's home address (and the unit address if different from the home address) and phone number; the time, place and circumstances of the event; the damage or harm believed to be incurred, the Owner's rough estimate of the damage incurred, if possible; and the names and addresses of the injured (if any) and of available witnesses.
2. The Board shall then have fifteen (15) days after receipt of the Owner's complete (per paragraph 1 above) written notice of the potential claim within which to evaluate the claim. If the Association does not receive timely written notice of the potential claim, the Owner shall be responsible for all prejudice, increased costs, and consequential damage caused by the Owner's failure to timely submit notice of the

potential claim to the Association. Within this fifteen (15) day time frame, the Board shall, with consultation of advisors as the Board deems appropriate, make a determination as to whether the occurrence or claim consists of damages for which the Owner is responsible for insuring. If the Board determines that the occurrence or claim consists of damages for which the Owner is not responsible for insuring, the Board shall determine whether the occurrence or claim consists of damages for which the Association is responsible for insuring.

3. If the Board determines the damages are those for which the Association is responsible for insuring, apart from damages due to negligence as discussed herein below, the Board, on behalf of the Association as the insured, shall determine whether the Board should submit a claim under its policy by balancing the benefits conferred to the Association under the policy against the costs to the Association associated with making the claim.
4. In the event that the Board determines that it is in the best interests of the Association to submit a claim, the Board shall do so. If the Board believes that it is not in the Association's best interest to submit the claim, it may decline to submit the claim. In either case, the Board shall provide a written response to the Owner (within fifteen (15) days after receipt of the Owner's written notice) of the Association's position with regard to the claim.
5. At all times, the Owner shall provide the Association and its agents and insurers reasonable access to inspect the subject matter of the potential claim. The fifteen (15) day period for the Association to respond may be extended upon the Owner's failure to provide reasonable and timely access to the subject matter of the potential claim.
6. If the Association declines to submit a claim to its insurance, and if the subject matter of the potential claim falls within the Association's insurance responsibilities and is valued in excess of the insurance deductible on the Association's policy, and if the Owner has strictly complied with the terms of this Insurance Claims and Deductible Policy, the Owner may then submit a claim to the Association's insurer directly.

B. DEDUCTIBLE

The Association hereby establishes a policy of insurance adjustment regarding insurance losses, uninsured losses, deductibles and increased premiums. For purposes of this policy, the acts or omissions of an Owner's family members, guests, invitees, tenants or other occupants ("Related Parties"), shall be considered the acts or omissions of the Owner--i.e. the Owner shall be liable for all actions or failure to act of such Owner's Related Parties.

Accordingly, the Association hereby establishes the following adjustment policies and procedures:

1. In the event: (a) any insured loss is suffered by the Association or any Owner, or (b) any insurance deductible is paid for by the Association, the deductible portion shall be borne by the person or entity that is responsible for the repair and maintenance of the property which is damaged or destroyed. In the event that there is a joint duty of repair and maintenance of the damaged or destroyed property, then the deductible portion shall be apportioned among those having the joint duty on a pro-rata basis according to the relative cost to repair the damaged property. The deductible portion may also be apportioned in the discretion of the Board of Directors on a pro-rata basis among those Unit Owners benefitting from the repair.

2. Notwithstanding anything herein to the contrary, in the event of: (a) any insured or uninsured loss is suffered by the Association or any Owner, or (b) any insurance deductible is paid for by the Association, which loss or payment of deductible is caused by the negligent or willful act or omission of any Owner or an Owner's Related Parties, then the expenses, costs and fees incurred by the Association, including any deductibles paid, shall be the personal obligation of such responsible Owner. These amounts shall become an assessment levied against such responsible Owner and his or her Unit and shall be collectible as Assessments.

The undersigned hereby certifies that the foregoing Insurance and Deductible Policy was adopted and made a part of the minutes of the meeting of the Board of Directors of the Association conducted on the _____ day of _____, 20_____.

Carriage Park Homeowners Association, Inc.



 (Signature)

By: TOM LIBBY, its: PRESIDENT
 (printed name) (office)