

ROLLING HILLS CONDOMINIUM ASSOCIATION, INC.
POLICY RESOLUTION NO. _____ - 98
RELATING TO PAYMENT OF THE DEDUCTIBLE ON CLAIMS MADE UNDER
THE ASSOCIATION'S INSURANCE POLICY (IES)

WHEREAS, the Rolling Hills Condominium Association, Inc. (hereinafter the "Association") was formed for the purposes of maintaining and administering the Condominium complex known as Rolling Hills Condominiums (hereinafter the "Condominium"); and

WHEREAS, the Association is governed by a Master Deed dated December 15, 1982 and recorded May 31, 1983 in the Office of the Clerk of Sussex County in Deed Book 1114, Page 109; said Master Deed was re-recorded on December 20, 1983 in Deed Book 1155, Page 201, and the First Amendment to Master Deed dated February 15, 1985 and recorded February 15, 1985 in the Office of the Clerk of Sussex County in Deed Book 1240, Page 243; and the Second Amendment thereto dated January 23, 1987 and recorded January 23, 1987 in the Office of the Clerk of Sussex County in Deed Book 1427, Page 202, the Rolling Hills Condominium Association, Inc. was established upon certain lands located in the Township of Andover, County of Sussex and State of New Jersey, pursuant to N.J.S.A. 46:8B-1, et seq.; and

WHEREAS, the Master Deed and By-Laws presently state that the Association shall obtain and maintain fire insurance with broad form fire and extended coverage, vandalism and malicious mischief endorsements including the fixtures, appliances and carpeting initially installed therein by the Developer; and

WHEREAS, this insurance coverage would normally be the

responsibility of the individual unit owner to provide for his own insurance coverage; and

WHEREAS, the individual unit owner, and not the Association, is responsible to maintain and repair the fixtures, appliances and carpeting installed within the unit owner's unit, including all limited common elements appurtenant thereto, except (with respect to limited common elements) for structural modifications and maintenance of structural components; and

WHEREAS, the Board of Trustees of the Association deems it necessary to establish a policy determining who is responsible for payment of the deductible for a claim made under the Association's insurance policy (ies) arising out of or related to fixtures, appliances and carpeting installed within the unit owner's unit, including all limited common elements appurtenant thereto, except (with respect to limited common elements) for structural modifications and maintenance of structural components;

NOW, THEREFORE, BE IT RESOLVED, that all unit owners shall, upon the request of the Association, through its Board of Trustees, or designated agent, submit any claim for any loss affecting or arising out of the fixtures, appliances and carpeting installed within the unit owner's unit, including all limited common elements appurtenant thereto, except (with respect to limited common elements) for structural modifications and maintenance of structural components, to the unit owner's insurance carrier first; and, if the Association submits a claim

to the Association's insurance carrier for any loss affecting or arising out of the fixtures, appliances and carpeting installed within the unit owner's unit, including all limited common elements appurtenant thereto, except (with respect to limited common elements) for structural modifications and maintenance of structural components, to pay the applicable deductible specified in the Association's insurance coverage; and it is further resolved that if the Association submits a claim for a loss through the Association or its Managing Agent under the Association's applicable insurance coverage, the unit owner shall be responsible for payment of the deductible applicable to the claim and shall submit proof of payment in the form acceptable to the Association before any proceeds from the Association's applicable policy or policies are applied to any covered loss or damage; and it is

FURTHER RESOLVED, that the Association may impose a fine of \$100.00 per day, not to exceed \$5,000.00, against any unit owner who violated this requirement, including costs and reasonable attorney's fees incurred in enforcing this requirement; and it is

FURTHER RESOLVED, that this resolution be and hereby is rendered effective immediately upon filing with the Sussex County Clerk.

IN WITNESS WHEREOF, the Board of Trustees of the Association has duly approved the above resolutions and has authorized the recordation thereof.

Adopted at a regular meeting of the Board of Trustees held on the
13th day of July, 1998.

Attest:

Suzanne M. Freund
Suzanne M. Freund, Secretary

Frederick H. Swinson
Frederick Swinson, President