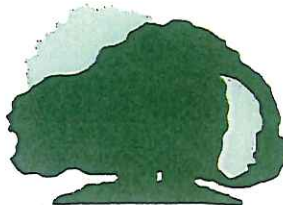


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\$17.00

THE OAKS CONDOMINIUM ASSOCIATION

A TEXAS NON-PROFIT CORPORATION

CERTIFICATE OF RESOLUTION
OF
THE OAKS CONDOMINIUM ASSOCIATION, INC.

Procedures Relative to Insurance Deductible
And Claim Administration
(Revised April 10, 2000)

The undersigned, being the duly elected, qualified and acting Secretary of The Oaks Condominium Association, Inc., a Texas non-profit corporation, and the keeper of the minutes and records of said corporation, does hereby certify that the following is a true and correct copy of a resolution of this corporation as adopted by the Board of Directors at a duly called meeting held on April 10, 2000:

WHEREAS, the Board of Directors has authorized the procurement of insurance policies protecting the buildings and common elements of the Property; and

WHEREAS, the Board of Directors, having considered all relevant factors, and based on its business judgment, has agreed to a \$5,000 deductible; and

WHEREAS the Board of Directors is of the opinion that it is necessary to adopt and enforce an equitable policy in regard to the liability for payment of the deductible and the administration of insurance claims,

NOW THEREFORE BE IT RESOLVED that the following policy be and is hereby adopted by the Board of Directors on behalf of the members of the Association:

A. COVERAGE

Whatever is covered by the Association's current insurance policy.

B. DEDUCTIBLE APPLICATION

- (1) In the event the loss or damage covered by the Association's insurance policy is caused by water originating from within a unit, the Board of Directors of the Oaks Condominium Association, Inc. may determine whether to seek reimbursement of any deductible on the Association's insurance policy from the owner of the unit from which the water originated.
- (2) If the owner of the unit from which the water originated has complied with the Association's Plumbing Line Repair Allocation Resolution and permitted the WOWWI inspection and servicing to be performed by the Association within three years prior to the loss or damage, the Association will waive its right to seek the deductible from the owner of the unit from which the water originated.

C. CLAIMS PROCEDURES

- (1) In the event a condominium owner or resident is insured for any loss to the condominium or to the property, the Association shall be entitled to require the condominium owner and/or resident to claim any loss under such owner/resident's policy of insurance.

- (2) Owners must file all claims with the association's managing agent, not with the association's insurance agent. The managing agent will not refer the claim to the Association's insurance agent until the owner provides proof that the claim exceeds the \$5,000 deductible.
- (3) Only licensed and insured contractors shall be authorized to perform reconstruction or repair work necessitated by insurance claims. All work must be permitted as required by local ordinance.
- (4) The association shall disburse insurance claim proceeds directly to the licensed contractor(s) performing the repair or renovation work. Owners performing repairs must submit all required permits and licenses along with original receipts in order to receive reimbursement for work performed.

D. GENERAL CONDITIONS

- (1) Owners and tenants shall comply with all insurance risk management programs promulgated by the Association.

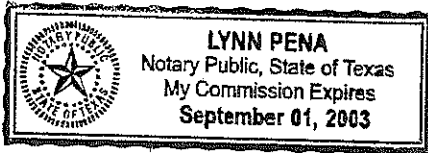
TO CERTIFY WHICH, witness our hands on this 5TH day of May, 2000.

Ruth J. Davis
 Ruth J. Davis, Secretary

STATE OF TEXAS :
 :
 COUNTY OF HARRIS :

Before me, the undersigned authority, on this day personally appeared, Ruth J. Davis, Secretary of the Oaks Condominium Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and considerations, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL of office on this 5TH day of May, 2000.



Lynn Pena
 Notary Public, State of Texas

 Typed/Printed Name of Notary
 My Commission Expires: _____