

**CERTIFICATE OF SECRETARY**  
*of*  
**THE OAKS CONDOMINIUM ASSOCIATION**  
*regarding*  
**RESOLUTION FOR PROCEDURES RELATING TO INSURANCE, INSURANCE  
DEDUCTIBLES, AND CLAIMS PROCEDURES**

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THE STATE OF TEXAS     §  
  §  
COUNTY OF HARRIS     §

I, Bradley Lumb, Secretary of The Oaks Condominium Association (the "Association"), do hereby certify that at a meeting of the Board of Directors of the Association (the "Board") duly called and held on the 20<sup>th</sup> day of August, 2018, with at least a quorum of the Board being present and remaining throughout, and being duly authorized to transact business, the following Resolution for Procedures Relating to Insurance, Insurance Deductibles, and Claims Procedures was duly approved by a majority vote of the Board members in attendance.

**RECITALS:**

1. The Declaration of Condominium for The Oaks of Woodlake (the "Declaration") was recorded in the Official Public Records of Real Property of Harris County, Texas, on June 30, 1978, under Clerk's File No.F663483.
2. The Declaration, as well as the Bylaws of the Association, provide that the affairs of the Association are governed by the Board of Directors and that the Board has the powers and duties necessary for the administration of the affairs of the Association and for the operation of the condominium.
3. Sections 82.111(j),(k) and (l) of the Texas Property Code (the Texas Uniform Condominium Act) provide as follows:
  - (j) If the cost to repair damage to a unit or common element covered by the association's insurance is less than the amount of the applicable insurance deductible, the party who would be responsible for the repair in the absence of insurance shall pay the cost for the repair of the unit or common element.
  - (k) If the association's insurance provides coverage for the loss and the cost to repair the damage to a unit or common element is more than the amount of the applicable insurance deductible, the dedicatory instruments determine payment for the cost of the association's deductible and costs incurred before insurance proceeds are available. If the dedicatory instruments are silent, the board of directors of the association by resolution shall determine the payment of those costs, or if the board does not approve a resolution, the costs are a common expense. A resolution under this subsection is

considered a dedicatory instrument and must be recorded in each location in which the declaration is recorded.

(l) If damage to a unit or the common elements is due wholly or partly to an act or omission of any unit owner or a guest or invitee of the unit owner, the association may assess the deductible expense and any other expense in excess of insurance proceeds against the owner and the owner's unit.

The Board of Directors deems it necessary and appropriate to adopt and enforce a policy with regard to the payment of the deductible under the Association's property insurance policy and the administration of insurance claims, consistent with the applicable provisions of Section 82.111 of the Texas Property Code.

#### RESOLUTION:

The following Resolution for Procedures Relating to Insurance, Insurance Deductibles, and Claims Procedures is adopted by the Board of Directors which, upon recording, replaces and supersedes any previously adopted and/or recorded resolutions or policies regarding insurance, insurance deductibles and/or claims procedures.

#### 1. DEDUCTIBLES

- 1.1 The amount of the deductible under the Association's property insurance policy changes from time-to-time, as approved by the Board.
- 1.2 It is the responsibility of each Unit Owner to periodically check with the Association's property manager or with the Board to determine the amount of the then-current deductible to ensure that the Unit Owner has sufficient additional insurance or other means to pay the deductible under the procedures set forth below.
- 1.3 In the event a loss or damage originates from a condition outside a Unit, but the loss or damage was not caused by a Unit Owner or the Association, and the cost to repair a Unit and/or Common Elements is less than the deductible, the Unit Owner is responsible for the repair of the Unit Owner's Unit and the Association is responsible for the repair of the Common Elements.
- 1.4 In the event a loss or damage covered by the Association's property insurance policy is caused wholly or partly due to an act or omission of a Unit Owner or the guest or invitee of a Unit Owner, including tenants and occupants of the Unit Owner's Unit, such Unit Owner is liable for:
  - (i) the full amount of any deductible on the Association's insurance policy, and
  - (ii) any other expense in excess of insurance proceeds. The Unit Owner (or tenant) must also submit a claim with his or her

individual insurance carrier for any loss resulting from such actions.

The deductible contemplated by 1.4(i) above will be assessed against the Unit Owner and the Unit Owner's Unit. The expenses contemplated by 1.4(ii) above will be assessed against the Unit Owner and the Unit Owner's Unit.

- 1.5 The Unit Owner will be liable for the current full deductible on the Association's property insurance policy in the event that:
- (i) the loss originates within the Unit Owner's Unit or results from unknown causes within the Unit (regardless of fault or negligence); or
  - (ii) the cause of the loss cannot be determined and is only related to the Unit Owner's Unit (regardless of fault or negligence).

The deductible will be assessed against the Unit Owner and the Unit Owner's Unit.

- 1.6 In the event more than one Unit is involved in any insured loss, and the cause of the damage cannot be attributed to any one Unit, Unit Owner or tenant, the deductible will be proportionately distributed among all Unit Owners who have experienced the loss. The amounts proportionally distributed will be assessed against each Unit Owner and each Unit Owner's Unit.

- 1.7 The Board has the authority to determine whether any loss or damage was:
- (i) caused by or the result of the act (or negligence) of a Unit Owner or the Unit Owner's tenants, invitees or guests;
  - (ii) caused by or the result of a condition that originated in a Unit; or
  - (iii) caused by or the result of a condition or event exclusively related to a Unit.

The Board's reasonable, good faith determination of the cause of a loss or damage shall be conclusive and binding on all parties.

## **2. CLAIMS PROCEDURES**

- 2.1 In the event a Unit Owner or tenant of a Unit is insured for any loss to the Unit, the Unit Owner or tenant, as applicable, is required to submit a claim for the loss under such Unit Owner/tenant's insurance policy.

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- 2.2 A Unit Owner must file a claim with the Association's property manager and not with the Association's insurance agent. The property manager will not refer a claim to the Association's insurance agent if the claim reasonably appears to be less than the then-current deductible. The Association may require that the Unit Owner provide documentation (including, but not limited to, contractor estimates) to the Association to substantiate a Unit Owner's assertion that the claim exceeds the then-current deductible. If requested, a Unit Owner must allow the Association access to the Unit to allow the Association's contractor or other qualified person/entity to review the damage in order to provide an estimate to determine if the claim is more than the then-current deductible.
  - 2.3 Only licensed and insured contractors are authorized to perform reconstruction or repair work. All work must be permitted as required by local ordinance.
  - 2.4 The Association will receive any insurance claims proceeds paid through an Association insurance policy(s) and must disburse insurance claim proceeds directly to the licensed contractor(s) performing the repair or renovation work. Unit Owners performing repairs must submit all required permits and licenses along with original receipts to receive reimbursement for work performed.

3. GENERAL CONDITIONS

- 3.1 Unit Owners and tenants must comply with all insurance risk management programs promulgated by the Association.
- 3.2 All Unit Owners and tenants should obtain personal general liability, improvements and betterments and content insurance policies, and any other insurance contemplated by paragraph 13 of the Declaration. Such policies should remain in effect for as long as the Unit Owner is a member of the Association and as long as the tenant resides in the Unit.
- 3.3 In the event that any of the terms and provisions of this Resolution conflict with the terms and provisions of the Declaration, the terms and provisions of the Declaration will control.

Capitalized terms used herein have the same meanings as that ascribed to them in the Declaration.

I certify that I am the duly elected, qualified and acting Secretary of the Association and that the foregoing Resolution was approved as set forth above and now appears in the books and records of the Association.

THE OAKS CONDOMINIUM ASSOCIATION

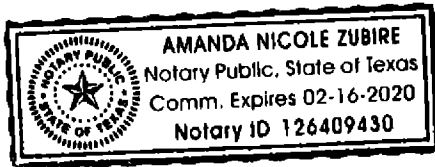
By: Bradley Lumb

Printed: Bradley Lumb

Its: Secretary

THE STATE OF TEXAS     §  
  §  
COUNTY OF HARRIS     §

BEFORE ME, the undersigned notary public, on this 21 day of September, 2018 personally appeared Bradley Lumb, Secretary of The Oaks Condominium Association, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and in the capacity therein expressed.



Amanda Zubire  
Notary Public in and for the State of Texas

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