

**POLICY OF THE CORRAL AT BRECKENRIDGE HOMEOWNERS ASSOCIATION  
REGARDING PROCEDURE FOR CLAIM SUBMISSIONS TO THE  
ASSOCIATION'S INSURANCE CARRIER**

**SUBJECT:** Adoption of a procedure for claim submissions to the Association's insurance carriers and allocation of deductible.

**PURPOSES:** To adopt a policy regarding the procedure for claim submissions to the Association's insurance carrier and allocation of deductible.

**AUTHORITY:** The Declaration, Articles of Incorporation and Bylaws of the Association and Colorado law.

**EFFECTIVE  
DATE:** 1/27/2025

**RESOLUTION:** The Association hereby adopts the following Policy:

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors does hereby adopt the following policies and procedures for claim submissions to the Association's insurance carrier and allocation of the deductible.

1. **DETERMINATION OF REPAIR AND INSURANCE OBLIGATIONS.** Any time repairs are necessitated inside a Unit, a determination must first be made as to who has the repair obligation and insurance obligation for the pertinent component. This determination will be made based on the Association's governing documents.
2. **REPAIRS BY THE ASSOCIATION.** In the event the Association has the repair obligation for the damaged component, the Owner must notify the Board of Directors of the need for repair in writing. The Board will then contract with the appropriate vendor to make the necessary repairs. Any Owner who undertakes such repairs by themselves, without written authorization from the Board, may not be entitled to reimbursement of any repair costs from the Association.
3. **REPAIRS BY OWNERS.** In the event an Owner has the repair and insurance obligation for the damaged component, such Owner may undertake appropriate repairs to the damaged component as they deem necessary.

If an Owner has a maintenance obligation but not the insurance obligation with respect to a damaged component, such Owner must notify the Association of the damages in writing and request that a claim be filed with the Association's insurance carrier. The Board will follow the process outlined in the following paragraphs of this Policy with respect to submission of insurance claims.

In the event an Owner fails to request a claim submission and undertakes the necessary repairs themselves, such Owner may not be entitled to reimbursement from the Association.

4. **INSURANCE CLAIMS OF THE ASSOCIATION.** The following procedures shall be followed with respect to insurance claims of the Association:
  - a. The Board shall consult with its insurance agent to determine (1) whether there is coverage for the claim; and (2) if coverage exists, whether to submit a claim under its policies by balancing the benefits conferred to the Association under the policy with the costs associated with the claim to the Association.
  - b. In the event the Board determines that it is in the best interests of the Association to submit a claim under its insurance policies, the Board shall submit a claim pursuant to its insurance policy and shall notify affected Owners of the filing of a claim. All contact with the insurance adjuster shall be through the Board. No Owner shall communicate directly with the adjuster assigned to the claim or any other insurance representative concerning the matter. Owners will be required to communicate through the Board or Association manager.
  - c. In the event Board determines that it is not in the best interests of the Association to submit a claim under its insurance policies, the Association shall still be obligated to complete repair of the damages to property, as if a claim had been made.
  
5. **ASSOCIATION CLAIMS ON BEHALF OF OWNERS.** If an occurrence is made known to an Owner that results in damages or injury to an Owner or an Owner's Unit which may come within the Association's coverage as required in Declaration or under Colorado law, the following procedures should be followed by the Owner:
  - a. The Owner(s) shall promptly notify their personal insurance carrier of the damage.

- b. In the event the subject matter of the claim may fall within the Association's insurance responsibilities under the Declaration or Colorado law, the Owner shall promptly notify the Association of the damage by providing written notice to the Managing Agent setting forth the following:
  - (i) Owner's home address and phone number and Unit address, if different;
  - (ii) The time, place and circumstances of the event;
  - (iii) Identification of damaged property; and
  - (iv) The names and addresses of the injured and witnesses, if applicable.
- c. The Board shall then make a determination as to whether the occurrence or claim consists of damages for which the Owner or the Association is responsible for insuring under the Declaration. The Association shall notify the Owner in writing of its determination.
- d. If the Board determines, in its sole discretion, that the subject matter of the claim is within the Association's obligations, the Board shall submit a claim to the Association's insurance carrier on behalf of the Owner in accordance with the requirements of the insurance policy. In that event, an Owner may not submit a claim to the Association's insurance carrier.

6. **RESPONSIBILITY FOR PAYMENT OF DEDUCTIBLE AMOUNT.** Whether the Board, in its discretion, chooses to submit a claim under the Association's insurance policy or not, the payment of the deductible amount for claims that the Association is responsible for insuring, shall be as follows:

- a. **Common Elements:** The Association shall pay or absorb the deductible for any work, repairs or reconstruction for damage to Common Elements or for damages to Units that would be the maintenance responsibility of the Association in the absence of insurance, unless said damage is caused by the negligent or willful act or omission of an Owner, their family, guests, or invitees, in which case the Association may seek reimbursement of the deductible amount from such Owner as an assessment under the Declaration.
- b. **Units/Owner Maintenance:** The Owner shall pay or absorb the deductible for any work, repairs, reconstruction or replacement for damage to a Unit that would be the Owner's maintenance responsibility in the absence of insurance, unless the loss is caused by the negligent or

willful act or omission of the Association or another Owner, in which case, the negligent party shall be responsible for the deductible.

- c. **Multiple Units or Unit and Common Elements:** If a claim covers damage to more than one Unit or to portions of a Unit and Common Elements that are the maintenance responsibility of both the Owner and the Association, the deductible shall be allocated between Owners or between the Association and the Owner(s) on a pro rata basis; unless the loss is caused by the negligent or willful act or omission of the Association or another Owner, in which case, the negligent party shall be responsible for the deductible.
7. **RESPONSIBILITY FOR OWNERS' ACTIONS.** In all cases where damage is caused to Common Elements by the negligent or willful act or omission of an Owner, their family, guests, or invitees, as determined by the Board of Directors in its sole discretion, the Association may seek reimbursement of any such damages which are not recovered from insurance proceeds, including not only the deductible amounts under the Association's insurance policies, but any amount of such damages not otherwise recovered and for which the Association may be held responsible under its governing documents. Such amounts shall be collected in the same manner as assessments.
8. **DEFINITIONS.** Unless otherwise defined in this Policy, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
9. **SUPPLEMENT TO LAW.** The provisions of this Policy shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Project.
10. **DEVIATIONS.** The Board may deviate from the procedures set forth in this Policy if in its sole discretion such deviation is reasonable under the circumstances.
11. **AMENDMENT.** This Policy may be amended from time to time by the Board of Directors.

**PRESIDENT'S**

**CERTIFICATION:** The undersigned, being the President of The Corral at Breckenridge Homeowners Association, a Colorado nonprofit corporation, certifies the foregoing Policy was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on 1/27/2025 and in witness thereof, the undersigned has subscribed their name.

**The Corral at Breckenridge Homeowners Association**, a Colorado nonprofit corporation

By:   
Its: President