

**RESOLUTION OF THE BOARD OF DIRECTORS OF
ARBORS AT MOUNTAIN SHADOWS CONDOMINIUM OWNERS
ASSOCIATION, INC. ADOPTING INSURANCE CLAIM POLICY**

At a regular meeting of the Board of Directors held on May 19, 2010, by motion and vote, the Board of Directors adopted the following resolution adopting an insurance claim policy:

WHEREAS, Article IX of the Declaration for Arbors at Mountain Shadows – A Condominium Community authorizes the Arbors at Mountain Shadows Condominium Owners Association, Inc. (“Association”) to govern the affairs of the Association and to adopt rules and regulations and;

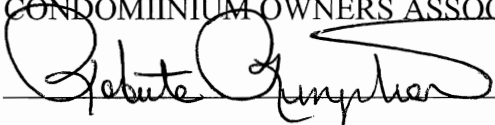
WHEREAS, there are provisions in Colorado law as well as in the Declaration related to the submission of claims for losses that are insured by the Association; and

WHEREAS, the Declaration authorizes the Board to adopt a policy on the submittal of claims and the Board believes that a policy on the submission of claims for insured losses would be beneficial and avoid confusion to members in the Association.

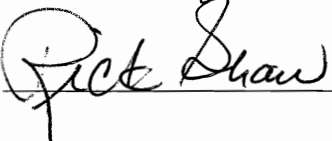
THEREFORE, it is hereby resolved:

The policy for submitting claims for losses covered by the Association’s insurance is attached hereto and is enacted as the policy of the Association on the effective date set forth below.

BY THE BOARD OF DIRECTORS OF
ARBORS AT MOUNTAIN SHADOWS
CONDOMINIUM OWNERS ASSOCIATION, INC.

 _____, as Director

 _____, as Director

 _____, as Director

_____, as Director

Effective Date: May 19, 2010

POLICY ON SUBMITTING CLAIMS FOR LOSSES COVERED BY ASSOCIATION INSURANCE

In the event any resident within the Arbors at Mountain Shadows Condominium Community believes they have suffered a loss, damage or injury that may be covered by the Association's insurance, the following procedures will apply to submitting the claim, investigation of the claim and responsibility for any loss:

Pursuing a claim for loss against the Association:

1. If not the Owner of the condominium unit, the resident must contact the Owner concerning the claim. The Owner is the only individual with authority to pursue the claim with the Association.
2. The Owner must submit to the Association Board of Directors ("Board") in writing the specifics of the incident giving rise to the claim, using the form attached hereto or a writing that contains all the information listed on the form ("Claim").
3. The Owner must submit the Claim as soon as possible after the incident giving rise to the Claim. The Owner's failure to timely submit the Claim may result in a denial of coverage for the loss. Except in cases of emergency, acts to preserve property or injury to person, the Owner should not make any repairs or take any corrective action that might interfere with an investigation of the incident by the Board.
4. After receipt of the written claim, the Board will investigate the circumstances of the Claim. This may involve inspections by Board members themselves or contractors, adjustors or other agents. The Owner must permit access to the Association's representatives to any locations where the damage occurred or to the persons who claim to have been injured.
5. Within 15 days of the receipt of the written claim, the Board will respond to the Owner in writing as to whether it believes the Claim is legitimate, whether it believes that the Claim is covered by the Association's insurance, and whether it intends to submit the claim to the insurance carrier. If the Board determines not to submit the Claim to its insurance carrier, it may, nonetheless, determine to cover the loss itself, such as where the amount of the Claim is less than the insurance deductible.
6. In the event the Board determines not to submit the Claim to its insurer and determines not to cover the loss itself, the Owner has the right under law to submit the Claim directly to the Association's insurance company but only if the loss is an insured loss under the insurance coverage.

Investigation of a Claim by the Association:

The Board is entitled to take whatever steps it deems necessary to investigate the Claim. This may include interviews with individuals, inspection of the Condominium Unit by construction professionals, removal of wallboard or other improvements and review of medical records. The Owner or other resident involved in the loss will cooperate fully with the Board of Directors and its agents, including providing access to medical records and signing any waivers that may be required. The failure of the Owner or resident to do so shall be considered a waiver of any claims against the Association.

In the event the loss claimed by an Owner or resident is the result of a cause located in another Owner's condominium unit, the Association has an easement and right to enter that unit to inspect and/or make repairs. See Section 5.4 of the Declaration. Any Owner's refusal to allow entry into a unit as part of an investigation will be considered a violation of the Declaration and will give rise to appropriate action by the Association. The refusal may also result in an allocation of the claimed loss against the Owner refusing entry.

Allocation of responsibility for the claimed loss:

Owners are reminded that the fact that the Association has insurance coverage does not mean the Owner should not also have separate insurance for their own benefit. See Section 13.7 of the Declaration. In the event the Claim is not covered by the Association's insurance and the Owner does not have separate insurance coverage for the loss, the Owner will end up paying for the loss themselves without any compensation from another source.

At the conclusion of its investigation of a submitted Claim, the Board shall determine whether the loss was the result of the willful, negligent or wrongful act of any Owner. If the Board, in its sole discretion, determines that the loss was the result of the willful, negligent or wrongful act of an Owner, the Board will assess against the Owner any loss suffered by the Association. The loss may be the entire cost of repair if not covered by insurance or the deductible on the insurance policy. When so assessed the loss will be both the personal liability of the Owner and a lien against the condominium unit. See Section 11.6 of the Declaration.

INSURANCE CLAIM SUBMITTAL FORM

Please provide the following information:

Date incident or loss was discovered: _____

Date of incident or cause of loss if different for above: _____

Name, address and phone number of person discovering the loss:

Name, address and phone number of other persons having information related to the loss:

1. _____

2. _____

Location of the damage or loss: _____

Describe in your own words when and how you discovered the damage or loss and what happened to cause the loss (use back if necessary):

Date: _____

Owner's Signature: _____