



BRIDGESTONE HOMEOWNERS ASSOCIATION
A UTAH NON-PROFIT CORPORATION

Resolution of the Board of Directors

WHEREAS, Article VII, Section D of the Amended and Restated Declaration of Covenants, Conditions and Restrictions (“**Declaration**”) for the Bridgestone Homeowners Association (“**Association**”) allows the Board of Directors (“**Board**”) to make and enforce reasonable rules and regulations consistent with the Declaration and pertaining to the use of the property within the Association;

WHEREAS, Article IV, Section A.2 of the Declaration requires the Owners to maintain the interiors of their Units;

WHEREAS, Article IV, Section A.1 of the Declaration requires the Association to maintain and repair the Unit exteriors and roofs;

WHEREAS, Article IV, Section A.3 provides that Owners are required to rebuild Units in the event of damage or destruction; however, there is ambiguity and uncertainty whether or not Owners are required to insure their Units in case of such damage or destruction;

WHEREAS, Article V, Section D provides that the Association is to set forth “procedures and standards for the limits and types of coverage that will be implemented on a yearly basis”;

WHEREAS, insurance policies are not offered, which would allow both Owners and the Association to effectively and adequately insure their respective interests in the Units. And, if such an insurance product were available, it would result in double coverage, thus increasing the cost of assessments and/or otherwise living at Bridgestone HOA;

WHEREAS, the Association currently maintains casualty insurance for all Units to protect against damage or loss, which insurance is funded through the common assessments of all Owners;

WHEREAS, the Owners, as part of their assessment obligation, are paying for the insurance to the common areas and all structures already.

WHEREAS, the Board deems it in the best interest of the Association to allow for its insurance coverage to cover and pay for any loss or damage requiring repair or replacement of a Unit;

WHEREAS, the Board deems it necessary and in the best interest of the Association to adopt this resolution clarifying and resolving the apparent conflicts between repair obligations and insurance obligations of the individual Owners and the Association.

LEGAL DESCRIPTION:

LOT 1, 2, 3, 4, 5, 6, 7, & PLATA BRIDGESTONE PUD SUB
 LOT 9 through 20 Phase B BRIDGESTONE PUD SUB
 Lot 37 through 52 Plat Damended BRIDGESTONE amended SUB
 LOT 53 through 64 Plat E BRIDGESTONE PUD SUB

ENT 15713:2011 PG 1 of 2
 JEFFERY SMITH
 UTAH COUNTY RECORDER
 2011 Feb 23 1:01 pm FEE 55.00 BY EQ
 RECORDED FOR BRIDGESTONE HOMEOWNER

NOW, THEREFORE, IT IS RESOLVED that the following policy is adopted by the Board:

Insurance and Obligation to Repair

1. **Insurance.** The Association, through its Board, hereby adopts a policy whereby the Association will maintain adequate insurance on all Units and Buildings within the Association to protect against damage or loss, as determined by the Board. Such insurance shall be periodically reviewed, no less than annually by the Board.

Such insurance policies shall be paid for by common assessments levied in accordance with the Association's governing documents.

2. **Obligation to Repair.** The Association's insurance policy shall be primary in any repair or reconstruction to a Unit caused by damage or loss covered under the policy as the Owners have paid to the Association, via regular assessments, their proportionate share of said insurance. The Association shall undertake the repair and reconstruction of any Unit through use of the proceeds of the Association's insurance policy.

In the event of a loss covered by the Association's insurance policy, the Owner(s) of the Unit(s) to be repaired or reconstructed shall be responsible to pay the Association's insurance deductible.

NOW, BE IT FURTHER RESOLVED that a copy of this resolution shall be distributed to all Owners and recorded in the office of the Utah County Recorder.

DATED this 23 day of February, 2011.

ATTEST

Bryan D. Per
President Pro Tem, Bridgestone Homeowners Association

Betty C. Stoker
Secretary, Bridgestone Homeowners Association

Monte Paul Hickenlooper
Treasurer, Bridgestone Homeowners Association

JURAT
State of <u>Utah</u>
County of <u>Utah</u>
Subscribed and sworn before me this <u>23</u> day of <u>Feb</u> , 2011
by <u>Betty Stoker, Monte Hickenlooper & Benjamin Rich</u>
<u>Laurel Perez</u> Notary Public
My Commission Expires: <u>7/29/14</u>

