

**LONGVIEW AT MONTVILLE ASSOCIATION, INC.**  
**(the "Association")**

**Resolution Governing Insurance Deductibles**

**P R E A M B L E**

A. The Master Deed for Longview at Montville, a Condominium, as it may have been amended (collectively the "Master Deed") was originally recorded in the office of the Morris County Clerk on June 2, 1989, in Deed Book 3137, Page 29, et seq.

B. The Bylaws of Longview at Montville Association Inc., as the same may have been amended (collectively, the "Bylaws") were recorded as Exhibit "E" to the Master Deed.

C. Article VI, Section 2(e) of the Bylaws empowers the Board of Trustees to adopt rules and regulations covering the details of the operation and use of the Common Elements

D. NJSA 46:8B-14(d) and (e) as well as Section 16 of the Master Deed and Article VIII, Section 2, of the Bylaws require the Board to place and keep in force all insurance coverages applicable to the condominium property and the Association's members.

E. Section 16 of the Master Deed provides that premiums for any and all insurance coverage maintained by the Association shall be a Common Expense of the Association.

F. In the event insurance proceeds (therefore, "net" of any insurance deductibles) are paid to the Association by its insurance carrier, a portion of the proceeds may, in some instances, represent a reimbursement, in whole or in part, of the restoration costs to a Unit or property owned by a Unit Owner, although the premium has been paid to the insurance carrier by the Association.

G. The Board has determined that it is more equitable and appropriate to allocate or prorate responsibility for insurance deductibles between the Association and the affected Unit Owners as further described below.

H. This Resolution was duly introduced and thereafter adopted pursuant to the terms and conditions of the By-Laws.

**NOW, THEREFORE, BE IT RESOLVED** on this 10<sup>th</sup> day of September, 2012 as follows:

1. Authority. This Resolution is subject to the Condominium Act and to the Governing Documents.

2. Capitalized Terms. Unless specifically defined otherwise, all capitalized terms used in this Resolution have the same meaning as defined in the Master Deed, Bylaws and the other governing documents of the Association.

3. Application of Insurance Proceeds. If and to the extent the Association receives insurance proceeds pursuant to insurance policies placed, maintained, and paid for by the Association, which proceeds represent, in whole or in part, a reimbursement for damage to a Unit or the real property of a Unit Owner, then and in such event the proceeds shall be applied to the cost of restoring damage to (a) the Common Elements and property and; (b) the Unit or personal property of the Unit Owner, in proportion to the amount of damage suffered by each. In the event of damage to multiple Units, the amount, if any, available to the Unit Owners shall be prorated between the affected Unit Owners on an equitable basis as determined in the discretion of the Board.

4. Deductibles. Notwithstanding the terms of paragraph 3 above, the Board has determined that it is equitable and appropriate to allocate responsibility for the deductible, if any, between the Association and the affected Unit Owner or Unit Owners when there is damage resulting from an insurable event that affects any part of the Common Elements. Therefore, where the Association suffers damage from a single insurable event involving Common Elements and one or more Units, the responsibility for the deductible will be calculated as follows: the cost for repairing or restoring the Common Elements and property of the Association shall be divided by the total cost of restoring all damages (including the cost for restoring components of the Units which are not required to be insured by the Association) to arrive at a decimal or ratio. The decimal or ratio so calculated shall be multiplied by the amount of the insurance deductible and the Association shall be responsible for the resulting portion of the insurance deductible with the balance to be borne by the affected Unit Owner. If two or more Unit Owners are affected, the respective responsibility for the deductible shall be allocated based upon their prorata portions of the Unit damage, as determined by the insurance company.

Where the Association suffers damage from a single insurable event that does not affect any part of the Common Elements or other property of the Association, the Unit Owner or Owners shall be responsible for payment of the entire insurance deductible. If multiple units are affected by such an event, the Unit Owners' respective responsibilities for the entire deductible shall be allocated based upon the insurable loss suffered by each Unit Owner, as determined by the insurance company. The Association shall not be responsible for payment of any portion of an insurance deductible when there is an insurable event that does not affect any part of the Common Elements or other property belonging to the Association.

5. Review of Owner Coverage. The Unit Owners are advised to review their casualty insurance policies covering their respective Units and are urged to consult with their insurance agents and/or carriers concerning this Resolution and the appropriate amounts and types of insurance coverage and deductibles. The Unit Owners are also advised to consult with the Association and/or its insurance agent in order to determine, from time to time, the amount of casualty insurance coverage deductible being maintained by the Association.

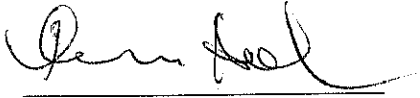
This Resolution shall be effective as of the 10<sup>th</sup> day of SEPTEMBER, 2012.

**NOTICE AND RECORDING.** The Association's managing agent is authorized and directed to prepare correspondence, in appropriate form and substance, and thereafter circulate same, along with a copy of this Resolution, to all Unit Owners. The Association also authorizes and directs its legal counsel to arrange for recordation of a copy of this Resolution with the Morris County Register's Office in order to provide notice of this Resolution to each purchaser of a Unit.

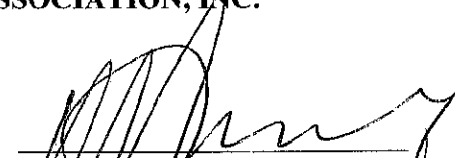
ATTEST:

**LONGVIEW AT MONTVILLE  
ASSOCIATION, INC.**

By:

  
\_\_\_\_\_  
, Secretary

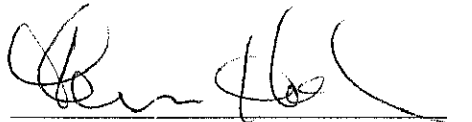
By:

  
\_\_\_\_\_  
, President

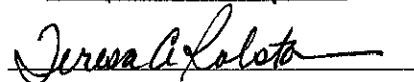
STATE OF NEW JERSEY :  
: SS.  
COUNTY OF MORRIS :

I CERTIFY that on SEPTEMBER 10<sup>th</sup>, 2012, THEODOR HOCHMAN personally came before me and this person acknowledged under oath, to my satisfaction, that:

- (a) this person is the Ted Hochman Secretary of the LONGVIEW AT MONTVILLE ASSOCIATION, INC., a nonprofit corporation of the State of New Jersey, named in this document;
- (b) this person signed this document as attesting witness for the proper corporate officer who is ROB SIGNORILE, the President of the corporation;
- (c) this person knows the proper corporate seal of the corporation and the proper corporate seal was affixed;
- (d) this document was signed and delivered by the corporation as its voluntary act and deed by virtue of authority from its Board of Trustees; and
- (e) this person signed this acknowledgment to attest to the truth of these facts.
- (f) this Resolution was duly introduced and was thereafter adopted at a regular scheduled meeting of the Board of Trustees, at which a quorum was present, by a majority vote of the members of the Board of Trustees eligible to vote on this matter.

  
\_\_\_\_\_, Secretary

Signed and sworn to before me  
on SEPTEMBER 10<sup>th</sup>, 2012

  
\_\_\_\_\_  
Notary Public of New Jersey

Notary Public of New Jersey

**TERESA A. ROLSTON**  
**NOTARY PUBLIC OF NEW JERSEY**  
I.D. # 2278535  
**My Commission Expires 9/21/2016**

**RECORD AND RETURN TO:**  
J. David Ramsey, Esq.  
Becker & Poliakoff, LLP  
67 Park Place East, Suite 660  
Morristown, New Jersey 07960

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