



Section 1: [Article VII, Section 7.4] Allocation of Master Insurance Policy Deductible

In the event of any property damage or casualty loss originating from or affecting a single Unit, the entire deductible under the Association's master property insurance policy (up to \$25,000.00) shall be assessed exclusively against the Owner of that Unit regardless of whether the damage was caused by the negligence or fault of the Unit Owner.

ISSUE #1

Section 2: [Article IV, Section 4.8] Inspection of Association Financial Records

Association bank statements, legal invoices, and vendor contracts are confidential business records of the Executive Board and shall not be disclosed to or copied by individual Unit Owners except upon affirmative vote of all members of the Executive Board.

MARKUP #1 ->

MARKUP #1 · CONFLICTS WITH MANDATORY STATE STATUTE

BOARD & COUNSEL REVIEW

Sec. 2 (p. 1): Financial, Assessment Priority, Safe-Harbor Liability, or Records Access Defect: Clause conflicts with RI statutory requirements on payment application priority, foreclosure safe-harbor liability, or financial records inspection.

Statutory / Legal Reference: R.I. Gen. Laws §§ 34-36.1-4.09 (\$125 Resale Certificate Cap), 34-11-42; R.I. Gen. Laws §§ 34-36.1-1.01 to 34-36.1-4.20 (Rhode Island Condominium Act) & 230-RICR-30-20-2

Statutory Comparison: Under R.I. Gen. Laws §§ 34-36.1-4.09 (\$125 Resale Certificate Cap), 34-11-42; R.I. Gen. Laws §§ 34-36.1-1.01 to 34-36.1-4.20 (Rhode Island Condominium Act) & 230-RICR-30-20-2, associations must apply partial payments to principal assessments before fines/attorney fees where required by statute, enforce statutory mortgagee safe-harbor assessment liability upon foreclosure, and permit member inspection of financial records without unlawful barriers.

CURRENT WORDING IN DOCUMENT:

[Article IV, Section 4.8] Inspection of Association Financial Records Association bank statements, legal invoices, and vendor contracts are confidential business records of the Executive Board and shall not be disclosed to or copied by individual Unit Owners except upon affirmative vote of all members of the Executive Board.

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

Amend Section 2 to conform strictly to R.I. Gen. Laws §§ 34-36.1-4.09 (\$125 Resale Certificate Cap), 34-11-42; R.I. Gen. Laws §§ 34-36.1-1.01 to 34-36.1-4.20 (Rhode Island Condominium Act) & 230-RICR-30-20-2.