

**RESOLUTION
OF
SNOWDANCE MANOR CONDOMINIUM ASSOCIATION
RESPONSIBLE GOVERNANCE POLICIES AND PROCEDURES**

SUBJECT: Adoption of policies and procedures for the Association regarding the following:

- I. RESERVE FUND POLICY
- II. ASSOCIATION RECORDS
- III. COVENANT AND RULE ENFORCEMENT
- IV. CODE OF CONDUCT/CONFLICTS OF INTEREST
- V. CONDUCT OF MEETINGS
- VI. COLLECTION OF UNPAID ASSESSMENTS
- VII. ADOPTION OF RULES, POLICIES, PROCEDURES OR GUIDELINES
- VIII. DISPUTE RESOLUTION
- IX. COMPLIANCE POLICIES

PURPOSES: To comply with Colorado law (See also the Colorado Common Interest Ownership Act (“CCIOA”), and the Colorado Revised Nonprofit Corporation Act (the “Nonprofit Act”) which may be reviewed at the website set forth on the attached Addendum).

AUTHORITY: The Condominium Declaration for Snowdance Manor Condominium Association recorded on July 11, 1983 at Reception No. 259302 in the Summit County records, and all subsequent amendments (the “Declaration”), the Bylaws, which together with the Articles of Incorporation, Policies and Procedures, and the Rules and Regulations are referenced as the “Governing Documents”. (See also CCIOA).

EFFECTIVE: Upon Approval by the Board of Managers as certified below.

RESOLUTION: The Association hereby adopts the following Policies and Procedures subject to:

- **Definitions:** Unless otherwise defined, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
- **Supplement to Law.** The provisions of this Resolution supplement the provisions of the Governing Documents and the law of the State of Colorado governing the Association.
- **Deviations.** The Board of Managers may deviate from any provision of this Resolution if in its sole discretion the deviation is reasonable under the circumstances.
- **Amendment.** The Board may amend the following policies from time to time.

**ARTICLE I
POLICY FOR RESERVE PLANNING, FUNDING & MANAGEMENT**

Section 1.1 Scope and Purpose. In order to keep the Project in good repair, and to sustain the market values of Units, the Board of Managers determines that it is necessary to have policies and procedures for the investment of reserve funds. The reserve fund will be used to responsibly finance the projected repair and replacement of those portions of the Project that the Association is responsible for and for other funding the Board may determine is necessary.

Section 1.2 Periodic Reserve Studies Required. Periodically the Board of Managers will conduct a Reserve Study. The Study will:

- a. Assign a reasonable useful life to the Common Element components that the Association maintains.
- b. Assign a reasonable component repair or replacement costs based on current costs for the area.
- c. Set forth a repair and replacement schedule that identifies when work will be performed on the components, and which, in calculating the cost of each repair or replacement, takes into account the cost of inflation.
- d. Review the reserve account funding plan, and establish a plan for supplemental reserve account funding if necessary.
- e. The Board may request assistance from a reserve study analyst to prepare the Reserve Study.

Section 1.3 Reserve Study Updates. The Board may prepare an update reflecting prevailing conditions, changes in costs, and any unexpected variations from the most recent Reserve Study, which may justify supplemental funding pursuant to the Declaration.

Section 1.4 Investment of Reserves. Generally, reserve funding will be assessed each year. The Board will invest any unused reserve funds as provided in this Section. In order to minimize the amount of member contributions, the Board of Managers will invest the reserve funds so as to generate interest revenue that will accrue to the reserve fund balance. All investments must be in the name of the Association and may not be commingled with the Association's general operating fund.

a. The Board will invest funds held in the reserve fund pursuant to the following goals listed in order of importance:

i. *Safety of Principal.* The long term goal is safety of the reserve fund's principal.

ii. *Liquidity and Accessibility.* Structure maturities to ensure availability for projected and unexpected expenditures.

iii. *Minimal Costs.* Investment costs (redemption fees, commissions, and other transactional costs) should be minimized.

iv. *Diversify.* Mitigate the effects of investment volatility upon reserve assets.

v. *Return.* Invest funds to seek the highest level of after-tax return.

b. The Board may consider the following circumstances in investing funds held in the reserve fund:

- i. General economic conditions;

- ii. Possible effect of inflation or deflation;
- iii. Expected tax consequences;
- iv. Role that each investment plays in the overall investment portfolio;
- v. Other resources of the Association.

c. The Board, or the Board's authorized agent, may purchase, invest in, acquire, sell or assign any and all types and kinds of investments meeting the goals set forth in Section 1.4(a) above; and to enter into agreements, contracts and arrangements with respect to such security transactions and to execute, sign or endorse agreements on behalf of the Association. Written authorization from the President or Treasurer is required for the Manager to withdraw or transfer funds.

Section 1.5 Limitation on Investments. Unless otherwise approved by the Board of Managers, all investments of multiple year reserve funds, will be FDIC (Federal Deposit Insurance Corporation) insured, otherwise guaranteed by the federal Government.

Section 1.6 Independent Professional Investment Assistance. The Board of Managers may hire an investment counselor to assist in formulating a specific investment plan.

Section 1.7 Control and Review. All accounts and investment instruments will be subject to the approval of, and may from time to time be amended by the Board as appropriate, and must be reviewed annually.

ARTICLE II

ASSOCIATION RECORDS, INFORMATION AND REPORTS

Section 2.1 Corporate Report Filing. The Board must file the annual report, and at all times keep the Association in good standing with the Colorado Secretary of State. The Secretary, authorized officer, or designated agent of the Association will properly complete the annual report received from the Colorado Secretary of State.

Section 2.2 Association Minutes and Record Keeping Requirements. Pursuant to C.R.S. § 38-33.3-317(1), the Association or its agents must keep as permanent records:

- a. Detailed records of receipts and expenditures affecting the Association's operation and administration;
- b. Records of claims for construction defects and amounts received pursuant to settlement of those claims;
- c. Minutes of all Member and Board meetings, records of all Member or Board actions taken without a meeting, records of all committee actions taken on the Association's behalf, and records of all waivers of notice of Member, Board of Managers or committee meetings;
- d. Board member's written communications, and the votes cast, that are: (i) directly related to a Board action taken without a meeting pursuant to C.R.S. § 7-128-202; or (ii) directly related to a Board action taken without a meeting pursuant to the Bylaws;

e. A list of all Owners including their names, the physical mailing addresses the Association uses to communicate with them, the number of votes each Owner is entitled to vote;

f. Its current Declaration, Bylaws, Articles of Incorporation, rules and regulations, responsible governance policies adopted pursuant to C.R.S. § 38-33.3-209.5, and other Board adopted policies;

g. Financial statements as described in C.R.S. § 7-136-106, for the past three (3) years and tax returns of the Association for the past seven (7) years, to the extent available;

h. A list of all current Board members and officers including their names, electronic mail addresses, and physical mailing addresses;

i. Its most recent annual report delivered to the Secretary of State, if any;

j. Financial records sufficiently detailed to enable the Association to comply with C.R.S. § 38-33.3-316(8), concerning statements of unpaid assessments;

k. The Association's most recent reserve study, if any;

l. Current written contracts to which the Association is a party and contracts for work performed for the Association within the immediately preceding two years;

m. Records of Board of Managers or committee actions to approve or deny any requests for design or architectural approval from Owners;

n. Ballots, proxies, and other records related to voting by Owners for one year after the election, action, or vote to which they relate;

o. Board adopted resolutions relating to the characteristics, qualifications, rights, limitations, and obligations of members or any class or category of members; and

p. All written communications within the past three (3) years to all Owners generally as Owners.

q. All written consent, or withdrawal of consent, submitted to the Association by an Owner authorizing the Association to disclose the Owner's telephone number, electronic mail address, or both to other Members of the Association.

Section 2.3 Membership List. The Association will maintain a list of all Owners' names, mailing addresses and the number of votes each Owner is entitled to vote (the "Membership List"). The Membership List may not be used by any Person for any purpose unrelated to an Owner's interest as an Owner without the Board's consent. Without limiting the generality of the foregoing, the Membership List may not be used for the following purposes without the Board's consent:

a. Solicitation of money or property, unless it will be used to solicit Owners' votes in an Association election;

- b. Any commercial purpose; or
- c. The purchase or sale to or from any Person.

Section 2.4 Member Inspection of Association Records. The Association must make maintained records available for an Owner or the Owner's authorized agent to examine and copy. The Association may require Owners to submit a written request, describing with reasonable particularity the records sought, at least five (5) days prior to inspection or production of the documents, and may limit examination and copying times to normal business hours or the next regularly scheduled Board meeting if the meeting occurs within thirty (30) days after the request. Notwithstanding any provision of the Governing Documents to the contrary, the Association may not condition the production of records upon the statement of a proper purpose. The Association may impose a reasonable charge to be collected in advance to cover the costs of labor and material for copies of records. The Owner may request electronic copies to be furnished.

- a. The Association *may* withhold association records concerning:
 - i. Architectural drawings, plans and designs, unless the legal owner of the drawings, plans or designs consents to their release in writing;
 - ii. Contracts, leases, bids, or records related to provision of goods or services that the Board is currently negotiating;
 - iii. Communications with legal counsel that are protected by the attorney-client privilege or the attorney work product doctrine;
 - iv. Disclosure of information in violation of law;
 - v. Records of an executive session of the Board; or
 - vi. Units that the requesting Owner does not own.
- b. The Association *must* withhold association records concerning:
 - i. Personnel, salary or medical records relating to specific individuals;
 - ii. Owners' personal identification and account information including bank account information, driver's license numbers, and social security numbers;
 - iii. Owners' personal telephone numbers or electronic mail addresses, unless an Owner has given the Association their written consent for limited disclosure of their telephone number or electronic mail address to other Members; or
 - iv. Any documents that are confidential under constitutional, statutory or judicially imposed requirements.
- c. No Owner may remove the Association's original books or records from the place of inspection, nor alter, destroy or mark any association record.
- d. The use of Association records, or the information within those records, for commercial purposes is prohibited.

Section 2.6 Statement of Assessments. The Board of Managers or Manager will furnish to any Owner, the Owner's designee or Mortgagee, a written statement setting forth the amount of unpaid assessments currently levied against such Owner upon written request, delivered personally or by certified mail, first-class postage prepaid, return receipt, and payment of a

reasonable fee, to the Association's registered agent. The statement will be furnished within fourteen (14) calendar days after receipt of the request and is binding on the Association, the Board, and every Owner. If no statement is furnished to the Owner or Mortgagee, or the Owner's designee, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the inquiring party, then the Association will have no right to assert a lien upon the Lot for unpaid assessments that were due as of the date of the request. The Association must keep financial records sufficiently detailed to enable the Association to comply with C.R.S. § 38-33.3-316(8) concerning statements of unpaid assessments. All financial and other records will be made reasonably available for examination by any Owner or the Owner's designees.

Section 2.7 Notices. Except as otherwise provided in the Governing Documents, all notices, demands, bills, statements, or other communications under the Governing Documents will be in writing and will be duly given if delivered personally, by United States mail, or e-mail:

a. If to an Owner, at the Owner's registered mailing address, filed with the Association, or, if no such address has been designated, at the address of such Owner, or to the e-mail address that the Owner provides to the Association.

b. If to the Association, the Board of Managers, or the Manager, at the Association's or the Manager's principal office, or at such other address designated by written notice to the Owner pursuant to this section; or

c. If to any committee, at the Association's principal address or at such other address designated by written notice to the Owner pursuant to this section.

Section 2.8 Disclosures to Owners.

a. Association and Manager Information. At least annually, the Association shall provide all Owners with a written notice stating: the Association's name, the Manager's name, if any; the physical and mailing addresses and telephone numbers for the Association and the Manager; the name of the Project; and the recording date and reception number of the Declaration. The Association will provide Owners with notice of address or manager changes within ninety (90) days of such change.

b. Annual Disclosures. Within 90 days of the end of each fiscal year, the Association shall make the following information available to Owners:

- i. The date its fiscal year commences;
- ii. The operating budget for the current fiscal year;
- iii. A list of the Association's current Base and Special Assessments;
- iv. Annual financial statements, including any amounts held in reserve for the fiscal year immediately preceding the current annual disclosure;
- v. The results of any financial audit or review of the fiscal year immediately preceding the current annual disclosure;
- vi. A list of all Association insurance policies, including, but not limited to, property, general liability, association Board member and officer professional liability, and fidelity policies. This list shall include the company names, policy limits, policy deductibles, additional named insureds, and expiration dates;

vii. The Governing Documents; and
viii. The Board and Member meeting minutes for the fiscal year immediately preceding the current annual disclosure.

c. Method of Disclosure. The Association has the widest possible latitude in disclosure methods, so long as the required information is readily available at no cost to Owners. If the Association incurs a cost for disclosure, such cost is a Common Expense.

ARTICLE III **COVENANT AND RULE ENFORCEMENT**

Section 3.1 Reporting Violations. Any Owner or resident in the community, a Board member, or the Manager, may submit written complaints to report alleged violations of the Governing Documents.

Section 3.2 Complaints. All written complaints shall be submitted to the Board of Managers. Each written complaint shall: (i) identify the individual making the complaint (the “Complainant”); (ii) identify the alleged violator (“Violator”), if known; (iii) describe the alleged violation; (iv) identify the specific provisions alleged to have been violated; (v) when the violation was observed; and (vi) any other appropriate information. No non-written complaints or anonymous complaints will be accepted. Complaints failing to include any information required by this provision may be returned to the Complainant for revision or clarification, or may not be investigated, at the Board’s discretion.

Section 3.3 Investigation. Upon receipt of a complaint, the alleged violation may be investigated by a Board designated individual or committee if additional information is necessary. The Board has sole discretion in designating an individual or committee to investigate the matter. The Board shall determine: (i) whether the alleged violation occurred based on the complaint and any additional information obtained through the investigation; (ii) whether the alleged violation has or may be resolved informally; and (iii) whether enforcement action is warranted.

Section 3.4 Initial Warning Letter. If the Board determines that the alleged violation actually occurred and that action is warranted, an informal notification may be provided to the Violator or, it shall send the Violator a warning letter (“Warning Letter”) to the Violator’s last known address by registered or certified mail, and by e-mail if the Violator has registered an e-mail address. The Warning Letter shall: (i) describe the alleged violation, or include a copy of the complaint; (ii) explain whether the violation is a Continuous Violation (as described below); (iii) direct that the Violator immediately cease the violating activity (if activity is a Continuous Violation), or direct that the Violator comply within ten (10) days from the date of the Warning Letter; and (iv) explain that compliance is necessary to avoid further enforcement action including, without limitation, imposition of fines.

Section 3.5 Continued Violation After Warning Letter and Right to Hearing.
If, following delivery of the Warning Letter, complaints against the Violator for the same or similar violations are submitted, or if the Violator has not timely complied pursuant to the Warning Letter, the Board shall send a second notice to the Violator’s last known address by registered or certified mail, and by e-mail if the Violator has registered an e-mail address. The second notice shall: (i) describe the violation, or include a copy of the complaint; (ii) state that the

Violator has failed to timely comply pursuant to the Warning Letter; (iii) explain the action that may be taken; (iv) notify the Violator of their right to be heard, either orally or in writing, by the Board, or a committee appointed by the Board; (v) give notice of the date, time and location of the hearing, which shall be no less than ten (10) days after the date of the second notice; (vi) explain that, if the Violator fails to appear at the hearing or otherwise respond, the Board may proceed with or without a hearing to make a determination regarding the allegations in the complaint based on the relevant facts and circumstances; and (vii) state that if a violation is found to exist, a fine may be imposed pursuant to this Article III.

Section 3.6 Impartial Decision Maker. Each hearing shall be held by an “Impartial Decision Maker”. An Impartial Decision Maker means a person or group of persons who do not have any direct personal or financial interest in the outcome of the hearing. A person does not have a direct personal or financial interest if they will not receive any greater benefit or detriment from the outcome of the hearing than will the general membership of the Association. The Board of Managers, or a Board appointed committee, which may consist of one or more Board members, may act as an Impartial Decision Maker.

Section 3.7 Hearing. Each hearing shall be held at the time, place and date stated in the second notice, unless the Violator fails to respond or appear at the hearing. The Board may reschedule the hearing upon the Violator’s written request received at least 2 days prior to the hearing. At the beginning of each hearing, the Impartial Decision Maker shall identify the presiding officer. If only one person is acting as the Impartial Decision Maker, that person shall be the presiding officer. If two or more persons are acting as the Impartial Decision Maker, a majority of such persons shall elect a presiding officer, who shall introduce the case by describing the alleged violation. The presiding officer shall determine the procedure to be followed during the hearing, subject to the following:

- a. The presiding officer may impose rules of conduct as may be appropriate under the circumstances.
- b. Each party or designated representative may make an opening statement, present evidence and witness testimony, and make a closing statement.
- c. Neither the Complainant nor the alleged Violator is required to be in attendance at the hearing.
- d. Unless the Board determines otherwise, all hearings will be open to attendance by all Owners.
- e. The Impartial Decision Maker’s decision, either for or against the Violator, will be by a majority of the persons acting as the Impartial Decision Maker.
- f. The Impartial Decision Maker shall base its decision solely on matters set forth in the Complaint, the Violator’s written response, if any, results of the investigation and such other credible evidence presented at the hearing.
- g. The Impartial Decision Maker may give its decision at the conclusion of the hearing, and shall give written notice of its decision as set forth below.

h. Failure to strictly follow the hearing procedure set forth above will not constitute grounds for appeal of the hearing committee’s decision absent a showing of denial of due process.

i. No hearing shall be necessary if the Violator does not appear at the hearing or respond to the complaint in writing, and the Violator’s failure to appear or respond shall constitute a waiver of the right to a hearing and a plea of no contest.

Section 3.8 Notification of Decision. Whether or not a hearing is held, the Impartial Decision Maker shall, within ten (10) days of the hearing date, provide written notice of its decision to the Violator’s last known address by registered or certified mail, and by e-mail if the Violator has registered an e-mail address.

Section 3.9 Appeals. The Violator may file a written appeal of the Impartial Decision Maker’s decision to the Board within 10 days of the written notice of the decision.

Section 3.10 Fine Schedule. The following fine schedule applies to all recurring covenant violations:

	<u>Separate Violation</u>	<u>Continuous Violation</u>
First violation	\$ 50.00	\$50 per day
Second violation	\$ 100.00	\$50 per day
Third violation	\$ 250.00	\$75 per day
Habitual	\$ 500.00	\$75 per day

Section 3.11 Habitual Offenders. Any Owner committing three or more violations, that do not constitute Continuous Violations, in a twelve month period shall be a habitual offender. Fourth and subsequent violations by a habitual offender are subject to a \$500.00 fine. Habitual offenders may be immediately turned over to the Association’s attorney for appropriate legal action.

Section 3.12 Continuous Violations. Continuous Violations are violations of Owners obligations that are uninterrupted by time, as determined by the Board. Each day of non-compliance with such violations constitutes a separate violation. If an Owner is determined as having a Continuous Violation such Owner may be subject to a fine of \$50.00 for each day of the Continuous Violation, following one completion of the notice and hearing requirement as set forth above. Separate notice and hearing procedure is not required for an Owner to be subject to the daily fine for a Continuous Violation.

Section 3.13 Waiver of Fines. The Board of Managers may waive all, or any portion, of the fines if, in its sole discretion, such waiver is appropriate under the circumstances. Additionally, the Board may condition waiver of all or part of a fine upon the Violator coming into and staying in compliance with the Governing Documents.

Section 3.14 Other Enforcement Means. This fine schedule and enforcement process is adopted in addition to all other enforcement means that are available to the Association through the Governing Documents and Colorado law. The use of this process does not preclude the Association from using any other enforcement means.

Section 3.15 Attorney Fees. A Violator shall be responsible for the Association's reasonable attorney's fees and costs incurred incident to their violation of any provision of the Governing Documents or violation by any guest or occupant in the Violator's Lot. If either before or after the hearing it is determined that a Member has not committed any violation, the Association will not allocate to the Member's account any costs or attorneys' fees incurred in connection with the alleged violation.

ARTICLE IV

BOARD OF MANAGERS CODE OF CONDUCT - CONFLICT OF INTEREST POLICY

Section 4.1 Purpose. The Board of Managers has the authority and responsibility to make decisions for the benefit of the entire Project. The Board members shall maintain a high standard of ethical conduct in the performance of the Association's business so that the Owners maintain confidence in and respect for the entire Board.

Section 4.2 Act in the Best Interests of the Association as a Whole. Board members serve for the benefit of the entire Project, and must strive to do what is best for the Association as a whole. Board members may not use their positions as such for private gain, for example:

a. No Board member may solicit or accept, directly or indirectly, any gift, gratuity, favor, entertainment, loan, or any other thing of monetary value from a person who is seeking a contractual or other business or financial relationship with the Association.

b. No Board member may seek preferential treatment by the Board, any of its committees, or any contractors or suppliers.

c. No Board member may accept employment compensation, gifts or favors made with the intent of influencing a decision or action on any official matter.

d. No Board member may willingly misrepresent facts to advance a personal cause or influence the Project to advance a personal cause.

f. No Board member may use their position to enhance their or their employer's financial status through the use of certain contractors or suppliers.

The above examples are offered for illustration purposes only, and are not intended to be exclusive.

Section 4.3 Comply with Governing Documents and Relevant Law. Board members will make good faith efforts to make reasonable decisions that are consistent with the Governing Documents, and to be familiar with all such documents. Board members will likewise comply with and make decisions that are consistent with all applicable laws, including, but not limited to, refraining from discriminating against any person on the basis of race, color, religion, national origin, gender, family status, or mental or physical disability.

Section 4.4 Set High Standards for Themselves as Association Members. Board members will hold themselves to high standards as Association Members, and will comply with the provisions of the Governing Documents to the best of their ability.

Section 4.5 Work Within the Association's Framework and Refrain From Unilateral Action. Board members will work within the Association's framework and abide by the system of management established by the Governing Documents and the Board of Managers. The Board will conduct business in accordance with state law and the Governing Documents, and will act upon decisions duly made, and no Board member will act unilaterally or contrary to such decisions. Toward that end, no Board member will seek to have a contract implemented that the Board has not duly approved, nor promise anything the Board has not approved to any contractor, supplier, or otherwise.

Section 4.6 Professional Behavior. Board members will conduct themselves at all meetings, including Board, Member, and committee meetings, in a professional and businesslike manner. Personal attacks against other Board members, Members, residents, officers, management, or guests are not consistent with the best interests of the Project and will not be tolerated. Language at meetings will be kept professional. Though differences of opinion are inevitable, they must be expressed in a professional and businesslike manner.

Section 4.7 Confidentiality. Board members must at all times maintain the confidentiality of all legal, contractual, personnel, and management matters involving the Association. Board members must also maintain the confidentiality of the personal lives of other Board members, Members, residents, and management staff.

Section 4.8 Defamation. Board members may not engage in defamation, by any means, of any other Board member, Member, resident, or management staff member. Any Board member who engages in defamation will be acting outside the scope of his authority as a Board member.

Section 4.9 Harassment. Board members may not in any way harass, threaten, or otherwise attempt to intimidate any other Board member, Member, or resident. Any Board member who harasses, threatens, or otherwise attempts to intimidate other Members or residents will be acting outside the scope of his authority as a Board member.

Section 4.10 Interference with Management Staff and Contractors. No Board member may interfere with the duties of management staff or any contractor executing a contract in progress. All communications with contractors must go through designated Board members, or must otherwise be in accordance with Board policy.

Section 4.11 Use of Members' Keys. No Board member may use any Member's keys in any manner other than as outlined in the Association's official key policy, if any.

Section 4.12 Conduct Violations. Code of Conduct Violations will be brought to the Hearing Board, which may consist of designated Board members, the Association attorney, Manager, or accountant. A Board member that the Hearing Board determines has violated this Code of Conduct, following a hearing, shall be immediately removed from the Board of Managers. Additionally, any Board member in violation of this Code of Conduct agrees that the Board may seek injunctive relief against him or her after the hearing, or prior to the hearing if issuance of injunctive relief prior to such hearing is reasonably necessary. The Board member also agrees that the Association is relieved of posting bond as a condition to its injunctive remedy. Such Board member must pay the Board's attorney's fees incurred in any enforcement effort.

Section 4.13 Conflicting Interest Transactions.

a. Disclosure. Board members must immediately disclose to the Board of Managers any perceived or potential conflicting interest transaction regarding any aspect of the Association's business operations. The Board member must declare all material facts of the conflict in an open meeting, prior to any discussion or action on that issue. After making such declaration, the Board member may participate in the discussion but may not vote on that issue.

b. Definition. A conflicting interest transaction means a contract, transaction, or other financial relationship between the Association and a Board member or between the Association and a party related to a Board member, or between the Association and an entity in which a Board member is a Board member or officer or has a financial interest. The provisions of CCIOA and the Nonprofit Act will apply to all situations where a conflicting interest transaction is present.

c. No Loans. The Association may not make any loans to any Board member or officer.

ARTICLE V **CONDUCT OF MEETINGS**

Section 5.1 Member Meetings. Member meetings will be called pursuant to the Bylaws.

a. Notice.

i. In addition to any notice required in the Bylaws, notice of any Member meeting may be posted on the Association's website, if any. The notice must state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws, any budget changes, and any proposal to remove a Board member or officer.

ii. If any Member requests that the Association provide notice via electronic mail and has provided the Association with an electronic mail address, the Association, if it has the capability, will send notice of all Member meetings to the Member's email address at least forty-eight (48) hours prior to any meeting.

b. Conduct. The following rules of conduct and order will govern all Member meetings:

i. The President or Board designee will chair all Member meetings.
ii. All Owners and Persons who attend Member meetings will sign in, present any proxies and receive ballots as appropriate.

iii. Any Person desiring to speak must sign up on the list provided at check in and indicate if he or she is for or against an agenda item.

iv. Anyone wishing to speak must first be recognized by the Chair.

v. Only one Person may speak at a time.

vi. Each Person who speaks will first state his or her name and Unit address.

vii. Any Person who is represented at the meeting by another Person, as

indicated by a written instrument, will be permitted to have such Person speak for him or her.

viii. Those addressing the meeting will be permitted to speak, for the allotted time, without interruption from anyone as long as these rules are followed.

ix. Comments will be offered in a civilized manner and without profanity or personal attacks and will be relevant to the purpose of the meeting.

x. Each Person will have a maximum of three minutes to make a statement or to ask questions. The Board of Managers may decide whether or not to answer questions during the meeting. Each Person may only speak once. A speaker may not yield time to another individual. The Chair may increase or decrease the time limit if the change is uniform for all Persons addressing the meeting.

xi. All actions or decisions will require a first and second motion.

xii. Once a vote has been taken, there will be no further discussion regarding that topic.

xiii. The Association will keep minutes of actions taken.

xiv. Anyone disrupting the meeting, as determined by the Chair, will be asked to “come to order.” Anyone who does not come to order will be requested to immediately leave the meeting.

xv. The Chair may establish such additional rules of order as may be necessary from time to time.

c. Voting. All votes taken at Member meetings are subject to applicable provisions within the Governing Documents, and the following:

i. Neutral third party volunteers or randomly selected non-candidate Members will count ballots. The results of the vote will be reported without reference to names, addresses, or other identifying information. Current Board members or, in the case of a contested election for a Board position, candidates, may not count ballots.

ii. The individual(s) counting the ballots shall report the results of the vote to the Chair by indicating how many votes were cast for each candidate or how many votes were cast in favor and against any issue.

d. Proxies. Any Member may give written or electronically transmitted fax or e-mail proxies pursuant to C.R.S. § 7-127-203. *See Addendum.* The Secretary or Board designee shall review all proxies for the following:

i. Validity of the signature and date;

ii. Signatory’s authority to sign for the Lot Owner;

iii. Authority of the Lot Owner to vote;

iv. Conflicting proxies; and

v. Expiration of the proxy.

Section 5.2 Board Meetings. Board meetings will be called pursuant to the Bylaws.

a. Conduct. The rules of conduct for Member meetings will also govern all Board meetings, with Member comment as provided in subparagraph b below.

b. Member Input. After a motion and second has been made on any matter to be discussed, but prior to the Board’s vote, present Members will be afforded an

opportunity to speak, for the allotted time as determined by the Board of Directors, on the motion as follows:

i. Upon the Chair's request, Members who wish to speak in favor or against the motion may indicate their interest by a show of hands. The Chair will then determine a reasonable number of Persons who will be permitted to speak in favor of and against the motion and for how long each Person will be permitted to speak. The Chair shall also announce the procedure for who shall be permitted to speak if not everyone desiring to speak will be permitted to speak.

ii. Following Member input, the Chair will declare Member input closed and no further Member participation on the motion at hand will be allowed unless a majority of the Board votes to open the discussion to further Member participation.

ARTICLE VI **COLLECTION OF UNPAID ASSESSMENTS**

Section 6.1 Purpose of the Collection Policy. One of the many advantages of living in a community association is sharing the costs of certain maintenance, repairs, and amenities that are often too expensive for a single Owner. All Owners are legally bound to share those costs. It is imperative for the proper maintenance of the Association's Common Elements that all Common Expense assessments be paid in full and on time. Delinquencies throw the Association's entire budget off course and negatively affect all Owners' property values and lifestyles. To adequately maintain the Project, state statutes and the Governing Documents give the Board of Managers the authority to impose and collect assessments and other allowable charges from Owners. In fact, the Board owes a duty to all Owners to make sure everyone pays. The Board has adopted the following policy to fulfill its duty in a fair, systematic, and impartial manner.

Section 6.2 Common Expenses. Common Expenses are the Association's expenses and liabilities including allocations for reserves. Common Expenses include expenses of administration, operation and management of the Association including, without limitation, the expense of maintenance, repair or replacement of the Common Elements; expenses declared Common Expenses by the Governing Documents; and expenses agreed upon as Common Expenses by the Owners. Common Expenses are funded by assessments levied against the Units as provided in the Declaration including annual assessments, special assessments, specific assessments and default assessments for rules violation fines, late fees, Common Element repairs, attorney fees, interest, or other charges imposed under the Governing Documents.

Section 6.3 When Common Expenses Are Due. Each Owner's annual assessment is due in advance on the first day of each year. Owners may pay their annual assessments in equal quarterly installments, which are due on the first day of each quarter. Payments of other Common Expenses are due thirty (30) days after the mailing of notice of Owners' obligation to pay, unless otherwise stated. If an Owner does not pay in full any Common Expense by its due date that payment is delinquent.

Section 6.4 Where to Send Payment. Deliver all payments to the Association as follows:

Snowdance Manor Condominium Association
P.O. Box 2590

Section 6.5 Collection Process.

a. Notice of Delinquency. After an assessment, or other charges due to the Association, becomes delinquent, the Board or the Manager will send a written notice of non-payment (the "Notice"). The Notice shall be in addition to, and not in lieu of, the periodic account statements sent to Owners, if any. The Notice will state:

- i.** The amount past due with an accounting showing the amount past due, interest, late fees, return check charges and any other amounts owed, and requesting immediate payment;
- ii.** The Association intends to file a lien;
- iii.** Who the delinquent Owner may contact to verify the amount past due;
- iv.** The Owner must cure the delinquency by payment of the amount owed either in a lump sum or under a payment plan pursuant to this Article, and who the Owner may contact regarding a lump sum payment or a payment plan;
- v.** How payments will be applied to the delinquency;
- vi.** If the Owner fails to cure the delinquency within 30 days of the notice the delinquent account may be turned over to the Association's attorney for collection; and
- vii.** A summary of the legal remedies available to the Association pursuant to the Governing Documents and Colorado law.

b. Final Demand. If an Owner fails to cure the delinquency within 30 days after the date of the Notice, the Manager may turn the account over to the Association's attorney for collection. Upon receiving the delinquent account, the Association's attorney may record a statement of lien, and shall send a final notice to the delinquent Owner demanding immediate payment for past due Assessments or other charges due (the "Demand"). If the delinquency is not resolved within 10 days of the Demand, and the Board complies with Section 6.15 below, the Association's attorney may file a lawsuit or pursue other remedies authorized by the Governing Documents and Colorado law. A delinquent Owner must pay reasonable attorney's fees the Association incurs together with costs, applicable interest and late fees, whether or not suit is initiated.

Section 6.6. Collection Remedies. The Association may take any or all of the following actions if an Owner's account is delinquent:

a. Late Fees and Interest. Each assessment, installment thereof, or other charge due to the Association, that is not paid in full within 30 days of its due date shall bear interest from the due date at the rate of **18%** per annum, and the delinquent Owner shall be assessed a late charge of **\$50.00** as liquidated damages for the Association's time, inconvenience, and overhead in collecting the late payment.

b. Returned Checks. Any Owner who writes a check to the Association that the Association's bank returns for any reason must pay the following charges:

- i.** A return check charge of **\$100.00** plus any related bank charges that the Association incurs because of the returned check; and

ii. If notice has been sent pursuant to C.R.S. § 13-21-109 and the total amount due set forth in that notice is not paid within fifteen (15) days after such notice is given, the Person issuing the check, draft or money order will be liable to the Association for collection of three (3) times the face amount of the check, but not less than \$100.00.

iii. If Owner writes two or more checks to the Association that the Association's bank returns for any reason within one fiscal year, the Association may require that Owner to pay Assessments for one fiscal year with certified funds.

c. Suspend Privileges. If an account is delinquent for more than 60 days, the Association may suspend the Owner's voting privileges.

d. Assignment of Rents. In the event of any delinquency, the delinquent Owner assigns all of the rental proceeds from their Unit to the Association. Upon written notice to the tenant occupying such Unit, the Association shall be entitled to collect all rent and other sums due under the rental agreement.

Section 6.7. Payment Plan. In compliance with C.R.S. § 38-33.3-316.3, the Association must make a good faith effort to set up a payment plan with a delinquent Owner prior to turning the Owner's delinquent account over to a third party debt collector or referring the account to an attorney for legal action. An Owner should contact the Manager to request a copy of their account balance ledger to confirm the amount of assessments owed or to set up a payment plan.

a. Requirements. A payment plan negotiated between the Treasurer, or Manager, and an Owner pursuant to this Section must permit the Owner to pay off the delinquency in equal installments over a period of at least six (6) months. The plan will also require the Owner to pay all periodic and other assessments as they become due during the term of the payment plan. A payment plan will contain the material terms as set forth in the template attached as Exhibit A to this Resolution, as may be amended to address the particular circumstances of the delinquency.

b. Default. The Association may pursue any collection remedy or legal action the Governing Documents authorize against an Owner who defaults on the terms of a payment plan entered into pursuant to this Section. An Owner will be in default of their payment plan if the Owner fails to timely pay an agreed upon installment, or if the Owner otherwise defaults under the terms of the payment plan.

c. Exceptions. The Association is not required to set up payment plans with an Owner who does not occupy the Unit and acquired the Unit as a result of a default of a security interest, or an Owner that has previously entered into a payment plan pursuant to this Section.

Section 6.8 Habitual Delinquency. An Owner that is more than 30 days delinquent on two or more assessment payments, or installment payments, in any 6 month period will be considered habitually delinquent. The Board of Managers may require habitually delinquent Owners to pay future assessments by Automated Clearing House (ACH) direct debit transfers or automatic Electronic Funds Transfer (EFT).

Section 6.9 Crediting Late Payments. All delinquent accounts remain delinquent until paid in full. Acceptance of partial payments will not waive the Association's right to pursue full payment or to enforce the provisions of this policy. The Association will apply partial

payments to the outstanding balance in the following order:

- a. Post judgment attorney's fees and costs;
- b. Post judgment interest;
- c. Amounts reduced to judgment;
- d. Late charges, returned check charges, lien fees, and any other fines or costs owing or incurred;
- e. Interest accrued on any unpaid post judgment assessments;
- f. Unpaid assessments, with payments applied to the oldest balance first; and
- g. Current assessments.

Section 6.10 Acceleration and Deceleration of Assessments.

a. **Acceleration.** The Board of Managers reserves the right to accelerate and call due the entire amount of any unpaid assessment, or other charge due to the Association, of any delinquent account. Such acceleration will result in the entire unpaid assessment being due to the Association immediately. The Board also reserves the right to decelerate an accelerated assessment.

b. **Deceleration.** The Board of Managers reserves the right to decelerate any unpaid assessment, or other charge due to the Association, of any delinquent account. Such deceleration may result in a delay or postponement of the applicable due date of the decelerated amount. The Board also reserves the right to accelerate a decelerated assessment.

Section 6.11 Working Capital. The Association may require each Owner, upon purchase of a Unit, to deposit into the Association's working capital fund an amount equal to the current annual assessment for the Unit to be held by the Association as an operational reserve. Payment of such amount shall not relieve an Owner of the obligation to pay any other Assessment as it becomes due. Upon transfer of a Lot, the transferring Owner shall not receive any portion of the working capital fund.

Section 6.12 Fee for Statement of Assessment. The Association may charge a fee of \$50.00 to furnish a statement of account requested pursuant to Article II § 2.6 above. If the account has been turned over to the Association's attorney, such request will be handled through the attorney.

Section 6.13 Bankruptcies and Foreclosures. Upon receipt of any notice of a bankruptcy filing by an Owner, or upon receipt of a notice of a foreclosure by any holder of an encumbrance against any Unit, the Manager will notify the Association's attorney of the same and turn the account over to the Association's attorney, if appropriate.

Section 6.14 Appointment of a Receiver. The Association may seek the appointment of a receiver if an Owner becomes delinquent in the payment of assessments pursuant to the

Declaration and Colorado law. A receiver is a disinterested Person, appointed by the Court, to manage the Unit including, without limitation, rental of the Unit, collection of rent and disbursements the rent according to the Court's order. The purpose of a receivership for the Association is to obtain payment of current assessments, reduce past due assessments, and prevent the waste and deterioration of the Property.

Section 6.15 Judicial Foreclosure. If the balance of the delinquent assessments and charges secured by the Association's lien equals or exceeds 6 months of Common Expense assessments based on the Association's duly adopted budget, the Association may foreclose its lien in lieu of or in addition to suing an Owner for a money judgment. The purpose of foreclosing is to obtain payment of all assessments owing in situations where either a money judgment lawsuit has been or is likely to be unsuccessful or other circumstances favor such action. With respect to such action:

a. The Board must formally resolve, pursuant to a recorded vote, to authorize the filing of a legal action against an Owner or a Unit or Lot.

b. The Board may not delegate its duty under this Section to any Manager, attorney, insurer, or other Person.

Section 6.16 Waivers. The Board, in its discretion, may extend the time for the filing of lawsuits and liens, or to otherwise modify these procedures, as necessary.

Section 6.17 Notices. The Association will cause a collection or demand letter or notice to be hand delivered or sent to a delinquent Owner at the registered or last known address by regular mail. The Association may, but is not required to send an additional copy of that letter or notice by e-mail or certified mail.

Section 6.18 Communication with Owners. All communication with a delinquent Owner will be handled through the Association's attorney once a matter is referred to the attorney. A Board member or Manager may not discuss the collection of the account directly with an Owner after it has been turned over to the Association's attorney unless the attorney is present or has consented to the contact.

Section 6.19 Defenses. The Association's failure to comply with any provisions in this policy is not a defense to payment of assessments, fees or other charges, interest, late charges, return check charges, attorney fees or costs as described and imposed in this policy.

ARTICLE VII **ADOPTION OF RULES, POLICIES, PROCEDURES OR GUIDELINES**

Section 7.1 Scope. The Board of Managers may, from time to time, adopt rules, policies, procedures or guidelines ("Policy" or "Policies") as necessary to facilitate the Association's efficient operation including, without limitation, clarification of ambiguous provisions in the Governing Documents, or as the law requires. In order to encourage Owner participation in Policy development and to ensure that such Policies are necessary and properly organized, the Board will follow the following procedures when adopting any Policy.

Section 7.2 Drafting Procedure. The Board of Managers will consider the following in drafting a Policy:

- a. Whether the Governing Documents or Colorado law authorize the Board to adopt the Policy.
- b. Whether the Policy makes sense, and is the least restrictive way to approach the issue.
- c. Whether the Governing Documents address the issue.
- d. Whether the Policy will be acceptable to Owners.
- e. Whether the Policy is enforceable.

Section 7.3 Notice and Comment. Notice of the proposed Policy may be provided to all Owners by US or electronic mail or hand delivery, or posted on the Association’s website, if any. Notice of the proposed Policy will also be given on the Board’s regular or special meeting agenda.

Section 7.4 Emergency. The Board of Managers may forego the notice and opportunity to comment in the event the Board determines in its sole discretion that providing notice and opportunity to comment is not practical given the emergency nature of such Policy.

Section 7.5 Adoption Procedure. After the period for Owner comment expires, the Board may adopt any Policy. Upon adoption of a Policy, the Board will provide Owners with the Policy or notice of such Policy, including the effective date, by any reasonable method, including but not limited to posting on the Association’s website (if any), e-mail or mailing.

Section 7.6 Policy Book. The Board of Managers will keep copies of any and all adopted Policies in a book together with all other Governing Documents.

ARTICLE VIII
DISPUTE RESOLUTION AND LIMITATION ON LITIGATION

The Association and its officers, Board members, and committee members, all Association members and persons subject to the Declaration and any person not otherwise subject to the Declaration who agrees to submit to this policy (collectively, the “Bound Parties”), agree that it is in the best interest of all concerned to encourage the amicable resolution of disputes involving the Association without the emotional and financial costs of litigation. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim described in Section 8.1, unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth below in good faith effort to resolve such Claim.

Section 8.1 Claims. As used in this Article VIII, the term “Claim” refers to any claim, grievance, or dispute arising out of or relating to:

- a. The interpretation, application, or enforcement of the Governing Documents;

b. The rights, obligations and duties of any Bound Party under the Governing Documents; or

c. The design, modification or construction of improvements within the Project, other than matters of aesthetic judgment, which shall not be subject to review;

Section 8.2 Exception to Definition of “Claim”. The following is not a “Claim” as contemplated in Section 8.1 above, unless all parties to the matter otherwise agree to submit the matter to the below procedures:

a. Any suit by the Association to collect assessments or other amounts due from any Owner;

b. Any suit by the Association to obtain a temporary restraining order (or emergency equitable relief) and such ancillary relief as the Court finds necessary in order to maintain the status quo and preserve the Association’s ability or to enforce the provisions of this Declaration upon determination that a violation exists;

c. Any suit between Owners, which does not include the Association as a party, if such suit asserts a Claim that would constitute a cause of action independent of the Governing Documents;

d. Any suit in which any indispensable party is not a Bound Party;

e. Any suit as to which any applicable statute of limitations would expire within 60 days of giving the Notice required to assert a claim, unless the party or parties against whom the Claim is made agree to toll the statute of limitations as to such Claim for such period as may reasonably be necessary to comply with this Article; and

f. Any Covenant or Rule Enforcement action by the Association as provided in Article III, except that prior to commencement of any civil action Mediation will occur as provided below.

Section 8.2 Dispute Resolution Procedures.

a. Notice. The Bound Party asserting a Claim (“Claimant”) against another Bound Party (“Respondent”) must give written notice to each Respondent and to the Board of Managers stating plainly and concisely:

i. The nature of the Claim, including the Persons involved and the Respondent’s role in the Claim;

ii. The legal basis of the Claim (*i.e.* the specific authority out of which the Claim arises);

iii. The Claimant’s proposed resolution or remedy; and

iv. The Claimant’s desire to meet with the Respondent to discuss in good faith ways to resolve the Claim.

b. Negotiation. The Claimant and Respondent will make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation.

If requested in writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the parties in negotiating a resolution of the Claim.

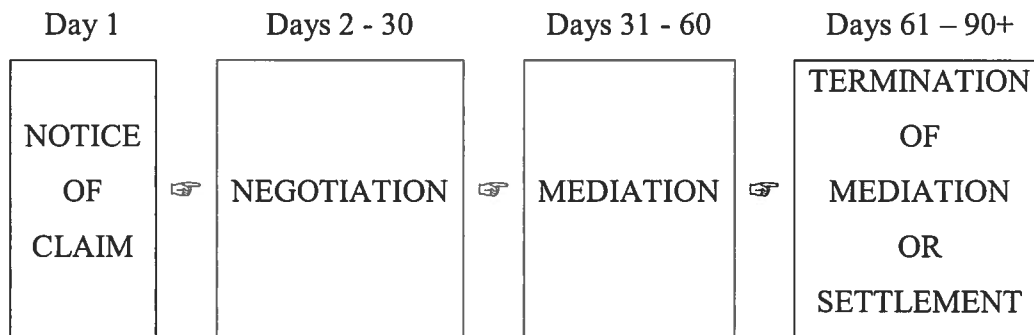
c. Mediation. If the parties have not resolved the Claim through negotiation within thirty (30) days of the date of the notice described in paragraph a above (or within such other period as the parties may agree upon), the Claimant will have 30 additional days to submit the Claim to mediation with an entity designated by the Association (if the Association is not a party to the Claim) or to an independent agency providing dispute resolution services in Colorado.

i. If the Claimant does not submit the Claim to mediation within such time, or does not appear for the mediation when scheduled, the Claim is waived, and the Respondent is relieved of any and all liability to the Claimant (but not third parties) on account of such Claim.

ii. If the Parties do not settle the Claim within 30 days after submission of the matter to mediation, or within such time as determined reasonable by the mediator, the mediator will issue a notice of termination of the mediation proceedings indicating that the parties are at an impasse and the date that mediation was terminated. The Claimant will then be entitled to file suit or to initiate administrative proceedings on the Claim, as appropriate.

iii. Each Party will bear its own costs of the mediation, including attorney's fees and each Party will share equally all mediator's fees.

d. Alternative Dispute Resolution Process



e. Settlement. Any settlement of the Claim through negotiation or mediation must be documented in writing and signed by the parties.

i. If any party thereafter fails to abide by the terms of such agreement, then any other party may file suit or initiate administrative proceedings to enforce such agreement without the need to again comply with the procedures set forth in this Section.

ii. If the party taking action to enforce the agreement or award prevails, they will be entitled to recover from the non-complying party (or if more than one non-complying party, from all such parties in equal proportions) all costs incurred in enforcing such agreement or award, including, without limitation, attorney's fees and court costs.

f. Litigation - Attorney Fees. If a lawsuit is initiated to enforce or defend any provision of CClOA, the Nonprofit Act or the Governing Documents, the court shall award the prevailing party reasonable attorney's fees and costs of collection. If an Owner prevails in any

civil action, the Association may not assess the successful litigant for the Association's attorney fees or costs incurred.

ARTICLE IX **COMPLIANCE POLICIES**

The policies adopted hereunder are adopted in conformity with CCIOA. It is the Association's intent that these policies and Colorado law will prevail over contrary provisions in the Governing Documents. The Association adopts the following policies with regard to the following items addressed in CCIOA:

Section 9.1 Patriotic and Political Expression. The Association may not prohibit any of the following:

a. An Owner's display of the American flag on their property, in a window of the Owner's residence, or on a balcony adjoining the Owner's property if the American flag is displayed in a manner consistent with the federal flag code, P.L. 94-344; 90 stat. 810; 4 U.S.C. 4 to 10. The Association may adopt reasonable rules regarding the placement and manner of display of the American flag. The Association rules may regulate the location and size of flags and flagpoles, but may not prohibit the installation of a flag or flagpole. Flags may not exceed three (3) feet by five (5) feet.

b. An Owner's display of a service flag bearing a star denoting the service of the Owner or a member of the Owner's immediate family in the active or reserve military service of the United States during a time of war or armed conflict, on the inside of a window or door of the Owner's residence. The Association may adopt reasonable rules regarding the size and manner of display of service flags; except that the dimension restrictions may not be less than nine (9) inches by sixteen (16) inches.

c. An Owner's display of a political sign in a window of their residence (political signs may not be placed on balconies); except that the Association may prohibit the display of political signs earlier than forty-five (45) days before the day of an election and later than seven (7) days after an election day. The Association must permit at least one (1) political sign per political office or ballot issue that is contested in a pending election, with the maximum dimensions of twenty-four (24) inches by thirty-six (36) inches and cannot exceed the size of the window, on an Owner's property. As used in this paragraph c, "political sign" means a sign that carries a message intended to influence the outcome of an election, including supporting or opposing the election of a candidate, the recall of a public official, or the passage of a ballot issue.

d. Reasonable modifications to a residence or to Common Elements as necessary to afford a person with disabilities full use and enjoyment of the property in accordance with the Federal "Fair Housing Act of 1968" and any other applicable state or federal statute.

Section 9.2 Parking of Emergency Vehicles. The Association may not prohibit the parking of a motor vehicle by a Unit occupant on a street, driveway, or guest parking area if the vehicle is required to be available at designated periods at the occupant's residence as a condition of employment and all of the following criteria are met:

- a. The vehicle has a gross vehicle weight rating of ten thousand pounds or less;
- b. The occupant is a bona fide member of a volunteer fire department or is employed by a primary provider of emergency firefighting, law enforcement, ambulance, or emergency medical services;
- c. The vehicle bears an official emblem or other visible designation of the emergency service provider; and
- d. Parking of the vehicle can be accomplished without obstructing emergency access or interfering with the reasonable needs of other Owners to use streets and driveways within the common interest community.

Section 9.3 Audit/Review.

a. Audit. The Association's books and records will be subject to an audit by an independent and qualified person selected by the Board, using generally accepted auditing standards, upon the following conditions:

- i. At the discretion of the Board; or
- ii. The Association has annual revenues or expenditures of at least two hundred fifty thousand dollars (\$250,000); and
- iii. One-third (1/3) of the Owners request an audit.

b. Review. The Association's books and records will be subject to a review by an independent and qualified person selected by the Board of Managers upon the conditions set forth below. The person selected to conduct a review need not be a certified public accountant, but must have a basic understanding of the principles of accounting as a result of prior business experience, education above the high school level, or bona fide home study, and shall use statements on standards for accounting and review services. A review will be conducted upon the following conditions:

- i. At the discretion of the Board; or
- ii. One-third (1/3) of the Owners request a review.

c. Accounting. The audit or review report shall cover the Association's financial statements, which shall be prepared using generally accepted accounting principles or the cash or tax basis of accounting as the Board of Managers elects to use.

d. Copies of Reports. Copies of an audit or review report will be made available 30 days after its completion to any requesting Owner.

Section 9.4 Fire Prevention. The Association may not adopt any regulation or take any action that prohibits or limits fire prevention efforts or otherwise conflicts with C.R.S. § 38-33.3-106.5.

Section 9.5 Xeriscape. The Association may not adopt any regulation or take any action that prohibits or limits xeriscape, prohibits or limits the installation or use of

drought-tolerant vegetative landscapes, or requires cultivated vegetation to consist exclusively or primarily of turf grass, all as more specifically set forth and defined in C.R.S. § 37-60-126.

Section 9.6 Energy Efficiency. The Association will not prohibit the use or installation of energy efficient measures as provided in C.R.S. § 38-33.3-106.

ADDENDUM

To review the Colorado Common Interest Community Ownership Act. C.R.S. § 38-33.3-101 et seq.; Conflicting Interest Transactions, C.R.S. § 7-128-501; or Proxies, C.R.S. § 7-127-203, or any other statute reference above use the following link:

<http://www.lexisnexis.com/hottopics/colorado/>

**CERTIFICATE OF THE OFFICERS
OF
SNOWDANCE MANOR CONDOMINIUM ASSOCIATION**

The undersigned President and Secretary of the Association do hereby certify that the above Resolution to Adopt Responsible Governance Policies and Procedures was duly adopted by the Board of Managers on the 25th day of April, 2019.

SNOWDANCE MANOR CONDOMINIUM ASSOCIATION

By: , President

Attest: , Secretary