

Association Annual Disclosure pursuant to §38-33.3-209.4(2), C.R.S.

Belle Terre Property Owners Association
Rue Riviere, Edwards CO 81632

Designated Agent:

Marchetti & Weaver, LLC
License # ENT1224
28 Second St, Suite 213, Edwards CO 81632
970-926-6060
Beth Johnston; bethj@mwcpaa.com; 970-926-6060 ext. 111

Amended and Restated Declaration recorded in Eagle County on January 4, 2018, Reception Number 201800141. First Amendment to Amended and Restated Declaration recorded in Eagle County on January 15, 2019, reception number 202000606.

- 1) Fiscal Year Commences: January 2020
- 2) Current Year Budget for: 2020
- 3) List of current Regular and Special Assessments, by unit type (may be included with budget)
 - a. Lot 1E and 1W 38.25% of total Annual Operating Assessment \$9139 each
 - b. Lot 2 23.5% of total Annual Operating Assessment \$5650
 - c. No Special Assessment levied for 2020 as of date of preparation
- 4) Prior Year Annual Financial Statements, including Reserve Funds, if applicable
- 5) Most Recent audit or financial review – no Audit or Financial review information available
- 6) Association Insurance Policies:

Insurer: State Farm Fire and Casualty Company 96-C2-R255-6 expires 1/14/2021
Please contact Insurance Agent Cathy Thompson for additional information on policy
- 7) Association Governing Documents (Article of Inc., Bylaws, Rules & Regulations)
- 8) Association Responsible Governance Policies under 38-33.3-209.5
 - i. Collections of unpaid assessments
 - ii. Handling of conflicts of interest involving board members
 - iii. Conduct of meeting
 - iv. Enforcement of covenants and rules
 - v. Inspection and copying of records by unit owners
 - vi. Investment of reserve funds
 - vii. Procedures for adoption of policies, procedures and rules
 - viii. Procedures for address disputed between Association and unit owners
 - ix. Reserve study requirements
- 9) Prior Year Minutes of Executive Board and Member meetings

Belle Terre Property Owners Association
Statement of Revenues, Expenses and Changes in Fund Balance
Actual, Budget and Forecast for the Periods Indicated

Inflation
3%

Operating Fund	Approved 2019 <u>Budget</u>	2019 <u>Forecast</u>	Prelim 2020 <u>Budget</u>	<u>2020 Budget Notes</u>
Revenues				
Operating Fund Assessment 1E (38%)	8,308	8,308	9,139	
Operating Fund Assessment 1W (38%)	8,308	8,308	9,139	
Operating Fund Assessment 2 (24%)	4,796.29	4,796	5,650	
Operating Assessment	21,412	21,417	23,928	increase to cover expens
Special Assessment			0	
Interest Income	0	0	0	
Other Income (late fees, violation fines, etc.)	0	0	0	
Total Revenues	21,412	21,417	23,928	
General & Admin Expenses				
Accounting	1,600	1,600	1,650	
Tax Return Preparation	500	0	400	
Administration & Management	400	794	818	
Bank & Office Expenses	200	150	200	
License Fees, Permits, Dues	0	30	40	
Insurance Expense	813	625	656	saly + 5% increase
Legal & Professional Fees	125	250	258	
Miscellaneous Expenses	0	0	0	
Total G&A Expenses	3,638	3,449	4,022	
Operations & Maintenance Expenses				
Utility Building	240	240	247	electric
Snow Removal	1,200	1,300	1,500	per Ben
Tree Care	1,200	790	814	
Landscaping - Lawn Care & Mowing	4,306	7,668	7,898	bundled services
Landscaping - Flowers	3,386	1,693	1,744	
Landscaping - Shrub Pruning	60	0	0	included in Lawn Care
Sprinklers - Start Up & Berm	175	0	0	included in Lawn Care
Sprinklers - Winterization	197	0	0	included in Lawn Care
Sprinklers - Inspections	1,000	0	0	included in Lawn Care
Sprinklers - Flower Drip Boxes	240	0	0	included in Lawn Care
Landscaping at Hydrant	180	0	0	included in Lawn Care
Back Flow Valve	90	0	150	
Water for Irrigation	5,500	3,884	5,000	per Ben
Repairs and Maintenance	0	3,375	750	sewer pump service
Contingency	0	0	1,803	unexpected expense
Total Operations & Maintenance Exp	17,774	18,950	19,906	
Total Expenditures	21,412	22,399	23,927	
Revenue Over (Under) Expenditures	0	(982)	1	
Beginning Fund Balance	0	0	(982)	
Ending Fund Balance	0	(982)	(981)	

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No assurance is provided on these financial statements; substantially all disclosures required by GAAP or

Belle Terre Property Owners Association
Statement of Revenues, Expenses and Changes in Fund Balance
Actual, Budget and Forecast for the Periods Indicated

Printed: 03/21/20

Inflation
3%

Operating Fund	Approved	Forecast	12 Mo		12 Mo		Prelim	2020 Budget Notes
	2019	Variance	2019	Ended	Ended	Variance		
	Budget	Favorable	Forecast	12/31/19	12/31/19	Favorable	2020	
		(Unfavor)		Actual	Budget	(Unfavor)	Budget	
Revenues								
Operating Fund Assessment 1E (38%)	8,308		8,308				9,139	
Operating Fund Assessment 1W (38%)	8,308		8,308				9,139	
Operating Fund Assessment 2 (24%)	4,796		4,796				5,650	
Operating Assessment	21,412	5	21,417	21,417	21,412	5	23,928	increase to cover expens
Special Assessment		0		0	0	0	0	
Interest Income	0	0	0	0	0	0	0	
Other Income (late fees, violation fines, etc.)	0	0	0	0	0	0	0	
Total Revenues	21,412	5	21,417	21,417	21,412	5	23,928	
General & Admin Expenses								
Accounting	1,600	0	1,600	1,600	1,600	0	1,650	
Tax Return Preparation	500	500	0	0	500	500	400	
Administration & Management	400	(121)	521	521	400	(121)	818	
Bank & Office Expenses	200	50	150	134	200	66	200	
License Fees, Permits, Dues	0	(30)	30	30	0	(30)	40	
Insurance Expense	813	188	625	625	813	188	656	saly + 5% increase
Legal & Professional Fees	125	(125)	250	250	125	(125)	258	
Miscellaneous Expenses	0	0	0	0	0	0	0	
Total G&A Expenses	3,638	462	3,176	3,160	3,638	478	4,022	
Operations & Maintenance Expenses								
Utility Building	240	10	230	229	240	11	247	electric
Snow Removal	1,200	(100)	1,300	600	1,200	600	1,500	per Ben
Tree Care	1,200	410	790	790	1,200	410	814	
Landscaping - Lawn Care & Mowing	4,306	(3,362)	7,668	7,668	4,306	(3,362)	7,898	bundled services
Landscaping - Flowers	3,386	1,693	1,693	1,693	3,386	1,693	1,744	
Landscaping - Shrub Pruning	60	60	0	0	60	60	0	included in Lawn Care
Sprinklers - Start Up & Berm	175	175	0	0	175	175	0	included in Lawn Care
Sprinklers - Winterization	197	197	0	0	197	197	0	included in Lawn Care
Sprinklers - Inspections	1,000	1,000	0	0	1,000	1,000	0	included in Lawn Care
Sprinklers - Flower Drip Boxes	240	240	0	0	240	240	0	included in Lawn Care
Landscaping at Hydrant	180	180	0	0	180	180	0	included in Lawn Care
Back Flow Valve	90	90	0	0	90	90	150	
Water for Irrigation	5,500	1,616	3,884	3,884	5,500	1,616	5,000	per Ben
Repairs and Maintenance	0	(3,375)	3,375	3,375	0	(3,375)	750	sewer pump service
Contingency	0	0	0	0	0	0	1,803	unexpected expense
Total Operations & Maintenance Exp	17,774	(1,166)	18,940	18,239	17,774	(465)	19,906	
Total Expenditures	21,412	(704)	22,116	21,399	21,412	13	23,927	
Revenue Over (Under) Expenditures	0	709	(699)	17	0	17	1	
Beginning Fund Balance	0	0	0	0	0	0	17	
Ending Fund Balance	0	709	(699)	17	0	17	19	

No assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

Belle Terre Property Owners Association	
Balance Sheet	Printed: 03/21/20
As of the Dates Indicated	
Operating Fund	12/31/19
Current Assets	
Cash - Operating Account	5,581
Total Cash	5,581
Accounts Receivable	0
Prepaid Expenses	625
Total Assets	6,206
Liabilities and Fund Equity	
Liabilities	
Accounts Payable	836
Deferred Revenue & Prepaid Assessments	0
Working Capital Deposits	5,353
Total	6,189
Fund Equity	
Operating Fund Balance	17
Total Fund Equity	17
Total Liabilities and Fund Equity	6,206
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No assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.



**State Farm®
Your Policies and Accounts
State Farm Agent - CATHY THOMPSON**

BELLE TERRE PROPERTY OWNERS ASSOCIATION INC

347 LAWTON HALL DR
MURRELLS INLT, SC 295766051
UNKNOWN

FIRE

* Premium amount(s) shown may not reflect all applicable taxes, charges, or recent policy changes. *

Policy Number:	F96 C2 R255 6	Inception Date:	1/14/2019	Term Premium:	625.00 *	
Associated Customer:	PRIMARY NAMED INSURED	BELLE TERRE PROPERTY OWNERS ASSOCIATION INC				
CONDOMINIUM ASSOCIATION					Term Start:	1/14/2020
2017 MASONRY 0004 UNIT CONDOMINIUM					Term End:	1/14/2021
Deductible: 1000 (POLICY LEVEL DEDUCTIBLE AMOUNT)						
COVERAGE	AUX STRUCT INCL. RECL BLDG.				10,300.00	
COVERAGE	LIABILITY COVERAGE				2,000,000.00	
COVERAGE	EMPLOYEE DISHONESTY				25,000.00	
COVERAGE	EXTERIOR SIGNS				2,500.00	
COVERAGE	PERSONAL PROPERTY				5,200.00	
COVERAGE	ACCOUNTS RECEIVABLE				50,000.00	
COVERAGE	COMPUTER PROP-LOSS INC/EXTR EXP				10,000.00	
COVERAGE	COMPUTER PROPERTY FORM				10,000.00	
COVERAGE	EQUIPMENT BREAKDOWN-W/O LOSS INC				20,700.00	
COVERAGE	MONEY & SECURITIES- OFF PREMISES				5,000.00	
COVERAGE	MONEY & SECURITIES- ON PREMISES				10,000.00	
COVERAGE	PROP. OFF PREMISE - INC. LIMIT				15,000.00	
COVERAGE	PROPERTY DAMAGE LEGAL				300,000.00	
COVERAGE	PROPERTY OF OTHERS				2,500.00	
COVERAGE	TREES, LAWNS, PLANTS AND SHRUBS				5,000.00	
COVERAGE	VALUABLE PAPERS				10,000.00	

This list contains only a general description of coverage for policy(s) known to be purchased at the time it is produced and may not refer to each specific coverage included in your policy. This list does not change the terms and condition of the actual policy. For terms and conditions of the policy(s) listed please refer to your actual policy language. This list is not proof of insurance and is not a contract of insurance.



CERTIFICATE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY)
03/31/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

PRODUCER: State Farm, Cathy Thompson, 27 Main St Unit 108, Edwards, CO 81632-8111. CONTACT NAME: Cathy Thompson, PHONE: (970) 926-1600, FAX: (970) 926-1658, E-MAIL: cathy.thompson.coq1@statefarm.com. INSURED: Belle Terre Property Owners Association Inc, 347 Lawton Hall Dr, Murrells Int, SC 29576-6051. INSURER(S) AFFORDING COVERAGE: State Farm Fire and Casualty Company, NAIC #: 25143.

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

LOCATION OF PREMISES / DESCRIPTION OF PROPERTY (Attach ACORD 101, Additional Remarks Schedule, if more space is required) REFER TO ACORD 101.

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Table with columns: INSR LTR, TYPE OF INSURANCE, POLICY NUMBER, POLICY EFFECTIVE DATE (MM/DD/YYYY), POLICY EXPIRATION DATE (MM/DD/YYYY), COVERED PROPERTY, LIMITS. Includes rows for PROPERTY, INLAND MARINE, CRIME, and BOILER & MACHINERY / EQUIPMENT BREAKDOWN.

SPECIAL CONDITIONS / OTHER COVERAGES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required) REFER TO ACORD 101.

CERTIFICATE HOLDER CANCELLATION

Certificate holder information: Marchetti & Weaver LLC, 28 Second Street, Suite 213, Edwards, CO 81632. Cancellation notice: SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE. IF SIGNATURE IS REQUIRED, PLEASE CONTACT AGENT.



ADDITIONAL REMARKS SCHEDULE

AGENCY Cathy Thompson		NAMED INSURED Belle Terre Property Owners Association Inc	
POLICY NUMBER 96-C2-R255-6			
CARRIER State Farm Fire and Casualty Company	NAIC CODE 25143	EFFECTIVE DATE: 01/14/2020	

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 24 **FORM TITLE:** Certificate of Property Insurance

Unit Owner:

Sample Certificate - Rue Riviere - Edwards, - CO - 81632 - Unit Loan Number:00000 - Number Of Units: 0004

Association Type: Residential Community Association Policy

Forms, Options and Endorsements:

CMP-4100 Businessowners Coverage Form
 FE-6999.2 Terrorism Insurance Cov Notice
 FE-3650 Actual Cash Value Endorsement
 CMP-4705.2 Loss of Income & Extra Expnse
 CMP-4710 Emp Dishonesty \$25,000

Forms, Options and Endorsements:

CMP-4550 Residential Community Assoc
 CMP-4206.1 Amendatory Endorsement
 CMP-4561.1 Policy Endorsement
 CMP-4508 Money and Securities

Coverages:

Business Liability \$2,000,000
 Medical Payments \$5,000
 Products-Completed Operations \$4,000,000
 General Aggregate \$4,000,000

Coverage

Unless otherwise endorsed, this policy provides replacement cost coverage on described property and common areas detailed within the Association bylaws including the following types of property within a unit, regardless of ownership:

1. Fixtures, improvements and alterations that are a part of the building or structure; and
2. Appliances such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping.

Replacement cost coverage is subject to the terms and conditions of the policy and any endorsements.

Coverage under this policy may have been modified to provide actual cash value coverage rather than replacement cost coverage, or to remove specified property from coverage, if any endorsement containing in its title "ACV" or "Actual Cash Value," or "Additional Property Not Covered" is identified on this Certificate of Insurance.

Endorsements: FE-3650, FE-3653, FE-3658, and FE-3659 (Actual Cash Value) - These endorsements describe what the term "actual cash value" means where used in the policy. **However, these endorsements do not change any replacement cost coverage provided by the policy.**

This policy provides coverage on a standalone/individual condominium association.

Commercial General Liability

State Farm refers to this coverage as Business Liability Coverage. Coverage amount shown is Per Occurrence.

Loss of Rents, Loss of Income and Extra Expense

If this coverage is shown, limits are "Actual Loss Sustained". Contact the agent to confirm the number of day's coverage.

New

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE OF DOCUMENT FILED

I, Jena Griswold, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office, the attached document is a true and complete copy of the

Articles of Incorporation

with Document # 20171737506 of
Belle Terre Property Owners Association, Inc.

Colorado Nonprofit Corporation

(Entity ID # 20171737506)

consisting of 3 pages.

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 01/14/2019 that have been posted, and by documents delivered to this office electronically through 01/15/2019@ 14:44:22.

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 01/15/2019 @ 14:44:22 in accordance with applicable law. This certificate is assigned Confirmation Number 11330486



Jena Griswold

Secretary of State of the State of Colorado

*****End of Certificate*****
Notice: A certificate issued electronically from the Colorado Secretary of State's Web site is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's Web site, <http://www.sos.state.co.us/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our Web site, <http://www.sos.state.co.us/> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."



Colorado Secretary of State
 Date and Time: 09/28/2017 01:52 PM
 ID Number: 20171737506
 Document number: 20171737506
 Amount Paid: \$50.00

Document must be filed electronically.
 Paper documents are not accepted.
 Fees & forms are subject to change.
 For more information or to print copies
 of filed documents, visit www.sos.state.co.us.

ABOVE SPACE FOR OFFICE USE ONLY

Articles of Incorporation for a Nonprofit Corporation
 filed pursuant to § 7-122-101 and § 7-122-102 of the Colorado Revised Statutes (C.R.S.)

1. The domestic entity name for the nonprofit corporation is Belle Terre Property Owners Association, Inc.
(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)

2. The principal office address of the nonprofit corporation's initial principal office is

Street address 175 Main Street
(Street number and name)

Suite C-109

Edwards CO 81632
(City) (State) (ZIP/Postal Code)

United States
(Province - if applicable) (Country)

Mailing address
(leave blank if same as street address)

(Street number and name or Post Office Box information)

(City) (State) (ZIP/Postal Code)

(Province - if applicable) (Country)

3. The registered agent name and registered agent address of the nonprofit corporation's initial registered agent are

Name
 (if an individual)

(Last) (First) (Middle) (Suffix)

OR

(if an entity) Stovall Associates, PC
(Caution: Do not provide both an individual and an entity name.)

Street address 175 Main Street
(Street number and name)

Suite C-109

Edwards CO 81632
(City) (State) (ZIP Code)

Mailing address

(leave blank if same as street address)

(Street number and name or Post Office Box information)

(City) CO _____
(State) (ZIP Code)

(The following statement is adopted by marking the box.)

- The person appointed as registered agent above has consented to being so appointed.

4. The true name and mailing address of the incorporator are

Name

(if an individual)

(Last) (First) (Middle) (Suffix)

OR

(if an entity)

Stovall Associates, PC

(Caution: Do not provide both an individual and an entity name.)

Mailing address

175 Main Street

(Street number and name or Post Office Box information)

Suite C-109

Edwards CO 81632
(City) (State) (ZIP/Postal Code)

(Province - if applicable) United States
(Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

- The corporation has one or more additional incorporators and the name and mailing address of each additional incorporator are stated in an attachment.

5. (If the following statement applies, adopt the statement by marking the box.)

- The nonprofit corporation will have voting members.

6. Provisions regarding the distribution of assets on dissolution:

To the Members proportioned to their membership interests.

7. (If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains additional information as provided by law.

8. (Caution: *Leave blank* if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)

The delayed effective date and, if applicable, time of this document is/are _____
(mm/dd/yyyy hour:minute am/pm)

Notice:

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes. This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered.

9. The true name and mailing address of the individual causing the document to be delivered for filing are

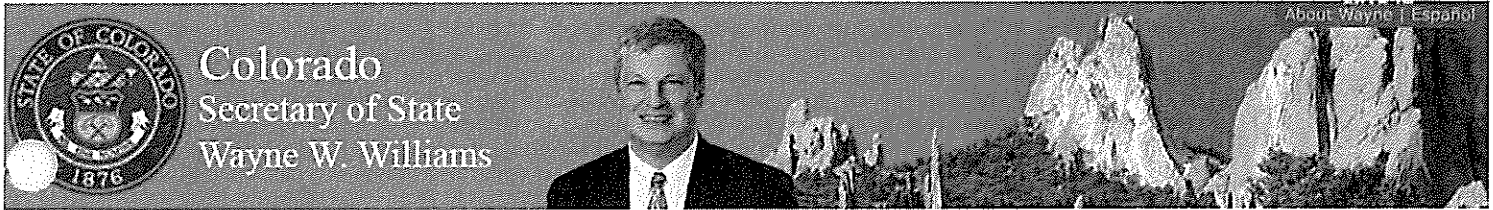
<u>Bechard</u>	<u>Jessica</u>		
(Last)	(First)	(Middle)	(Suffix)
<u>175 Main Street</u>			
(Street number and name or Post Office Box information)			
<u>Suite C-109</u>			
<u>Edwards</u>	<u>CO</u>	<u>81632</u>	
(City)	(State)	(ZIP/Postal Code)	
	<u>United States</u>		
(Province -- if applicable)	(Country)		

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

Disclaimer:

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).



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Summary

Details			
Name	Belle Terre Property Owners Association, Inc.		
Status	Good Standing	Formation date	09/28/2017
ID number	20171737506	Form	Nonprofit Corporation
Periodic report month	September	Jurisdiction	Colorado
Principal office street address	175 Main Street, Suite C-109, Edwards, CO 81632, United States		
Principal office mailing address	n/a		

Registered Agent	
Name	Stovall Associates, PC
Street address	175 Main Street, Suite C-109, Edwards, CO 81632, United States
Mailing address	n/a

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**BYLAWS
OF
BELLE TERRE PROPERTY OWNERS ASSOCIATION, INC.
A Colorado non-profit corporation**

THESE Bylaws of Belle Terre Property Owners Association, Inc. are made effective this __ day of January, 2018.

**ARTICLE 1
OFFICES**

The Belle Terre Property Owners Association, Inc. (the "Association") is a Colorado non-profit corporation, with its principal office located at 347 Lawton Hall Drive, Murrells Inlet, South Carolina 29576. The Association may also have other offices and may carry on its purposes at such other places within and outside the State of Colorado as the Executive Board may from time to time determine.

**ARTICLE 2
DEFINITIONS AND ASSENT**

Section 2.1 Definitions. The definitions contained in the Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements for Belle Terre Subdivision ("Declaration"), as amended from time to time and recorded in the office of the Clerk and Recorder of Eagle County, Colorado, shall apply to these Bylaws, and all capitalized terms not otherwise defined in these Bylaws shall have the same meaning as defined terms used in the Declaration or the Colorado Common Interest Ownership Act, C.R.S. §38-33.3-101 *et seq.* (the "Act").

Section 2.2 Assent. All present or future Owners, their families, present or future tenants, and their guests and invitees, and any other person using the facilities of the Property as legally described in the Declaration in any manner are subject to the Governing Documents, including these Bylaws. The acquisition, rental or occupancy of any of the Lots shall constitute acceptance and ratification of these Bylaws and shall signify that they will be complied with by such person or entity.

**ARTICLE 3
MEMBERSHIP, VOTING, QUORUM AND PROXIES**

Section 3.1 Membership and Voting.

3.1.1. *General*. The Association shall be a membership corporation without certificates or shares of stock. The Association shall have one (1) class of voting membership consisting of all Owners. The Owner(s) of Lot 1 E and Lot 1 W shall have two (2) votes each. The Owner of Lot 2 shall have one (1) vote. The Owner of Lot 3 shall have one (1) vote. However, if Lot 3 is subdivided into two properties (Duplex) the Owner of each Lot shall

have one (1) vote. The vote for each such Lot shall be exercised by the Owner or an authorized person appointed by proxy in accordance with these Bylaws and the Colorado Revised Nonprofit Corporation Act, C.R.S. § 7-121-101 *et seq.*

3.1.2. *Ownership by Entity or more than One Owner.* Should the Owner not be a natural person (i.e., an estate or trust, corporation, partnership, limited liability company, or other entity), a natural person shall be appointed as the authorized representative of the Owner and the Owner may only vote through the authorized representative. The authorized representative may be elected to the Executive Board. When more than one person holds an interest in any Lot, all such persons shall be Members of the Association; however, one owner shall be designated with the voting authority by proxy as the voting member. In the absence of a proxy, the vote allocated to the Lot shall be suspended in the event more than one person or entity seeks to exercise the right to vote on any one matter.

3.1.3. *Notice to Secretary.* The assignment of voting right by proxy or authorization of a person to vote as provided herein, shall be furnished to the Secretary of the Association prior to any meeting in which the voting right is exercised. In no event shall more than one vote be cast with respect to any one Lot.

3.1.4. *Cessation of Ownership.* Membership shall terminate automatically, without any Association action, whenever an Owner ceases to own a Lot. Termination of membership shall not relieve or release any former Owner from any liability or obligation incurred by virtue of, or in any way connected with, ownership of a Lot, or impair any rights or remedies which the Association or others may have against such former Owner arising out of, or in any way connected with, such membership.

Section 3.2 Quorum. Except as otherwise provided in these Bylaws or in the Declaration, the presence in person or by proxy of fifty-seven percent (57%) of the votes entitled to be cast at such meeting shall constitute a quorum.

Section 3.3 Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting. All proxies must be in writing and may be either general with an expiration date not to exceed twelve (12) months or be specific for a particular meeting. A proxy holder need not be an Owner.

Section 3.4 Majority Vote. Unless a different percentage is required by law, the Declaration, the Articles of Incorporation, or these Bylaws, the affirmative vote of more than fifty percent (50%) of the votes represented at a meeting duly called and convened at which a quorum is present shall be sufficient to adopt decisions binding on all Members.

ARTICLE 4 MEETINGS

Section 4.1 Annual Meeting. There shall be an annual meeting of the Members held at least once each year. The annual meeting shall be held at a time and date designated by the

Executive Board in each calendar year for the purpose of electing Directors and for the transaction of such other business as may come before the meeting.

Section 4.2 Special Meeting. Special meetings of the Members for any purpose other than those regulated by statute may be called by the President, by a majority of the Executive Board, or by petition of Owners having thirty percent (30%) of the votes in the Association.

Section 4.3 Notice of Meetings.

4.3.1. *Written Notice*. Not less than ten (10) nor more than fifty (50) days in advance of any meeting of the Lot Owners, the President or the Secretary shall cause notice to be hand-delivered, electronic mail, or sent postage prepaid by United States mail to the mailing address of each Lot or to any other mailing address appearing in the records of the Association as designated in writing by the Lot Owner. The notice shall 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 an officer or member of the Executive Board. The certificate by the President or Secretary that notice was duly given shall be prima facie evidence thereof.

4.3.2. *Physical Posting of Notice*. The notice of any meeting shall be physically posted in a conspicuous place on the Property; to the extent such posting is feasible and practicable. The posting shall be in addition to any other notice as provided herein.

4.3.3. *Electronic Posting or Electronic Mail Notices*. In addition to printed form, if electronic means are available and practicable, all notices and agendas required by this article shall also be given in electronic form, by posting on a website or otherwise. If such electronic means are available, the association shall provide notice of all regular and special meetings of Lot Owners by electronic mail to all Lot Owners who so request and who furnish the association with their electronic mail addresses.

4.3.4. *Members entitled to Notice*. The Executive Board may set a record date for determination of Members entitled to notice of and to vote at a meeting. If no such record date is set by the Executive Board, the date of mailing of the written notice of meeting shall for all purposes be deemed the record date for such meeting.

Section 4.4 Adjourned Meetings. If, at the time and place of meeting, a quorum is lacking, the chairman of the meeting, or the Members holding a majority of the votes present in person or by proxy, may adjourn the meeting from time to time until a quorum exists. At any adjourned meeting at which a quorum exists, any business may be transacted which might have been transacted at the original meeting.

Section 4.5 Waiver of Notice. Any Member may at any time waive any notice required to be given under these Bylaws, by statute or otherwise. The presence of a Member in person at any meeting of the members shall constitute a waiver, unless such presence is for the express purpose of objecting to the meeting for the reason that it was not lawfully called.

Section 4.6 Place of Meetings. The place for annual and special meetings shall be at the place designated by the Executive Board.

Section 4.7 Election of Directors. In the election of Directors by Owners, each Member shall have the right to vote the votes to which he is entitled for as many Directors as there are to be elected, and for whose election he is entitled to vote. Cumulative voting shall not be allowed.

Section 4.8 Secret Ballots for Election of Directors and Other Matters. Votes for positions on the Executive Board shall be taken by secret ballot for contested elections. A vote on any other matter affecting the common interest community on which all Lot Owners are entitled to vote shall be by secret ballot at the Board's discretion or if requested by thirty percent (30%) of Owners present at the meeting or represented by proxy. The secret ballots shall be counted by a neutral third party or committee of volunteer Owners who are not Board members and, in case of contested elections, candidates. The results of the vote shall be reported without reference to names, addresses, or other identifying information.

Section 4.9 Action of Members Without a Meeting. Any action required to be taken or which may be taken at a meeting of the Members may be taken without a meeting and by mail if authorized by a resolution of the Board of Directors. In the event that the Board submits a matter to vote without a meeting, the Secretary shall cause notice to be delivered as provided for notice of meetings with an explanation of the matter to be voted upon, a form of resolution approved by the Board, and a ballot to each Owner at the address shown upon the records of the Association. The notice shall state a date, not less than fifteen (15) nor more than forty (40) days from the date of mailing, by which the ballot must be returned to the Secretary and shall state the address to which the ballots shall be returned. Votes received after that date shall not be effective. Within five (5) days of the return date specified in the notice, the Secretary, in the presence of at least two members of the Board of Directors, shall open and count the ballots and shall certify the results of the vote in a notice to the Board and the members of the Association.

Section 4.10 Rules of Meetings. The Executive Board may prescribe reasonable rules for the conduct of all meetings of the Executive Board and Members and in the absence of such rules, Robert's Rules of Order shall be used.

Section 4.11 Right to Attend. All meetings of the Association and Board of Directors are open to every Lot Owner of the Association, or to any person designated by a Lot Owner in writing as the Lot Owner's representative. At an appropriate time determined by the Board, but before the Board votes on an issue under discussion, Lot Owners or their designated representatives shall be permitted to speak regarding the issue. The Board may place reasonable time restrictions on persons speaking during the meeting. If more than one person desires to address an issue and there are opposing views on that issue, the Board shall provide for a reasonable number of persons to speak on each side of the issue. An executive or closed door session may be held in the manner and on matters as provided by the Act.

ARTICLE 5

BOARD OF DIRECTORS

Section 5.1 Association Responsibilities. The Owners will constitute the Association, who will have the responsibility of governing the Property through a Board of Directors ("Board" or "Executive Board"). Determinations of the Executive Board shall be binding on all such Owners, subject to the right of Owners to seek other remedies provided by law after such determination by the Executive Board.

Section 5.2 Number and Initial Board. The affairs of this Association shall be managed by a Board of two (2) who shall be Members of the Association or the representatives of Members as provided in Section 3.1 above. The number of the Executive Board shall be established from time to time by amendment to these Bylaws. The current number of members of the Executive Board shall be two (2).

Section 5.3 Term of Office of Directors. The terms of office of the Directors on the initial Executive Board shall be staggered as follows:

- a) The term of office of the first elected Director shall expire at the next annual meeting after the one in which he/she was elected.
- b) The term of office of the second elected Director shall expire at the second annual meeting after the one in which he/she was elected.

Except for the first two Directors elected to the Executive Board, every Director appointed or elected to the Executive Board shall serve a term of two (2) years. At the expiration of the term of office of each respective Director, a successor shall be elected. The same person can hold consecutive terms and may be re-affirmed into office for a consecutive year by a vote. Each Director shall hold office until such Director's successor is elected by the Association and qualified.

Section 5.4 Removal of Directors; Vacancies. Directors may be removed and vacancies on the Executive Board may be filled as follows:

5.4.1. By the Members. Any Director may be removed, with or without cause, at any regular or special meeting of the Members by a vote of fifty-seven percent (57%) of the Members entitled to vote where a quorum is present. A Director whose removal is proposed by the Members shall be given notice of the proposed removal at least ten (10) days prior to the date of such meeting and shall be given an opportunity to be heard at such meeting. A successor to any Director removed may be elected at such meeting to fill the vacancy created by removal of the Director.

5.4.2. By the Executive Board. Intentionally Omitted.

5.4.3. Death, disability, resignation, or removal. In the event of the death, disability or resignation of a Director, the Executive Board may declare a vacancy, and the Executive Board may appoint a successor. Any successor appointed by the Executive Board shall serve for the remainder of the term of the Director replaced.

Section 5.5 Powers and Duties. The Executive Board shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of a first class residential project. The Executive Board may do all such acts and things as are not by law, the Act, the Articles, these Bylaws or the Declaration either prohibited or directed to be exercised and done by the Owners.

Section 5.6 Other Powers and Duties. The Executive Board shall be empowered and shall have the duties as follows:

5.6.1. to administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Declaration and in the Articles and these Bylaws;

5.6.2. to establish, make and enforce compliance with such reasonable rules and regulations as may be necessary for the operation, use and occupancy of the Lots and the Common Area with the right to amend same from time to time. Such rules and regulations may include provisions regarding the exclusion of any and all animals from the Property or the limitation and control thereof. A copy of such rules and regulations shall be delivered or mailed to each Owner promptly upon the adoption thereof;

5.6.3. to keep in good order, condition and repair the Common Elements, and all items of personal property owned by the Association, if any, and used in the enjoyment of the Property;

5.6.4. to obtain and maintain to the extent obtainable all policies of insurance required by the Declaration;

5.6.5. subject to the budgeting procedures contained in the Declaration, to periodically fix, determine, levy and collect the Assessments to be paid by each of the Owners towards the Common Expenses of the Association and to adjust, decrease or increase the amount of the Assessments, refund any excess Assessments to the Owners, credit any excess of Assessments over expenses and cash reserves to the Owners against the next succeeding assessment period, or place any excess Assessments into designated replacement reserves. Subject to restrictions set forth in the Act, to levy and collect Special Assessments in accordance with the provisions of the Declaration, whenever in the opinion of the Executive Board it is necessary to do so in order to meet increased operating or maintenance expenses or costs, or additional capital expenses, or because of emergencies. All Special Assessments shall be in statement form and shall set forth in detail the various expenses for which the Assessments are being made;

5.6.6. to impose penalties and collect delinquent Assessments by suit or otherwise, to collect costs and reasonable attorney's fees, and to enjoin or seek damages from an Owner as is provided in the Declaration;

5.6.7. to protect and defend the Property from loss and damage by suit or otherwise;

5.6.8. subject to restrictions set forth in the Act, to borrow funds and to give security therefor in order to pay for any expenditure or outlay required pursuant to the authority granted by the provisions of the Declaration or these Bylaws and to execute all such instruments evidencing such indebtedness as the Executive Board may deem necessary or desirable. Any such indebtedness shall be the obligation of the Lot Owner.

5.6.9. to enter into contracts within the scope of their duties and powers;

5.6.10. to establish bank accounts which are interest-bearing or non-interest bearing, as may be deemed advisable by the Executive Board;

5.6.11. to keep and maintain detailed, full and accurate books and records showing in chronological order all of the receipts, expenses or disbursements pursuant to appropriate specificity and itemization and to permit inspection thereof as is provided in the Declaration and these Bylaws;

5.6.12. to designate and remove the personnel necessary for the operation, maintenance, repair and replacement of the Common Area and the Exterior Maintenance Area;

5.6.13. to suspend the voting rights of an Owner for failure to comply with these Bylaws or the rules and regulations of the Association or with any other obligations of the Owners pursuant to the Declaration;

5.6.14. to buy or otherwise acquire, sell or otherwise dispose of, mortgage or otherwise encumber, exchange, lease, hold, use, operate and otherwise deal with and in, real, personal and mixed property of all kinds, and any right or interest therein, for any purpose of the Association, subject to the Declaration of the Association;

5.6.15. in general, to carry on the administration of the Association and to do all of those things necessary and/or desirable in order to carry out the governing and operating of the Property and to perform all other acts permitted under the Act.

Section 5.7 Manager. The Executive Board may employ for the Association a Manager (at a compensation established by the Executive Board) to perform such duties and services as it shall authorize. The Executive Board may delegate any of the powers and duties granted to it but, notwithstanding such delegation, shall not be relieved of its responsibility under the Declaration, the Articles or these Bylaws.

Section 5.8 Regular Meetings. Regular meetings of the Executive Board may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least two (2) meetings shall be held each fiscal year. Notice of regular meetings of the Executive Board shall be given to each Director and Owner personally, by mail, or by electronic mail, at least three (3) business days prior to the day named for such meeting. Agendas for regular meetings of the Executive Board shall be made reasonably available for examination by all Owners or their designated representatives.

Section 5.9 Special Meetings. Special meetings of the Executive Board may be called by the President, on his own initiative, on three (3) days' notice to each Director, given personally, by mail, or by electronic mail, which notice shall set forth the time, place and purpose of the meeting. Special meetings of the Executive Board shall be called by the President or Secretary in like manner and on like notice on receipt of a written request to call such a special meeting from at least one (1) Director.

Section 5.10 Waiver of Notice. Before or at any meeting of the Executive Board, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Executive Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Executive Board, no notice shall be required and any business may be transacted at such meeting.

Section 5.11 Executive Board's Quorum. At all meetings of the Executive Board, two Directors shall constitute a quorum for the transaction of business, or, if more Directors are on the Board, a majority of the number of Directors shall constitute a quorum. The acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Executive Board. If at any meeting of the Executive Board there be less than a quorum present, the majority of those present may adjourn the meeting from time to time for periods of no longer than one (1) week until a quorum is obtained or until a conclusion can be reached. At any such adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

Section 5.12 Compensation. The members of the Executive Board shall serve without salary or compensation. The Executive Board may employ professional consultants for the Association at a compensation established by the Executive Board. Insurance may be maintained by the Association to protect against dishonest acts on the part of its Directors, officers, trustees, employees, managers and on the part of all others who handle or are responsible for handling the funds belonging to or administered by the Association in an amount not less than what would constitute two quarters' current assessments plus reserves as calculated from the current budget of the Association.

Section 5.13 Informal Action by Directors. Any action required or permitted to be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors entitled to vote with

respect to the subject matter thereof. Such consent shall have the same force and effect as the unanimous vote of the Directors.

Section 5.14 Teleconference Meetings. Any regular or special meeting of the Executive Board may be conducted by teleconference, followed by minutes of such meeting, which shall be distributed to each Director. Any person may participate by teleconference and such participation shall constitute presence in person at the meeting.

Section 5.15 Executive Board Committees. The Executive Board may by resolution provide for such standing or special committees as it deems desirable, and discontinue the same at its pleasure. Each such committee shall have such powers and perform such duties, not inconsistent with law, as may be delegated to it by the Executive Board. Vacancies in such committees shall be filled by the Executive Board or as the Executive Board may provide.

Section 5.16 Conflicts of Interest.

5.16.1. DEFINITIONS.

5.16.1.1. "Conflicting interest transaction" means a contract, transaction, or other financial relationship between the Association and a Director, or between the Association and a party related to a Director, or between the Association and an entity in which a Director of the Association is a director or officer or has a financial interest.

5.16.1.2. "Director" means a member of the Association's Executive Board.

5.16.1.3. "Party related to a Director" means a spouse, a descendant, an ancestor, a sibling, the spouse or descendant of a sibling, an estate or trust in which the Director or a party related to a Director has a beneficial interest, or an entity in which a party related to a Director is a director or officer or has a financial interest.

5.16.2. POLICY.

5.16.2.1. Loans. No loans shall be made by the Association to its Directors or officers. Any Director or officer who assents to or participates in the making of any such loan shall be liable to the Association for the amount of the loan until it is repaid.

5.16.2.2. Any conflicting interest transaction on the part of any Director or party related to a Director shall be verbally disclosed to the other Directors in open session at the first open meeting of the Board of Directors at which the interested Director is present prior to any discussion or vote on the matter.

5.16.2.3. No conflicting interest transaction shall be void, voidable, or be enjoined by an Owner or on behalf of the Association if:

(i) The facts about the conflicting interest transaction are disclosed to the Board, and a majority of the disinterested Directors, even if less than a quorum, in good faith approves the conflicting interest transaction;

(ii) The facts about the conflicting interest transaction are disclosed or the Owners entitled to vote on the matter, and the conflicting interest transaction is authorized in good faith by a vote of the Owners entitled to vote on the matter; or

(iii) The conflicting interest transaction is fair to the Association.

5.16.2.4. Interested Directors may be counted in determining the presence of a quorum at a meeting of the Executive Board or of a committee that authorizes, approves or ratifies the conflicting interest transaction.

ARTICLE 6 OFFICERS

Section 6.1 General. The officers of the Association (who shall be elected from among the members of the Executive Board) shall be a President, a Secretary, and a Treasurer. The officers shall be elected by an affirmative vote of a majority of the members of the Executive Board. The terms shall be one-year terms and officers shall be elected annually by the Executive Board. The Executive Board may elect such other officers, assistant officers, committees and agents, including Vice President, Assistant Secretaries and Assistant Treasurers, as they may consider necessary or advisable, who shall be chosen in such manner and hold their offices for such terms and have such authority and duties as from time to time may be determined by the Executive Board. One person may simultaneously hold more than one office. In all cases where the duties of any officer, agent or employee are not prescribed by the Bylaws or by the Executive Board, such officer, agent or employee shall follow the orders and instructions of the President.

Section 6.2 Resignation and Removal of Officers. An officer may resign at any time by giving written notice of resignation to the Association. The Board may remove any officer at any time, either with or without cause, upon an unanimous vote of the Executive Board, and his successor elected at any regular meeting of the Executive Board or at any special meeting of the Executive Board called for such purpose.

Section 6.3 Vacancies. A vacancy in any office, however occurring, may be filled by an affirmative vote of a majority of the members of the Executive Board for the unexpired portion of the term.

Section 6.4 President. The President shall be the chief executive officer of the Association. He/She shall preside at all meetings of the Association and of the Executive Board. He/She shall have the general and active control of the affairs and business of the Association and general supervision of its officers, agents and employees. The President has the authority to

prepare, execute, certify and record documents reflecting amendment to the Declaration which is properly amended pursuant to the provisions of the Declaration.

Section 6.5 Vice Presidents. The Vice Presidents, if any, shall assist the President and shall perform such duties as may be assigned to them by the President or by the Executive Board. In the absence of the President, the Vice President elected by the Executive Board shall have the powers and perform the duties of the President.

Section 6.6 Secretary. The Secretary shall keep the minutes of the proceedings of the Members and the Executive Board. He/She shall see that all notices are duly given in accordance with the provisions of these Bylaws, the Declaration and as required by law. He/She shall be custodian of the corporate records and of the seal of the Association and affix the seal to all documents when authorized by the Executive Board. He/She shall keep at its registered office or principal place of business within or outside Colorado a record containing the names and registered addresses of all Members, the designation of the Lot owned by each Member, and, if such Lot is mortgaged, the name and address of each Mortgagee. He/She shall, in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him/her by the President or by the Executive Board. Assistant Secretaries, if any, shall have the same duties and powers, subject to supervision by the Secretary.

Section 6.7 Treasurer. The duties of a Treasurer may be assigned by the Board to an accountant or bookkeeper in lieu of electing a Treasurer. If elected, the Treasurer shall be the principal financial officer of the Association and shall have the care and custody of all funds, securities, evidences of indebtedness and other personal property of the Association and shall deposit the same in accordance with the instructions of the Executive Board. He/She shall receive and give receipts and acquittances for monies paid in on account of the Association, and shall pay out of the funds on hand all bills, payrolls and other just debts of the Association of whatever nature upon maturity. He/She shall perform all other duties incident to the office of the Treasurer and, upon request of the Executive Board, shall make such reports to it as may be required at any time. He /She shall, if required by the Executive Board, give the Association a bond in such sums and with such sureties as shall be satisfactory to the Executive Board, conditioned upon the faithful performance of this duties and for the restoration to the Association of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the Association. He/She shall have such other powers and perform such other duties as may be from time to time prescribed by the Executive Board or the President. The Assistant Treasurers, if any, shall have the same powers and duties, subject to the supervision of the Treasurer.

ARTICLE 7 INDEMNIFICATION

Section 7.1 Indemnification. The Association shall indemnify every Board Member or Officer, their respective successors, personal representatives and heirs, against all loss, costs and expenses, including attorneys' fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been

a Board Member or Officer, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable of negligence or misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of negligence or misconduct in the performance of his duty as such Board Member or Officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Board Member or Officer may be entitled. All liability, loss, damage, cost and expense incurred or suffered by the Association by reason of or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expenses; provided, however, that nothing herein shall be deemed to obligate the Association to indemnify any member or owners of a lot who is or has been a Board Member or Officer of the Association with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Declaration.

Section 7.2 Other. Contracts or other commitments made by the Board of Managers or Officer shall be made as an agent for the Association, and they shall have no personal responsibility on any such contract or commitment.

ARTICLE 8 AMENDMENT OF BYLAWS

Section 8.1 Amendment by the Members. These Bylaws may be amended by the affirmative vote of at least a majority of the votes in the Association present or represented by proxy at any regular or special meeting, provided that a quorum is present at any such meeting. However, notwithstanding the foregoing, no provisions of these Bylaws may be amended by a number of Owners which is less than the number of Owners that is required within that particular provision to take certain action. Amendments may be proposed by the Executive Board or by petition signed by the holders of at least a majority of the votes. A statement of any proposed amendment shall accompany the notice of any regular or special meeting at which such proposed amendment will be voted upon.

Section 8.2 Amendment by the Executive Board. These Bylaws may be amended by the unanimous vote of the Executive Board at any regular or special meeting, provided that a quorum is present at such meeting. A statement of any proposed amendment shall accompany the notice of any regular or special Executive Board meeting at which such proposed amendment will be voted upon. No amendment may be adopted by the Executive Board that conflicts with an amendment adopted by the Members. A bylaw that fixes a lesser or greater quorum requirement or a greater voting requirement for Members shall not be amended by the Executive Board.

Section 8.3 Scope of Amendments. These Bylaws may not be amended in a manner inconsistent with the Articles of Incorporation of the Association, the Declaration, or any applicable provision of Colorado law.

ARTICLE 9

GOVERNANCE POLICIES, EDUCATION, AND DISCLOSURES

Section 9.1 Governance Policies. To promote responsible governance in accordance with the Act and public policy, to the extent not covered in the Declaration or these Bylaws, the Association shall:

(a) Maintain accurate and complete accounting records on a cash or modified accrual basis; and

(b) Adopt policies, procedures, and rules and regulations concerning (See Policies and Procedures attached hereto as **Exhibit A**):

- i. Collection of unpaid assessments;
- ii. Handling of conflicts of interest involving board members;
- iii. Conduct of meetings, which may refer to applicable provisions of the nonprofit code or other recognized rules and principles;
- iv. Enforcement of covenants and rules, including notice and hearing procedures and the schedule of fines;
- v. Inspection and copying of association records by lot owners;
- vi. Investment of reserve funds;
- vii. Procedures for the adoption and amendment of policies, procedures, and rules; and
- viii. Disputes between owners and the association, encouraging alternative dispute resolution.

Section 9.2 Education and Training. As a Common Expense, the Board may authorize reimbursement of members of the Executive Board for their actual and necessary expenses incurred in attending educational meetings and seminars on responsible governance of lot owners' associations specific to Colorado. The Association shall also provide education to Owners, at no cost and on at least an annual basis, as to the general operations of the association and the rights and responsibilities of Owners, the Association, and its Executive Board under Colorado law. The criteria for compliance with this section shall be determined by the Executive Board.

Section 9.3 Availability of Documents and Financial Records.

The Association shall make available for inspection and copying, upon request, during normal business hours or under other reasonable circumstances, to Owners, Mortgagees, and to such authorized agents of any Owner, current copies of the Association Documents, financial records and financial statements of the Association. The Association may charge a reasonable fee for copying such materials. The Association shall maintain such books and records as may be required under the Act.

Section 9.4 Information to be made available.

Within ninety (90) days after the end of each fiscal year, the association shall make the following information available to Lot Owners upon reasonable notice and at no cost to the Owners:

- (a) The date on which its fiscal year commences;
- (b) Its operating budget for the current fiscal year;
- (c) A list, by lot type, of the association's current assessments, including both regular and special assessments;
- (d) Its annual financial statements, including any amounts held in reserve for the fiscal year immediately preceding the current annual disclosure;
- (e) The results of its most recent available financial audit or review;
- (f) A list of all association insurance policies, including, but not limited to, property, general liability, association director and officer professional liability, and fidelity policies. Such list shall include the company names, policy limits, policy deductibles, additional named insureds, and expiration dates of the policies listed.
- (g) All the association's bylaws, articles, and rules and regulations;
- (h) The minutes of the executive board and member meetings for the fiscal year immediately preceding the current annual disclosure;
- (i) The association's responsible governance policies adopted under the Act; and
- (j) A list of the Association's insurance and maintenance responsibilities related to the common elements, limited common elements, lots, owners' property, and owners' personal liability within lots.

Section 9.5 Method of Disclosure.

The disclosures shall be accomplished by one of the following means: Posting on an internet web page with accompanying notice of the web address via first-class mail or e-mail; the maintenance of a literature table or binder at the association's principal place of business; or mail or personal delivery. The cost of such distribution shall be accounted for as a common expense liability.

**ARTICLE 10
CORPORATE SEAL**

The Executive Board may provide a suitable corporate seal containing the name of the Association, which seal shall be in the custody and control of the Secretary. The corporate seal shall be circular and shall have inscribed thereon the name of the Association and the word

"Colorado" in the circle and the word "Seal" in the middle. If and when so directed by the Executive Board, a duplicate seal may be kept and used by such officer or other person as the Executive Board may name.

ARTICLE 11 MISCELLANEOUS

Section 11.1 Registration of Mailing Address and Voting Member. If a Lot is owned by two (2) or more Owners, such co-owners shall designate one (1) address as the registered address required by the Declaration and shall be the address of the designated "voting member." An Owner or Owners shall notify the Secretary of his or their (a) registered address within five (5) days after any transfer of title or change of address, and (b) "voting member" within five (5) days after any transfer of title or designation thereof. Such notice shall be written and signed by all of the Owners to which it relates or by such persons authorized to sign on behalf of such Owners.

Section 11.2 Notice to Association. Every Owner shall timely notify the Association of the name and address of any Mortgagee, purchaser, transferee or lessee of his Lot. The Association shall maintain such information at the office of the Association.

Section 11.3 Proof of Ownership. Every person becoming an Owner shall immediately furnish to the Executive Board a photocopy or a certified copy of the recorded instrument vesting in that person such ownership, which instrument shall remain in the files of the Association. A Member shall not be deemed to be in good standing nor shall he be entitled to vote at any annual or special meeting of Members unless this requirement is first met.

Section 11.4 Character of Association. This Association is not organized for profit. No Member, member of the Executive Board, officer or person for whom the Association may receive any property or funds shall receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of, any of the Executive Board, officers or Members, except upon a dissolution of the Association; provided, however, (1) that reasonable compensation may be paid to any Member, manager, Director, or officer while acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association, and (2) that any Member, manager, Director, or officer may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

Section 11.5 Fiscal Year. The fiscal year of the Association shall be determined by the Executive Board and shall be subject to change by the Executive Board as necessary.

Section 11.6 Annual Budget. Within ninety (90) days after the adoption of any proposed budget for the Association, the Executive Board shall mail, by ordinary first-class mail, or otherwise deliver a summary of the budget to all the Owners and shall set a date for a meeting of the Owners to consider ratification of the budget not less than ten (10) nor more than fifty (50)

days after mailing or other delivery of the summary. Unless at that meeting a majority of all Owners reject the budget via veto, the budget is ratified, whether or not a quorum is present. In the event that the proposed budget is rejected, the periodic budget last ratified by the Owners must be continued until such time as a subsequent budget proposed by the Executive Board is ratified. The Executive Board shall adopt a budget and submit the budget to a vote of the Owners as provided herein no less frequently than annually. The Executive Board shall levy, and assess the Association's annual Assessments in accordance with the adopted annual budget, or the budget last ratified as provided herein.

Section 11.7 Captions. The captions and headings in these Bylaws are for convenience only and shall not be considered in construing any provision of these Bylaws.

Section 11.8 Numbers and Genders. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting President of Belle Terre Property Owners Association, Inc., a Colorado nonprofit corporation; and

That the foregoing Bylaws constitute the original Bylaws of that Association, as duly adopted by written action of the Board on the 2 day of January, 2018.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 2 of January, 2018.

**BELLE TERRE PROPERTY OWNERS
ASSOCIATION, INC., a Colorado nonprofit
corporation**

By: 

M. Benfield Phillips, President

(Notary Acknowledgment to Follow)

STATE OF Colorado
COUNTY OF Eagle

)
)ss.
)

The foregoing was acknowledged before me this 2nd day of January, 2018, by M. Benfield Phillips, as President of Belle Terre Property Owners Association, Inc., a Colorado nonprofit corporation.

Witness my hand and official seal
My commission expires: Aug. 01, 2021

JESSICA L. BECHARD
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20134048064
COMMISSION EXPIRES AUG. 01, 2021

Jessica L. Bechard
Notary Public

SEAL

**FIRST AMENDMENT
TO
BYLAWS OF BELLE TERRE PROPERTY OWNERS ASSOCIATION, INC.**

This First Amendment to the Bylaws of Belle Terre Property Owners Association, Inc. (the "Association") is made effective as of the date of its recording in the real property records of Eagle County, Colorado (this "Amendment").

WITNESSETH:

WHEREAS, the Association has heretofore caused to be recorded the Bylaws of Belle Terre Property Owners Association, Inc. on January 4, 2016, at Reception No. 201800142, Eagle County Clerk and Recorder (hereinafter referred to as the "Bylaws"). Any capitalized term used herein without separate definition shall have the meaning ascribed to such term in the Bylaws;

WHEREAS, pursuant to Section 8.1 of the current Bylaws dated January 4, 2018, the Bylaws may be amended by vote of a majority of the votes in the Association as the votes are then allocated;

WHEREAS, as evidenced by the attached certification of the Secretary of the Association, the terms of this Amendment were unanimously approved by all Owners; and

WHEREAS, the Members by unanimous written action in lieu of meeting hereby amend the Bylaws as provided below.

NOW, THEREFORE, the Bylaws are hereby amended as follows:

1. Section 3.1.1 of the current Bylaws dated January 4, 2018 is hereby deleted in its entirety and, in lieu thereof, a new Section 3.1.1 is hereby inserted, reading as follows:

"Section 3.1.1 **Membership and Voting; General.** The Association shall be a membership corporation without certificates or shares of stock. The Association shall have one (1) class of voting membership consisting of all Owners. The Owner(s) of Lot 1 E and Lot 1 W shall have one (1) vote each. The Owner of Lot 2 shall have one (1) vote. The vote for each such Lot shall be exercised by the Owner or an authorized person appointed by proxy in accordance with these Bylaws and the Colorado Revised Nonprofit Corporation Act, C.R.S. § 7-121-101 et seq."

2. Section 3.2 of the current Bylaws dated January 4, 2018 is hereby deleted in its entirety and, in lieu thereof, a new Section 3.2 is hereby inserted, reading as follows:

"Section 3.2 **Quorum.** Except as otherwise provided in these Bylaws or in the Declaration, the presence in person or by proxy of sixty-six and 2/3rds percent (66.66%) of the votes entitled to be cast at such meeting shall constitute a quorum."

3. Section 3.4 of the current Bylaws dated January 4, 2018 is hereby deleted in its entirety and, in lieu thereof, a new Section 3.4 is hereby inserted, reading as follows:

"Section 3.4 **Majority Vote.** Unless a different percentage is required by law, the Declaration, the Articles of Incorporation, or these Bylaws, the affirmative vote of more than sixty-six and 2/3rds percent (66.66%) of the votes represented at a meeting duly called and

convened at which a quorum is present shall be sufficient to adopt decisions binding on all Members except those items in the Association documents which require unanimous consent.”

4. Section 4.2 of the current Bylaws dated January 4, 2018 is hereby deleted in its entirety and, in lieu thereof, a new Section 4.2 is hereby inserted, reading as follows:

“**Section 4.2 Special Meeting.** Special meetings of the Members for any purpose other than those regulated by statute may be called by the President, by a majority of the Executive Board, or by petition of Owners having thirty-three and one-third percent (33.33%) of the votes in the Association.”

5. Section 4.8 of the current Bylaws dated January 4, 2018 is hereby deleted in its entirety and, in lieu thereof, a new Section 4.8 is hereby inserted, reading as follows:

“**Section 4.8 Secret Ballots for Election of Directors and Other Matters.** Votes for positions on the Executive Board shall be taken by secret ballot for contested elections. A vote on any other matter affecting the common interest community on which all Lot Owners are entitled to vote shall be by secret ballot at the Board’s discretion or if requested by thirty-three and one-third percent (33.33%) of Owners present at the meeting or represented by proxy. The secret ballots shall be counted by a neutral third party or committee of volunteer Owners who are not Board members and, in case of contested elections, candidates. The results of the vote shall be reported without reference to names, addresses, or other identifying information.”

6. Section 5.2 of the current Bylaws dated January 4, 2018 is hereby deleted in its entirety and, in lieu thereof, a new Section 5.2 is hereby inserted, reading as follows:

“**Section 5.2 Number and Initial Board.** The affairs of this Association shall be managed by a Board of three (3) who shall be Members of the Association or the representatives of Members as provided in Section 3.1 above.”

7. Section 5.4.1 of the current Bylaws dated January 4, 2018 is hereby deleted in its entirety and, in lieu thereof, a new Section 5.4.1 is hereby inserted, reading as follows:

“**Section 5.4.1 Removal of Directors; By the Members.** Any Director may be removed, with or without cause, at any regular or special meeting of the Members by a vote of sixty-six and two thirds percent (66.66%) of the Members entitled to vote where a quorum is present. A Director whose removal is proposed by the Members shall be given notice of the proposed removal at least ten (10) days prior to the date of such meeting and shall be given an opportunity to be heard at such meeting. The successor to any Director removed shall be designated by the Owner of the respective Lot as Owner’s representative to fill the vacancy created by removal of the Director.”

8. Section 5.6.5 of the current Bylaws dated January 4, 2018 is hereby deleted in its entirety and, in lieu thereof, a new Section 5.6.5 is hereby inserted, reading as follows:

“**Section 5.6.5** Subject to unanimous consent of the Executive Board and the budgeting procedures contained in the Declaration, to periodically fix, determine, levy and collect the Assessments to be paid by each of the Owners towards the Common Expenses of the Association and to adjust, decrease or increase the amount of the Assessments, refund any excess Assessments to the Owners, credit any excess of Assessments over expenses and cash reserves to the Owners against the next succeeding assessment period, or place any excess Assessments into

designated replacement reserves. Subject to restrictions set forth in the Act, to levy and collect Special Assessments in accordance with the provisions of the Declaration, whenever in the opinion of the Executive Board it is necessary to do so in order to meet increased operating or maintenance expenses or costs, or additional capital expenses, or because of emergencies. All Special Assessments shall be in statement form and shall set forth in detail the various expenses for which the Assessments are being made. In the event that there is not unanimous consent of the Executive Board to approve a proposed budget then the prior periodic budget last approved must be continued until a subsequent proposed budget is properly approved;"

9. Section 5.6.13 of the current Bylaws dated January 4, 2018 is hereby deleted in its entirety and, in lieu thereof, a new Section 5.6.13 is hereby inserted, reading as follows:

"Section 5.6.13 INTENTIONALLY OMITTED"

10. Section 8.1 of the current Bylaws dated January 4, 2018 is hereby deleted in its entirety and, in lieu thereof, a new Section 8.1. is hereby inserted, reading as follows:

"Section 8.1 Amendment by the Members. These Bylaws may be amended by the affirmative unanimous vote of the votes in the Association by being present or represented by proxy at any regular or special meeting, provided that a quorum is present at any such meeting. Amendments may be proposed by the Executive Board or by petition signed by the holders of all of the votes in the Association. A statement of any proposed amendment shall accompany the notice of any regular or special meeting at which such proposed amendment will be voted upon."

11. Governing Law. This Amendment will be governed by and interpreted in accordance with the laws of the State of Colorado.

12. Counterparts. This Amendment may be executed in counterpart copies which, when taken together, will evidence the entire agreement of the parties.

13. Conflicts Between Documents. This Amendment hereby supersedes and controls over any contrary provision contained in the Declaration, Bylaws or Articles.

14. Effect. Except as specifically set forth in this Amendment, all the terms and provisions of the Bylaws remain unchanged and in full force and effect. This Amendment shall hereafter be interpreted for all purposes as part of the Bylaws.

IN WITNESS WHEREOF, the undersigned, Members of the Association, do hereby consent to these amendments and have executed these Amendments to the Bylaws as of the date recorded.

BELLE TERRE PROPERTY OWNERS ASSOCIATION, INC.
a Colorado nonprofit corporation

By: 

Member Name:

M BENTLER PHILLIPS

Lot: 1-E

By: 

Member Name:

GARY WASSERMAN

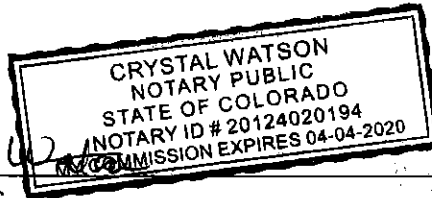
Lot: 1-W

STATE OF COLORADO)
)ss.
COUNTY OF EAGLE)

The foregoing instrument was acknowledged before me this 29th day of AUGUST, 2018, by M. BENFIELD PHILLIPS and by _____ as Members of Belle Terre Property Owners Association, Inc. a Colorado nonprofit corporation.

Witness my hand and official seal.

My commission expires: 04.04.2020



Crystal Watson
Notary Public

CERTIFICATION BY ASSOCIATION

I, GARY WASSERMAN as Secretary of Belle Terre Property Owners Association, a Colorado nonprofit corporation, do hereby certify that (a) I am the duly elected and acting Secretary of the Association, and (b) the above First Amendment to the Bylaws of Belle Terre Property Owners Association, Inc. has been duly approved by a majority of the Members.

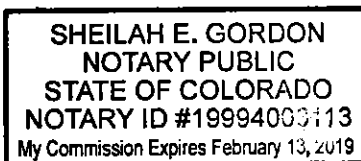
Gary Wasserman
GARY WASSERMAN, Secretary

STATE OF COLORADO)
)ss.
COUNTY OF EAGLE)

The foregoing instrument was acknowledged before me this 14 day of Jan, 2018, by Gary Wasserman as Secretary of Belle Terre Property Owners Association, a Colorado nonprofit corporation.

Witness my hand and official seal.

My commission expires: 2/13/2019



Sheilah E. Gordon
Notary Public

BELLE TERRE PROPERTY OWNERS ASSOCIATION, INC.

RULES AND REGULATIONS FOR OWNERS AND RESIDENTS

Common Assessments

If any installment (a) remains unpaid fifteen (15) days after the due date, then the Executive Board may assess a "late charge" on the installment in an amount of fifteen percent (15%) of the installment (or of the amount outstanding on such installment, if less) or such other charge as the Executive Board may fix by rule from time to time, and (b) remains unpaid thirty (30) days after the due date, then the Executive Board may also assess default interest equal to 1.5% of such assessment per month, or such other rate of default interest as the Executive Board may fix by rule from time to time, which default interest shall be imposed on the first day of each calendar month, so long as the assessment remains unpaid.. There will be a charge of \$20FOR EACH CHECK RETURNED and not paid by the Owner's bank for any reason.

General Common Areas

No personal property or article shall be stored on or in any of the general common areas; more specifically, NO FURNITURE, LUMBER, TOYS, BIKES, MOTORCYCLES, GARBAGE, GARBAGE CANS, SPARE TIRES, LOUNGE CHAIRS, ETC., are to be left unattended on any, sidewalks, driveways, or entrances, THESE COMMON AREAS ARE NOT STOARGE AREAS FOR PERSONAL PROPERTY

Limited Common Areas

Balconies, patios, terraces, and decks shall be used only for the purposes intended. Items acceptable to the Association for these areas include doormats, grills, cookery, seasonal outdoor furniture, and potted plants. The area is NOT FOR HANGING GARMENTS, RUGS, or LAUNDRY, nor will storage of items not listed in this section be permitted. It is the owner's responsibility to keep it in a neat and orderly fashion.

Installations

Residents cannot make installations, alterations, or additions to any part of the exterior of the project. This includes antennas or wiring. No air conditioner units or any other machines may protrude through walls, out windows, on balconies or roofs except as may be expressly authorized in writing by the Association.

Parking

No vehicle can park as to impede or prevent immediate access to any entrance or exit from the Community. The Association has the right to tow and/or fine the owners of obstructing vehicles. These parking regulations are for the convenience and safety of all residents. EMERGENCY VEHICLES MUST BE ABLE TO HAVE IMMEDIATE ACCESS TO THE BUILDING/UNITS AT ALL TIMES! Anyone found abusing these regulations will be fined by the Association up to \$500.00. Owners will be responsible for their tenants.

Garbage

Owners and Residents shall take all garbage out to Reserve Road for pick up. Garbage must be dropped off and picked up on the same day (i.e. bins may not be left on Reserve Road overnight). Owners and Residents shall use bear proof bins for all garbage removal.

Owner Responsibility

All owners will be held responsible for the actions of their renters. Any and all bills, fines, or damages including towing, ticketing, clean-up and dog charges incurred by the occupants of any unit will be billed back to the owner.

Short Term Rentals and Sublets

No Owners shall permit a rental for a period of less than 180 days.

No subletting shall be permitted.

The Board of Directors, Officers, and Managing Agent shall strictly enforce these rules and regulations, by the power invested them by the Articles or Declaration of Belle Terre Property Owners Association, Inc.

**POLICIES AND PROCEDURES
FOR
BELLE TERRE PROPERTY OWNERS ASSOCIATION, INC.**

The Colorado Common Interest Ownership Act (CCIOA), C.R.S. § 38-33.3-209.5, requires that associations adopt certain policies, procedures, and rules and regulations concerning the following:

- (I) Collection of unpaid assessments;
- (II) Handling of conflicts of interest involving board members;
- (III) Conduct of meetings;
- (IV) Enforcement of covenants and rules, including notice and hearing procedures and the schedule of fines;
- (V) Inspection and copying of association records by unit owners;
- (VI) Investment of reserve funds;
- (VII) Procedures for the adoption and amendment of policies, procedures, and rules;
- (VIII) Procedures for addressing disputes arising between the association and unit owners; and
- (IX) Procedures regarding reserve studies which shall be made in order to determine the life expectancy of those portions of the community which the Association is responsible for maintaining and to anticipate the costs of maintaining and replacing those areas in the future.

WHEREAS, the following policies and procedures have been duly adopted by the Belle Terre Property Owner's Association (the "Association"). The Policies and Procedures set forth below may be amended, modified, changed, deleted or added to by the Board of Directors or the Association.

I. Collection of Unpaid Assessments

The Association has adopted the following procedures and policies for the collection of assessments and other charges of the Association.

A. *Due Dates.* The annual assessment as determined by the Association and as allowed for in the Declaration shall be due and payable in (4) quarterly installments due on the first day of each quarter. Assessments or other charges not paid to the Association by the 10th day of the month in which they are due shall be considered past due and delinquent.

B. *Invoices.* The Association may, but shall not be required to invoice an Owner as a condition to an Owner's obligation to pay assessments or other charges of the Association. If the

Association provides an Owner with an invoice for quarterly installments of the annual assessments, although invoices are not required, the invoice should be mailed *or* sent to the owner between the 15th and 20th day of the month preceding each due date.

C. Late Charges Imposed on Delinquent Installments. A quarterly installment of the annual assessment shall be past due and delinquent if not paid within fifteen (15) days after the due date, then the Executive Board may assess a "late charge" on the installment in an amount of fifteen percent (15%) of the installment (or of the amount outstanding on such installment, if less) or such other charge as the Executive Board may fix by rule from time to time, and (b) remains unpaid thirty (30) days after the due date, then the Executive Board may also assess default interest equal to 1.5% of such assessment per month, or such other rate of default interest as the Executive Board may fix by rule from time to time, which default interest shall be imposed on the first day of each calendar month, so long as the assessment remains unpaid.

D. Interest. Delinquent assessments, fines or other charges due the Association shall bear interest at the rate of one and a half percent (1.5%) per month from the due date until paid. All late charges and interest charges shall be due and payable immediately, without notice, in the manner provided for payment of assessments.

E. Return Check Charges. In addition to any and all charges imposed under the Declaration and the Rules and Regulations of the Association, a fee of \$20.00 shall be assessed against an Owner in the event any check or other instrument attributable to or payable for the benefit of such Owner is not honored by the bank or is returned by the bank for any reason whatsoever, including but not limited to insufficient funds. Such return check charge shall be considered an assessment due and payable immediately, upon demand. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law. Returned check charges shall be effective on any payment of sums due under the Declaration and Rules and Regulations. If two or more of an Owner's checks are returned unpaid by the bank within any (fiscal) year, the Association may require that all of the Owner's future payments, for a period of one (1) year, be made by certified check or money order. This return check charge shall be in addition to any late fees or interest incurred by an Owner. Any returned check shall cause an account to be past due if full payment of the quarterly installment of the annual assessment is not timely made within 10 days of the due date.

F. Attorney's Fees on Delinquent Accounts. As an additional expense permitted under the Declaration, Articles and Bylaws, the Association shall be entitled to recover its reasonable attorney's fees incurred in the collection of assessments or other charges due the Association from a delinquent owner.

G. Collection Letters.

1. After an installment of the annual assessments or other charge due the Association, becomes 30 days past due, the Association may cause, but shall not be required to send, a collection letter to be sent to the Owners who are delinquent in payment.

2. Additionally, the Association may, but shall not be required to send a letter to the Owner advising that their account has been referred to the Association's attorneys for collection.

H. *Use of Certified Mail/Regular Mail.* In the event the Association shall cause a collection letter or notices to be sent to a delinquent Owner by regular mail, the Association may also cause, but shall not be required to send, an additional copy of that letter or notice by certified mail.

I. *Liens.* The Association may file a Notice of Lien against the property of any delinquent Owner in accordance with the terms and provisions of the Declarations, Articles and Bylaws.

J. *Referral of Delinquent Accounts to Attorneys.* The Association may, but shall not be required to refer delinquent accounts to its attorneys for collection. Upon referral to the attorneys, the attorneys shall take all appropriate action to collect the accounts referred. The Owner(s) of the Unit with the delinquent account shall be responsible for, and pay as an assessment on such Unit, any attorney's fees incurred in this instance.

K. *Referral of Delinquent Accounts to Collection Agencies.* The Association may, but shall not be required to refer delinquent accounts to one or more collection agencies for collection. Upon referral to a collection agency, the agency shall take all appropriate action to collect the accounts referred.

L. *Application of Payments.* All payments received on account of any Owner or the Owner's property (hereinafter collectively "Owner"), shall be applied to payment of any and all legal fees and costs (including attorney fees), expenses of enforcement and collection, late charges, returned check charges, lien fees, and other costs owing or incurred with respect to such Owner pursuant to the Declaration and Rules and Regulations, prior to application of the payment to any special or regular assessments due or to become due with respect to such Owner.

M. *Ongoing Evaluation.* Nothing in this procedure shall require the Association to take specific actions other than to notify Owners of the adoption of these procedures. The Association has the option and right to continue to evaluate each delinquency on a case by case basis.

II. Board Members' Conflicts of Interest

A. DEFINITIONS

1. "Conflicting interest transaction" means a contract, transaction, or other financial relationship between the Association and a Director, or between the Association and a party related to a Director, or between the Association and an entity in which a Director of the Association is a director or officer or has a financial interest.
2. "Director" or "Board Member" means a member of the Association's Executive Board.

3. "Party related to a Director" means a spouse, a descendant, an ancestor, a sibling, the spouse or descendant of a sibling, an estate or trust in which the Director or a party related to a Director has a beneficial interest, or an entity in which a party related to a Director is a director or officer or has a financial interest.

B. POLICY

1. Loans. No loans shall be made by the Association to its Directors or officers. Any Director or officer who assents to or participates in the making of any such loan shall be liable to the Association for the amount of the loan until it is repaid.
2. If any contract, decision, or other action taken by or on behalf of the Board would financially benefit any Director or Party related to a Director, then, in advance of entering into that contract, making the decision or taking the action, that interested Board Member shall declare at an open meeting of the Board, that a conflict of interest exists and shall describe in detail all of the particular facts of the conflict of interest.
3. After the interested Board Member makes such a declaration, the interested Board Member may participate in a discussion of the matter giving rise to the conflict of interest. However, the interested Board member may not vote on the issue giving rise to the conflict of interest.
4. Interested Directors may be counted in determining the presence of a quorum at a meeting of the Executive Board or of a committee that authorizes, approves or ratifies the conflicting interest transaction.
5. The conflicting interest transaction may not be void or voidable by an Owner or the Association if:
 - i. The facts about the conflicting interest transaction are disclosed to the Board, and a majority of the disinterested Directors, even if less than a quorum, in good faith approves the conflicting interest transaction;
 - ii. The facts about the conflicting interest transaction are disclosed to the Owners entitled to vote on the matter, and the conflicting interest transaction is authorized in good faith by a vote of the Owners entitled to vote on the matter; or
 - iii. The conflicting interest transaction is fair to the Association.

III. Conduct of Meetings

A. *Member Meetings.* All meetings of the Association are open to every Member, or to any person designated by a Member in writing as the Member's representative, and Members or designated

representatives so desiring shall be permitted to attend, listen, and speak at an appropriate time during the deliberations and proceedings.

B. *Executive Board Meetings.* All meetings of the Executive Board are open to every Member, or to any person designated by a Member in writing as the Member's representative. At an appropriate time determined by the Board, but before the Board votes on an issue under discussion, Members or their designated representatives shall be permitted to speak regarding the issue. The Board may place reasonable time restrictions on persons speaking during the meeting, to allow sufficient time for as many members as possible to comment within the time permitted. Unless otherwise determined by the President or acting chair, the time limit will be three minutes per member. Members will only be allowed to speak more than once at the discretion of the Board. If more than one person desires to address an issue and there are opposing views on that issue, the Board shall provide for a reasonable number of persons to speak on each side of the issue.

C. *Executive Session of Board.* Notwithstanding the foregoing, the Board or a committee thereof may hold an executive or closed door session and may restrict attendance to Board Members and other persons specified by the Board; provided that any such executive or closed door session may only be held in accordance with the provisions and requirements of CCIOA, as amended from time to time, or other applicable law. Matters for discussion by an executive or closed session are limited to:

- (1) Matters pertaining to employees of the association or the managing agent's contract or involving the employment, promotion, discipline, or dismissal of an officer, agent, or employee of the association;
- (2) Consultation with legal counsel concerning disputes that are the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client;
- (3) Investigative proceedings concerning possible or actual criminal misconduct;
- (4) Matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosure;
- (5) Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy;
- (6) Review of or discussion relating to any written or oral communication from legal counsel.

Prior to the time the members of the Board convene in executive session, the President or acting chair shall announce the general matter of discussion as enumerated in paragraphs (1) to (6) above. No rule or regulation of the Board shall be adopted during an executive session.

D. *Recording of Meetings.* Note taking is permitted, however, video or audio recording of all or any portion of any meeting by Members is prohibited.

E. *Member Conduct.* No Member is entitled to speak until recognized by the chair. There shall be no interruption of anyone who has been recognized by the chair, except by the chair. Specific time limits set for speakers shall be strictly observed. Personal attacks, whether physical or verbal, and offensive language will not be tolerated. All comments are to be directed to the chair and not other individual participants. All comments are to be restricted to the agenda item being discussed.

F. *Curtailment of Member Conduct.* Should the President or acting chair determine that any Member has spoken for the allocated amount of time or longer, or determine that the Member is in violation of the provisions of this policy, the President or acting chair shall have the authority to instruct that member to yield the floor, and that member will be obligated to comply with the President's or acting chair's instruction.

IV. Enforcement of Covenants and Rules

A. *Initial Warning Letter.* If the Board finds an Owner has committed a violation of any provisions of the Declaration, Bylaws or Rules, an initial warning letter shall be sent to the violator explaining the nature of the violation. The violator will be given a reasonable amount of time to comply based on the nature and severity of the violation, as determined in the sole discretion of the Executive Board.

B. *Notice of Violation.* Subsequent to the initial warning letter, should the Owner not cure the violation to the satisfaction of the Board, a Notice of Violation of any provisions of the Declaration, Bylaws or Rules shall be provided to the applicable Owner. The notice shall describe the nature of the violation, the fine and notice of the opportunity for a hearing and shall further state that the Board may seek to protect its rights as they are specified in the governing legal documents.

C. *Services of Notices.* Service of all notices required or permitted to be given hereunder shall be made as follows:

If to an Owner: By personal delivery to the Owner; or by U.S. Mail, postage prepaid, addressed to the last registered address of the Owner as contained in the Association's records.

If to the Association: By personal delivery or U.S. Mail, postage prepaid, addressed to the Association in care of its registered agent and office, as maintained with the Colorado Secretary of State or such other address as the parties may be advised of in writing.

Any notice personally delivered shall be deemed received on the date of delivery, and any notice mailed shall be deemed received on the fifth day following the date of mailing.

D. *Fines.* Any infraction of any covenant, rule or regulation in which a fine is not already specifically stated will result in a fine per day and/or occurrence according to the following schedule:

First violation:	Warning letter
Second violation (of same covenant or rule):	\$100.00
Third violation (of same covenant or rule):	\$500.00
Fourth and subsequent violations (of same covenant or rule):	\$1,000.00

OR a monthly fine to be imposed at the discretion of the Board if the nature of the violation is continuous.

Third and subsequent covenant violations may be turned over to the Association's attorney to take appropriate legal action.

After the violation has been cured by the Owner to the satisfaction of the Board, the per day fine will cease to accrue and remaining any unpaid balance, will be subject to a one and one-half (1 ½ %) monthly finance charge and may begin the date the charges are imposed.

E. *Request for Hearing.* In the event any Owner desires to attend a hearing or Board meeting to challenge or contest any alleged violation and possible fine, said Owner must, within 14 days from receipt of the Notice of Violation, request such hearing by notifying the Association, in writing, of such hearing request. In the event a proper and timely request for a hearing is not made as provided herein, the right to a hearing shall be deemed forever waived. If a hearing is not requested within the aforementioned 14-day period, the Board shall determine if there was a violation, and if so, may continue to assess a reasonable fine within the guidelines contained in these Rules, all within 60 days of the expiration of the aforementioned 14-day period. The fine assessment is due and payable immediately upon receipt of notice of the said assessment. The Association's managing agent shall give notice of said assessment to the applicable Owner as provided in these Policies and Procedures. In requesting a hearing before the Association, an Owner shall state and describe the grounds and basis for challenging or denying the alleged violation as well as such other information the Owner deems pertinent.

F. *Discovery.* Upon written request to the Association, not later than ten days prior to the date of hearing, the Owner shall be entitled to: (a) obtain the names and addresses of witnesses, to the extent known to the Association, and (b) inspect and make copies of any statements, writings and investigative reports relative to the case contained in the Association's records. Nothing in this section shall, however, authorize the inspection or copying of any writing or other thing which is privileged from disclosure by law or otherwise made confidential or protected, such as attorney work product.

G. *Board to Conduct Hearing.* The Board shall hear and decide cases set for hearing pursuant to these Policies and Procedures. The Board may appoint an officer or other Owner to act as the presiding officer (the "Presiding Officer") at any of the hearings.

H. *Conflicts.* It shall be incumbent upon each Board member to make a determination as to whether s/he is able to function in a disinterested and objective manner in consideration on each hearing before the Board. Any Board member incapable of objective and disinterested consideration on any hearing before the Association shall disclose such to the President of the

Association prior to the hearing on the case, if possible, or, if advance notice is not possible, then such disclosure shall be made at the hearing, and said Board member shall be disqualified from all proceedings with regard to the hearing. If disqualification of any Board member(s) results in an even number of remaining Board members eligible to hear a case, the Presiding Officer shall appoint an Association member, in good standing, to serve as a voting member of the hearing board.

I. *Hearing.* Each hearing shall be held at the scheduled time, place and date, provided that the Presiding Officer may grant continuances for good cause. At the beginning of each hearing, the Presiding Officer shall explain the rules, procedures and guidelines by which the hearing shall be conducted and shall introduce the case before the Board by Reading the notice of hearing. The general procedure for hearing shall consist of opening statements by each party; presentation of testimony and evidence, including cross-examination of witnesses by each party; and closing statements by each party. Notwithstanding the foregoing, the Board may exercise its discretion as to the specific manner in which a hearing shall be conducted and shall be authorized to question witnesses, review evidence and take such other reasonable action during the course of the hearing which it may deem appropriate or desirable to permit the Board to reach a just decision in the case. Rules of law regarding trials and presentation of evidence and witnesses shall be applicable to the hearing insofar as the Presiding Officer deems adherence to such rules of law to be in the interests of justice; provided that any relevant evidence should be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the course of serious affairs. The decision of the Board at each hearing shall be based on the matters set forth in the notice of hearing, request for hearing and such evidence as may be presented at the hearing. Unless otherwise determined by the Board of Directors, all hearings shall be open to attendance by all members of the Association.

J. *Decision.* After all testimony and other evidence have been presented to the Board at a hearing, the Board shall render its decision thereon within ten (10) days after the hearing. A decision, either a finding for or against the Owner, shall be by a majority of the Board. The Board shall issue written findings of fact and conclusions, and, if applicable, shall impose a reasonable fine as provided in the Association's Rules. The Board may also issue and present for recording with the Clerk and Recorder of Eagle County, Colorado, a notice of finding of violation. Upon satisfactory compliance with the Association's governing documents, the notice may be released by the Association issuing and recording a release of notice of findings of violations.

K. *Enforcement and Attorney's Fees.* In accordance with the Declaration, Bylaws and Rules, it is hereby declared to be the intention of the Association to enforce the provisions by of the Documents by any and all means available to the Association at law or in equity, and to seek recovery and reimbursement of all attorney's fees, Association expenses and costs incurred by the Association in connection therewith.

V. Inspection and Copying of Records

A. The Association shall keep as permanent records the following documents:

1. Minutes of all meetings of Owners and the Board.

2. A record of all actions taken by the Owners or the Board by written ballot or written consent in lieu of a meeting.
3. A record of all actions taken by a committee of the Board in place of the Board on behalf of the Association.
4. A record of all waivers of notices of meetings of Owners and of the Board or any committee of the Board.
5. A record of Owners in a form that permits preparation of a list of the names and addresses of all Owners, showing the number of votes each Owner is entitled to vote.

In addition to the above, the Association shall keep a copy of each of the following records at its principal office:

1. Articles of Incorporation, Declaration, Covenants and Bylaws.
2. Resolutions adopted by the Board.
3. The minutes of all Owners meetings and records of all actions taken by Owners without a meeting for the past three (3) years.
4. All written communications within the past three (3) years to Owners generally as Owners.
5. A list of the names and business or home addresses of the Association's current directors and officers.
6. The Association's most recent annual report.
7. All financial audits or reviews conducted pursuant to Section 38-33.3-303(4)(b) during the immediately preceding three years.

B. So the Association can have the desired books, records and personnel available, a written Notice of Intent to Inspect must be submitted to the Association's Manager or to the Board of Directors at least five (5) business days prior to the planned inspection. The Notice must describe with reasonable particularity which records are to be inspected and the purpose of the inspection. The Notice must be accompanied by the form attached hereto as Addendum A entitled "Agreement Regarding Inspection and Copying of Records of the Belle Terre Property Owners Association.

C. All records shall be inspected at the following location, between the hours of 9:00 a.m. and 5:00 p.m., Monday through Friday: Stovall Associates, P.C. 175 Main Street, C-109, Edwards, CO 81632.

D. At the discretion of the Association's Manager, certain records may only be inspected in the presence of a Board member or employee of the Manager. No records may be removed from the office without the express written consent of the Board of Directors. Further, if a Member requests to inspect records, the Association may photocopy and provide the requested records to the Member in lieu of the Member's inspection of the records if consented to by the Member.

E. The Association may charge a fee, not to exceed the Association's actual cost per page for copies of the Association records.

F. Consistent with individual member's right to privacy, attorney-client confidentiality and other considerations, the following records will not be made available without the express written consent of the Board of Directors:

1. Confidential personnel records.
2. Confidential litigation files and matters covering consultation with legal counsel concerning disputes that are subject of pending or imminent court proceedings or are privileged or confidential between attorney and client.
3. Files dealing with investigative proceedings concerning possible or actual criminal misconduct.
4. Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy.
5. Inter-office memoranda, preliminary data, working papers and drafts, and general information or investigations which have not been formally approved by the Board of Directors.

G. In determining whether records may be inspected, the Association shall consider among other things:

1. Whether the request is made, in good faith and for a proper purpose;
2. Whether the records requested are relevant to the purpose of the request;
3. Whether disclosure is for an illegal or improper purpose, or would violate a constitutional or statutory provision or public policy; and
4. Whether disclosure may result in an invasion of personal privacy, breach of confidence or privileged information as set forth above.

H. The Association reserves the right to pursue any individual for damages or injunctive relief or both, including reasonable attorney's fees, for abuse of these rights, including, but not limited to, use of any records for a purpose other than what is stated in the Notice of Intent to Inspect.

VI. Standard of Care for Directors Investing Reserve Funds.

A. Directors and officers must meet the standards of care outlined in the Colorado Revised Nonprofit Code when investing association reserve funds. The standards require directors and officers to act:

1. in good faith;
2. with the care an ordinarily prudent person in a like situation would exercise under similar circumstances; and
3. in a manner the director or officer reasonably believes to be in the best
4. interest of the association.

B. In discharging their duties, directors and officers may rely on other people on matters that the directors or officers reasonably believe are within that person's professional or expert competence.

VII. Adoption and amendment of policies, procedures, and rules.

The Executive Board may from time to time adopt and amend the policies, procedures and rules and regulations concerning the Community, except the new policy, procedure, rule or amendment shall not amend the terms of the Declaration which may only be amended as provided therein. Such amendments are valid and enforceable against an Owner only if:

- a. Their purpose is to promote the convenience, safety, or welfare of the Owners;
- b. They are reasonably related to the purpose for which they are adopted;
- c. They are not retaliatory or discriminatory in nature;
- d. They are sufficiently explicit in prohibition, direction, or limitation of the Owner's conduct to fairly inform him of what he must or must not do to comply.

In order to adopt or amend a policy, procedure, or rule and regulation, the Board shall approve the same in accordance with the Bylaws and send notice of the newly-adopted policy, procedure, rule and regulation to the Owners via first class mail or email (if the Owner has provided an email address to the Association). No policy, procedure, or rule and regulation shall be effective until sent to the Owners.

VIII. Alternative Dispute Resolution Policy

The Association hereby adopts the following policy regarding Alternative Dispute Resolution which is applicable except in the case of the Association's collection of assessments or enforcement of the covenants, bylaws, or rules and regulations of the Association by the Association:

A. *Meeting with Board.* In the event of any dispute involving the Association and an Owner, it is the intention of the Association to resolve the dispute informally and without the need for litigation. The Owner or the Association shall notify the other in writing of the claim, stating (i) the nature of the Claim, including the date, time, location, persons involved, (ii) the basis of the claim (i.e. the provisions of the Declaration, the Bylaws, the Articles, Rules or Regulations or other authority out of which the claim arises); (iii) what the claimant wants the other to do or not do to resolve the claim; and (iv) that claimant wishes to resolve the claim by mutual agreement and is willing to meet in person with the other at a mutually agreeable time and place to discuss in good faith ways to resolve the claim.

The parties shall make every reasonable effort to meet either in person or by conference call to resolve the claim by good faith negotiation.

B. *Mediation.* If a meeting is unsuccessful or does not occur, all claims or disputes, except in the case of the collection of assessments, shall be initially submitted to mediation in good faith. The parties shall jointly appoint a mediator and will share equally in the cost of mediation. If a party does not respond within ten (10) days of receipt of a request to mediate or if the parties cannot agree on a mediator within ten (10) days of the request, the mediation requirement shall be deemed fulfilled.

If mediation is unsuccessful or does not occur, the parties shall submit their claims to non-binding arbitration.

C. *Non-Binding Arbitration.* If the matter cannot be resolved by mediation or otherwise within thirty (30) days of the request for mediation, alternative dispute resolution (ADR) in the form of Non-Binding Arbitration may be pursued if both the Owner and the Association agree.

In the event that arbitration is unsuccessful or does not occur, the parties may pursue their claims via the appropriate court.

D. *Costs.* If the claims are resolved through negotiation as provided above, each party shall bear all of its own costs incurred in resolving the claim, including its attorney fees, unless the parties otherwise agree. If the claims are not resolved through negotiation and the claim goes to arbitration or court, the prevailing party shall receive as a part of its award from the opposing party all of its costs, including attorney fees, and any expenses incurred as a result of the dispute resolution procedures of this policy.

E. *Deviations.* The Board may deviate from the procedures set forth in this policy if in its sole discretion such deviation is reasonable under the circumstances.

F. *Amendment.* This policy may be amended from time to time by the Board of Directors.

IX. Reserve Study Policy

A. *Reserve Studies.* The Association shall arrange for its initial reserve study to be completed by TBD. Every five years the Board of Directors for the Association shall arrange for an update of the reserve study.

1. All reserve studies and updates shall be based on both a physical analysis and a financial analysis of the portions of the Association which are maintained, repaired, replaced and subject to improvement by the Association.
2. All reserve studies and updates shall include an inventory, a condition assessment based on a site inspection and contain an estimate of remaining useful life.

B. *Funding.* After receipt of any reserve study or any updates thereto, the Board of Directors of the Association shall establish a funding plan or update the funding plan and then adjust the assessments allocated for the Reserve Fund (as defined in section VI. above regarding the Standard of Care for Directors investing Reserve Funds) to match the requirements identified by the reserve study or update. All assessments placed in the Reserve Fund shall be in accordance with the Association's policy then in effect regarding investment of reserve funds.

C. *Deviations.* The Board may deviate from the procedures set forth in this policy if, in its sole discretion, it finds such deviation is reasonable under the circumstances.

X. Miscellaneous.

A. Failure by the Association, the Board or any person to enforce any provision of these Policies and Procedures shall in no event be deemed to be a waiver of the right to do so thereafter.

B. The Provisions of these Policies and Procedures shall be deemed to be independent and several, and the invalidity of anyone or more of the provisions hereof, or any portion thereof, by judgment or decree of any court of competent jurisdiction, shall in no way affect the validity or enforceability of the remaining provisions, which provisions shall remain in full force and effect.

C. Unless the context provides or requires to the contrary, the use of the singular herein shall include the plural, the use of the plural shall include the singular and the use of any gender shall include all genders.

D. The captions to the sections are inserted herein only as a matter of convenience and for reference, and are in no way to be construed so as to define, limit or otherwise describe the scope of these policies and procedures or the intent of any provision hereof.

E. Notwithstanding anything herein to the contrary, the Association reserves the right at any time and from time to time hereafter to modify, amend, repeal, and/re re-enact these Policies and Procedures in accordance with the Declaration, Bylaws, and applicable law. The Board shall have the right to change the rules and regulations after a thirty day written notice to Owners if the change is required to protect the physical health, safety, and peaceful enjoyment of the Owners in the Community.

ADDENDUM A

**AGREEMENT REGARDING INSPECTION AND COPYING OF RECORDS
OF THE
BELLE TERRE PROPERTY OWNERS ASSOCIATION, INC.**

I have requested to inspect and/or obtain copies of the following records of the Belle Terre Property Owner's Association (be as specific as possible):

The records shall be used for the following purpose(s) only:

I understand that under the terms of the Colorado Common Interest Ownership Act, Association records may not be obtained or used for any purpose unrelated to my interest(s) as an Owner. I further understand and agree that without limiting the generality of the foregoing, Association records, including the membership list, may not be:

- (A) used to solicit money or property unless such money or property will be used solely to solicit the votes of the Owners in an election held by the Association;
- (B) used for any commercial purpose;
- (C) sold to, otherwise distributed to, or purchased by any person;
- (D) any other purpose prohibited by law; or
- (E) any purpose not related to the reason specified in this Agreement.

In the event any document requested is used for an improper purpose or purpose other than that stated above, I will be responsible for any and all damages, penalties and costs incurred by the Association, including attorney fees resulting from such improper use. I will additionally be subject to any and all enforcement procedures available to the Association through its governing documents and Colorado law.

The Association may charge a fee for copies, which may be collected in advance and is not to exceed actual costs.

Understood and agreed to by:

Homeowner: _____
Address: _____

Date: _____

**UNANIMOUS WRITTEN CONSENT
OF BELLE TERRE PROPERTY OWNERS ASSOCIATION
A COLORADO NONPROFIT CORPORATION AND DECLARANT CONSENT**

The undersigned, being the only Members and all of the Board of Directors of Belle Terre Property Owners Association, Inc., a Colorado nonprofit corporation (the "Association"), and the Members and Managers of Belle Terre, LLC, a Colorado limited liability company ("Declarant") hereby consent to, approve, and adopt the following resolutions on the date first written below: ②

Approval of First Amendment to Bylaws

RESOLVED, that One Hundred percent of the Members of the Association and One Hundred percent of the Members of the Declarant hereby adopt and approve the attached Exhibit A, "First Amendment to Bylaws of Belle Terre Property Owners Association, Inc." and authorize the execution of the document and recording of the document in the real estate records for the State of Colorado, County of Eagle; and

Approval of First Amendment to Declaration

RESOLVED, that One Hundred percent of the Members of the Association and One Hundred percent of the Members of the Declarant hereby adopt and approve the attached Exhibit B, "First Amendment to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Belle Terre Subdivision" and authorize the President of the Association to execute and certify the document of the Association and to record the document in the real estate records for the State of Colorado, County of Eagle; and

Approval of Design Review

RESOLVED, that One Hundred percent of the Members of the Association and One Hundred percent of the Members of the Declarant hereby fully approve of the Design Review of "Plan for Lot 2 Residential Development dated 7.25.18" attached hereto by this reference; and

Approval of Designation of Common Area

RESOLVED, that One Hundred percent of the Members of the Association and One Hundred percent of the Members of the Declarant hereby approve the designation of the Road and the Irrigation/Power Structure, as shown on the revised Plat, as Common Areas of the Association; and

Adoption of Budget

RESOLVED, that One Hundred percent of the Members of the Association and One Hundred percent of the Members of the Declarant hereby adopt and approve the attached Exhibit C, "Budget" for the Association; and

Designation of Depository

RESOLVED, that the Association is hereby authorized to open appropriate banking accounts with a depository institution selected by the president of the association; and it is further resolved that any officer of the association is authorized to execute any form of banking resolutions required by such depository institution on behalf of the association to effectuate the same; and

Ratification of Engaged Parties

RESOLVED, that the following parties have been engaged by the Association and each action is ratified and approved by the Association:

- a. Engagement of community association management with Marchetti and Weaver LLC for quarterly financials, annual meeting management, tax preparation, general and administrative services at annual fee estimated of \$2,500.00.
- b. Insurance is bound by State Farm Insurance with an annual premium of \$813.00 for customary homeowners association policy \$2,000,000/\$1,000,000 coverage with \$1,000 deductible for coverage that includes business liability, business property, medical expense, and Directors & Officers insurance.
- c. Snow plowing agreement with Premier Landscapes Inc. (Lance Halde) at a fixed minimum of \$200.00 per month for five (5) months the road and for the driveways for the season for 2"+ of snowfall two times per day plus estimate of an additional \$200.00 for excess snowfall and walk ways with acknowledgement that the cost of service increases pro-ratably as the additional home is completed, (total of \$1,200.00).
- d. Landscaping agreement with The Landscape Center (Daniels) at estimated annual cost of a \$9,544.00 per year for lawn care, flowers, sprinkler system and related services with acknowledgement that the cost of service increases pro-ratably as the additional home is completed.
- e. Ascent Tree Service annual estimate of \$1,200.00; and

Ratification and Authorization of Association Activities

RESOLVED, that all actions taken, all things done and commitment of expenditures made by the officers, directors and agents of the Association acting for and on behalf of the Association through the date hereof are hereby ratified, approved and confirmed in all respects; and

Appointment of Board of Directors

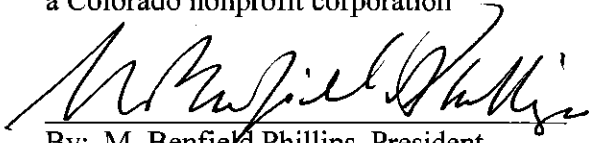
RESOLVED, that the Members of the Association hereby appoint M. Benfield Phillips and Gary Wasserman as Directors and add Daniel J. Hanrahan as a Director upon day of closing of purchase of Lot 2. M. Benfield Phillips shall be appointed as President, Daniel J. Hanrahan shall be appointed Vice President and Gary Wasserman shall be appointed as the Secretary/Treasurer and these officers of the Association are hereby authorized, empowered and directed to do and perform any and all acts and deeds necessary or desirable to carry out these resolutions; and

Counterparts, Execution and Delivery

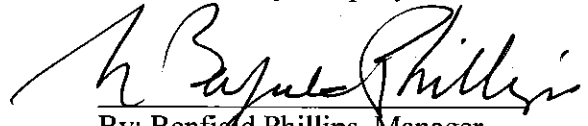
RESOLVED, that this unanimous written action may be executed in one or more counterparts, all of which together shall be deemed to be one and the same instrument; it is further resolved that the execution and delivery of this written action bearing the signature of a party by facsimile or electronic delivery shall constitute a valid and binding execution and delivery of this consent by such party, and that such facsimile or electronically delivered copies shall constitute enforceable original documents.


IN WITNESS WHEREOF, we have hereunto subscribed our names to be effective as of this
14 day of Jan., 2018 9. (2019)

Belle Terre Property Owners Association, Inc.
a Colorado nonprofit corporation


By: M. Benfield Phillips, President

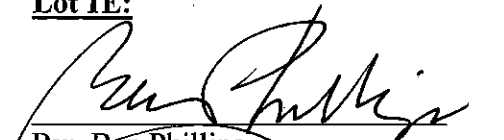
Belle Terre, LLC, a Colorado
limited liability company



By: Benfield Phillips, Manager


By: Gary Wasserman, Secretary/Treasurer

These additional signatures are for the purpose of showing unanimous consent as follows:

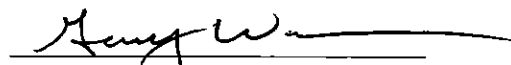
Lot 1E:


By: Ben Phillips


By: Alice Phillips

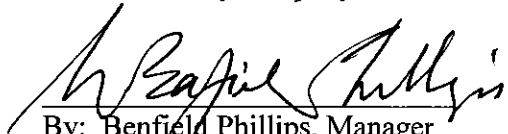
Lot 1W:

Wasserman Colorado, a Florida limited
liability company


By: Gary Wasserman, Manager

Lot 2:

Belle Terre, LLC, a Colorado
limited liability company


By: Benfield Phillips, Manager

New Owner of Lot 2:


By: Daniel J. Hanrahan


By: Rebeca Hanrahan

EXHIBIT B

**FIRST AMENDMENT
TO
AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS,
CONDITIONS, AND RESTRICTIONS FOR
BELLE TERRE SUBDIVISION**

This First Amendment to the Amended and Restated Declaration of Protective Covenants, Conditions, and Restrictions for Belle Terre Subdivision (this "Amendment") is made effective as of the date of its recording in the real property records of Eagle County, Colorado.

WITNESSETH:

WHEREAS, Declarant has heretofore caused to be recorded an Amended and Restated Declaration of Protective Covenants, Conditions, and Restrictions for Belle Terre Subdivision on January 4, 2018, at Reception No. 201800141, Eagle County Clerk and Recorder (hereinafter referred to as the "Declaration"). Any capitalized term used herein without separate definition shall have the meaning ascribed to such term in the Declaration;

WHEREAS, pursuant to Section 19.3 of the current Declaration dated January 4, 2018, the Declaration may be amended by written consent of Owners to which at least 67% of the votes in the Association are allocated;

WHEREAS, as evidenced by the attached certification of the Secretary of the Association, the terms of this Amendment were unanimously approved by all Owners; and

WHEREAS, the Owners desire to amend the Declaration as provided below and hereby do so.

NOW, THEREFORE, the Declaration is hereby amended as follows:

1. Section 1.3 of the current Declaration dated January 4, 2018 is hereby deleted in its entirety and, in lieu thereof, a new Section 1.3 is hereby inserted, reading as follows:

"Section 1.3 Development and Use. The Community shall consist of a maximum of three (3) Units by Amended Subdivision Plat of Belle Terre recorded on 1/8/2019, 2018 at Reception No. 2019000289, Eagle County Clerk and Recorder, with delineation of Lot 1W, Lot 1E and Lot 2."

2. Section 2.1.9 of the current Declaration dated January 4, 2018 is hereby deleted in its entirety and, in lieu thereof, a new Section 2.1.9 is hereby inserted, reading as follows:

"Section 2.1.9 *Common Area*" means to the extent of the Association's interest in such real property or improvements, any real property or improvements for the common use and enjoyment of all the Owners on a non-exclusive basis (i) that are owned by the Association, including estates in fee and terms of years, of (ii) that are owned by a person or entity other than the Association, but in which the Association has rights of use or possession pursuant to a lease, license, easement, or other agreement, in each case together with any improvements located thereon. The Common Area includes, without limitation, the private access road serving the units, utility and related improvements serving the Community, and any areas depicted as Common Area on the Plat or Supplemental Maps."

3. 3.3 of the current Declaration dated January 4, 2018 is hereby deleted in its entirety and, in lieu thereof, a new Section 3.3 is hereby inserted, reading as follows:

“Section 3.3 Number of Units. The number of Units shall be three (3).”

4. Section 4.1 of the current Declaration dated January 4, 2018 is hereby deleted in its entirety and, in lieu thereof, a new Section 4.1 is hereby inserted, reading as follows:

“Section 4.1 The Association. Every Owner of a Unit shall be a Member of the Association. No Owner, whether one or more persons, shall have more than one membership per Unit owned, but all of the persons owning a Unit shall be entitled to rights of membership and of use and enjoyment appurtenant to ownership of a Unit. Membership shall be appurtenant to and may not be separated from ownership of any Unit. For purposes of this Declaration, Lot 1E and Lot 1W and Lot 2 shall each have one (1) vote for a total of three (3) votes and a maximum of three (3) total votes in the Association.”

5. Section 11.1 of the current Declaration dated January 4, 2018 is hereby deleted in its entirety and, in lieu thereof, a new Section 11.1 is hereby inserted, reading as follows:

“Section 11.1 Design Review Board and Guidelines. There is hereby established a Design Review Board (the "Design Review Board"), which will be responsible for the establishment and administration of Design Guidelines to facilitate the purpose and intent of this Declaration. Sections 11.4.1 and 11.7 of the Declaration refer to fees that shall not be collected by the Design Review Board for the initial construction of the Lot 2 residence.”

6. Section 11.5 of the current Declaration dated January 4, 2018 is hereby deleted in its entirety and, in lieu thereof, a new Section 11.5 is hereby inserted, reading as follows:

“Section 11.5 Design Review Board Membership. The Design Review Board will be composed of three (3) persons which shall include the Members of the Association.”

7. Section 11.6.4 of the current Declaration dated January 4, 2018 is hereby deleted in its entirety and, in lieu thereof, a new Section 11.6.4 is hereby inserted, reading as follows:

“Section 11.6.4 The affirmative unanimous vote of the members of the Design Review Board will govern its actions and be the act of the Design Review Board.”

8. Section 11.11 of the current Declaration dated January 4, 2018 is hereby deleted in its entirety and, in lieu thereof, a new Section 11.11 is hereby inserted, reading as follows:

“Section 11.11 Construction Restriction. All improvements including buildings, landscaping, artwork and other structures and equipment constructed in Belle Terre, including those to be constructed on Lot 2 shall, upon completion of initial construction, be of comparable size and quality to the duplex units on Lot 1E and Lot 1W, (0008 Rue Riviere and 0010 Rue Riviere, respectively). No construction shall be allowed without the approval as required by this Section. The approval of constructions plans and specifications shall be made by the Executive Board of Belle Terre within thirty (30) days after the following: (1) receipt of complete documents and (2) clarification of all questions presented by the Executive Board of Belle Terre. In the event that the Executive Board of Belle Terre is unable to reach a decision which either approves or denies the construction plans, a special meeting of the Association, as provided for in the Bylaws, shall be called. During such special meeting, the constructions plans and specifications shall be presented to the Owners. The Owners shall then vote to approve or reject the proposed construction plans and specifications. If one hundred (100) percent of the Owners vote in favor of the approval, then the proposed construction plans and specifications shall be deemed approved.”

9. Section 19.3 of the current Declaration dated January 4, 2018 is hereby deleted in its entirety and, in lieu thereof, a new Section 19.3 is hereby inserted, reading as follows:

“Section 19.3 Amendment. The provisions of this Declaration may be amended or terminated, in whole or in part, from time to time, upon approval of Owners representing one hundred percent (100%) of the total voting interest in the Association at a meeting of the Owners called for that purpose or by written consent. In addition, a majority of the voting Directors of the Executive Board may make, without the approval of the Owners, changes to any Association Documents to the extent necessary to correct a factual error.”

10. Governing Law. This Amendment will be governed by and interpreted in accordance with the laws of the State of Colorado.

11. Counterparts. This Amendment may be executed in counterpart copies which, when taken together, will evidence the entire agreement of the parties.

12. Conflicts Between Documents. This Amendment hereby supersedes and controls over any contrary provision contained in the Declaration, Bylaws or Articles.

13. Effect. Except as specifically set forth in this Amendment, all the terms and provisions of the Declaration remain unchanged and in full force and effect. This Amendment shall hereafter be interpreted for all purposes as part of the Declaration.

IN WITNESS WHEREOF, the undersigned, President of the Association, has executed this Amendment as of the date and year first above written.

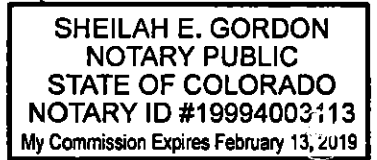
BELLE TERRE PROPERTY OWNERS ASSOCIATION, INC.
a Colorado nonprofit corporation

By: [Signature]
Name: M. BENFIELD PHILLIPS
Title: President

STATE OF COLORADO)
)ss.
COUNTY OF EAGLE)

The foregoing instrument was acknowledged before me this 14 day of Jan, 2018, ⁹ by M. Benfield Phillips as President of Belle Terre Property Owners Association, Inc. a Colorado nonprofit corporation. ⁽¹⁴⁾

Witness my hand and official seal.
My commission expires: 2/13/19



[Signature]
Notary Public

EXHIBIT C

BELLE TERRE PROPERTY OWNERS ASSOCIATION
Annual Budget
Statement of Revenues, Expenses and Changes in Fund Balance

August 24, 2018
for Adoption

	Annual Budget	Rue Riviere Street Address		
		010	008	004
Quantity of Homesites	3	1	1	1
Revenue				
Quarterly Assessment	\$ 5,353.25	\$ 2,077.25	\$ 2,077.25	\$ 1,198.75
Annual Operating Assessment	21,412	8,309	8,309	4,795
Special Assessment	0	0	0	0
Interest Income	0	0	0	0
Total Annual Revenue	21,412	8,309	8,309	4,795
General Admin & Equally Shared Expense				
Bank Reconciliations, Qtrly Financials, Budget Variances	1,600	533	533	533
Annual Meeting Preparation, Attendance & Minutes	400	133	133	133
Tax Preparation	500	167	167	167
Bank Charges	200	67	67	67
Insurance (State Farm estimate)	813	271	271	271
Legal Fees	125	42	42	42
Utility Building	240	80	80	80
Back Flow Valve	90	30	30	30
Lance Halde Snow Removal	1,200	400	400	400
Ascent Tree Service (48 Spruces & 23 Aspens)	1,200	400	400	400
Total G&A & Equally Shared Expense	6,368	2,123	2,123	2,123
Operations & Maintenance Allocated Expense				
Daniels Landscaping				
Flowers	3,386	1,693	1,693	0
Sprinkler System Start-up Zones & Berms	175	61	61	53
Sprinkler System Winterization	197	69	69	59
Sprinkler System Seasonal Inspections (8x)	1,000	350	350	300
Sprinkler System Flower Drip Boxes	240	120	120	0
Landscape at Hydrant	180	60	60	60
Shrub Pruning	60	30	30	0
Lawn Care Mowing (22x), Fertilize, Aerate & Weeds	4,306	1,878	1,878	550
Total Daniels Landscaping	9,544	4,261	4,261	1,022
Eagle River Water	5,500	1,925	1,925	1,650
Total Operations & Maintenance Allocated Expense	15,044	6,186	6,186	2,672
Total Expense	21,412	8,309	8,309	4,795
Revenue Over (Under) Expense	0	0	0	0
Operating Fund				
Beginning Operating Fund Balance	0	0	0	0
Revenue Over (Under) Expense, above	0	0	0	0
Add: Working Capital 25% of Annual Assessment	5,353	2,077	2,077	1,199
Ending Operating Fund Balance	5,353	2,077	2,077	1,199

BELLE TERRE PROPERTY OWNERS ASSOCIATION
Month by Month Budget
Statement of Revenues, Expenses and Changes in Fund Balance

August 24, 2018

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Revenue													
Operating Assessment	5,353	-	-	5,353	-	-	5,353	-	-	5,353	-	-	21,412
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	5,353	-	-	5,353	-	-	5,353	-	-	5,353	-	-	21,412
General Admin & Equally Shared Expense													
Bank Reconciliations, Qtrly Financials, Budget Variances	133	133	133	133	133	133	133	133	133	133	133	133	1,600
Annual Meeting Preparation, Attendance & Minutes	-	-	-	-	-	-	-	-	-	-	400	-	400
Tax Preparation	42	42	42	42	42	42	42	42	42	42	42	42	500
Bank Charges	17	17	17	17	17	17	17	17	17	17	17	17	200
Insurance (State Farm estimate)	-	-	-	-	-	-	-	-	-	813	-	-	813
Legal Fees	-	-	125	-	-	-	-	-	-	-	-	-	125
Utility Building	-	-	-	-	40	40	40	40	40	40	-	-	240
Back Flow Valve	-	-	-	-	15	15	15	15	15	15	-	-	90
Lance Halde Snow Removal	250	250	300	200	-	-	-	-	-	-	-	200	1,200
Ascent Tree Service (48 Spruces & 23 Aspens)	-	-	-	-	200	200	200	200	200	200	-	-	1,200
Total G&A & Equally Shared Expense	442	442	617	392	447	447	447	447	447	1,260	592	392	6,368
Operations & Maintenance Allocated Expense													
Daniels Landscaping													
Flowers	-	-	-	-	677	677	677	677	677	-	-	-	3,386
Sprinkler System Start-up Zones & Berms	-	-	-	-	175	-	-	-	-	-	-	-	175
Sprinkler System Winterization	-	-	-	-	-	-	-	-	-	-	197	-	197
Sprinkler System Seasonal Inspections (8x)	-	-	-	-	-	250	250	250	250	-	-	-	1,000
Sprinkler System Flower Drip Boxes	-	-	-	-	40	40	40	40	40	40	-	-	240
Landscape at Hydrant	-	-	-	-	36	36	36	36	36	-	-	-	180
Shrub Pruning	-	-	-	-	12	12	12	12	12	-	-	-	60
Lawn Care Mowing (22x), Fertilize, Aerate & Weeds	-	-	-	-	718	718	718	718	718	718	-	-	4,306
Total Daniels Landscaping	-	-	-	-	1,658	1,733	1,733	1,733	1,733	758	197	-	9,544
Eagle River Water	-	-	-	-	-	1,100	1,100	1,100	1,100	1,100	-	-	5,500
Total Operations & Maintenance Allocated Expense	-	-	-	-	1,658	2,833	2,833	2,833	2,833	1,858	197	-	15,044
Total Expense	442	442	617	392	2,105	3,280	3,280	3,280	3,280	3,117	789	392	21,412
Revenue Over (Under) Expense	4,911	(442)	(617)	4,961	(2,105)	(3,280)	2,073	(3,280)	(3,280)	2,236	(789)	(392)	-
Operating Fund													
Beginning Operating Fund Balance	0	10,264	9,823	9,206	14,167	12,063	8,783	10,857	7,577	4,298	6,533	5,745	0
Revenue Over (Under) Expense, above	4,911	(442)	(617)	4,961	(2,105)	(3,280)	2,073	(3,280)	(3,280)	2,236	(789)	(392)	-
Add: Working Capital from Members, 25%	5,353	-	-	-	-	-	-	-	-	-	-	-	5,353
Ending Operating Fund Balance	10,264	9,823	9,206	14,167	12,063	8,783	10,857	7,577	4,298	6,533	5,745	5,353	5,353