

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

Bellyache Ridge Homeowners Association
PO Box 40
Wolcott, CO 81655

Designated Agent:

Marchetti & Weaver, LLC
28 Second St, Suite 213, Edwards CO 81632
970-926-6060
Kendra Nicholson; kendra@mwcpsa.com; 970-926-6060 ext 107

Declaration recorded in Eagle County on January 10, 1977, Reception Number 147775 Bk, Pg
Amended & Consolidated Restatement and Declaration recorded in Eagle County on July 18, 1994,
Reception Number 541609, Bk 645, Pg 569

- 1) Fiscal Year Commences: January 1, 2022
- 2) Current Year Budget: Attached
- 3) List of current Regular and Special Assessments, by unit type: included with budget
- 4) Prior Year Annual Financial Statements, including Reserve Funds if applicable: Attached
- 5) Most recent audit or financial review: n/a
- 6) Association Insurance Policies: see attached Summary of Policies: Attached
- 7) Association Governing Documents (Article of Inc, Bylaws, Rules & Regulations): Attached
- 8) Association Responsible Governance Policies under 38-33.3-209.5 (Do not have): Attached
 - 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: Attached

BELLYACHE RIDGE HOMEOWNERS ASSOCIATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGED IN FUND BALANCE
BUDGET, ACTUAL AND FORECAST FOR THE PERIODS INDICATED

Printed: 01/27/22

	Cal Yr 2020 Actual	Cal Yr 2021 Adopted Budget	Variance Favorable (Unfavor)	2021 Forecast	12 Mo Ended 12/31/2021 Actual	Remaining Budget (Unfavor)	Cal Yr 2022 Adopted Budget	BUDGET NOTES
REVENUES								
PROPERTIES	76	76		76	76		76	67 built dwellings + 9 vacant lots
DUES PER PROPERTY	175	175		175	175		175	
REGULAR ASSESSMENTS	13,300	13,300	0	13,300	13,300	0	13,300	
INTEREST INCOME	191	0	23	23	23	23	50	
LATE FEE INCOME	200	200	0	200	113	(88)	150	
APPLICATION FEES	650	0	0	0	0	0	0	
TITLE SERVICE FEES	150	0	300	300	300	300	200	
TOTAL REVENUES	14,491	13,500	323	13,823	13,735	235	13,700	
EXPENDITURES								
SERVICES TO HOA MEMBERS								
ANNUAL MEETING (INCL PICNIC)	0	0	0	0	0	0	300	
LANDSCAPING & FOREST STEWARDSHIP	3,875	3,600	(1,717)	5,317	5,317	(1,717)	4,000	16 hrs @ \$250/hr.
ROADWAY/ENTRANCE SIGNS	0	500	500	0	0	500	500	
NEWSLETTERS	0	0	0	0	0	0	0	
WEBSITE DEVELOPMENT/CONTENT	0	0	0	0	0	0	0	
CONTINGENCY	0	876	876	0	0	876	1,251	
SUBTOTAL SERVICES	3,875	4,976	(341)	5,317	5,317	(341)	6,051	
Services % of Revenue	26.7%	36.9%		38.5%	38.7%		44.2%	
ADMINISTRATION								
ACCOUNTING & ADMINISTRATION	3,946	5,133	1,124	4,009	4,200	933	4,209	
MEETING MINUTES	730	960	0	960	870	90	960	24 hrs @ \$40/hr.
ANNUAL ASSESSMENT BILLINGS	546	477	(105)	582	575	(98)	599	3% incr. from 2021
BANK CHARGES	24	25	1	24	24	1	25	
INCOME TAXES	66	0	0	0	0	0	0	
OFFICE/MISCELLANEOUS	334	225	65	160	146	79	165	
SUB TOTAL ADMINISTRATION	5,646	6,820	1,085	5,735	5,815	1,005	5,958	
Adminstration % of Revenue	39.0%	50.5%		41.5%	42.3%		43.5%	
LEGAL								
LEGAL	0	0	0	0	0	0	0	No planned legal
INSURANCE (LIABILITY/D&O)	1,671	1,704	62	1,642	1,642	62	1,691	3% incr. from 2021
SUB TOTAL LEGAL	1,671	1,704	62	1,642	1,642	62	1,691	
Legal % of Revenue	11.5%	12.6%		11.9%	12.0%		12.3%	
TOTAL EXPENDITURES	11,192	13,500	806	12,694	12,774	727	13,700	
REVENUE OVER (UNDER) EXPENDITURES	3,298	(0)	1,129	1,129	961	962	(0)	
BEGINNING FUND BALANCE	88,071	89,870	1,499	91,369	91,369	1,499	92,965	
ENDING FUND BALANCE	91,369	89,870	2,629	92,498	92,330	2,461	92,965	
See accompanying accountant's report.	=	=		=	=		=	

BELLYACHE RIDGE HOMEOWNERS ASSOCIATION
Balance Sheet
12/31/21

ASSETS	12/31/20	12/31/21
Current Assets:		
Cash in Bank	96,552	95,200
Income Tax Deposit	0	0
Prepaid Expenses	0	0
Total Cash in Bank	96,552	95,200
Accounts Receivable	(354)	315
Due From BRMD	0	0
Total Current Assets	96,198	95,515
TOTAL ASSETS	96,198	95,515
LIABILITIES & NET ASSETS		
Liabilities:		
Accounts Payable	1,329	1,185
Compliance/Clean Up Deposits	3,500	2,000
Due From BRMD	0	0
Total Liabilities	4,829	3,185
Net Assets		
Unrestricted	91,369	92,330
Total Net Assets	91,369	92,330
Total Liabilities & Net Assets	96,198	95,515
See accompanying accountant's report.	=	=

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

Bellyache Ridge Homeowners Association
PO Box 40, Wolcott CO 81655

Current Regular and Special Assessments, Fees and Charges:

1) Assessment:

<u>Unit Type</u>	<u>Annual Assessment</u>	<u>Count</u>	<u>Total Assessed</u>
Lot/Residence	\$175	76	\$13,300
Period covering: 1/1 – 12/31			

2) Working Capital \$175, Special Assessments: \$0

3) Title Statement preparation fee: \$50; Rush preparation: \$50

4) Record Change Fee: \$0

5) Document Access Fee: \$0 -available at website www.bellyachesubdivision.com



**COMMUNITY ASSOCIATION EXECUTIVE ADVANTAGE RENEWAL
APPLICATION FOR COMMUNITY ASSOCIATION POLICY**

THIS IS AN APPLICATION FOR A CLAIMS-MADE POLICY. THE POLICY FOR WHICH THIS APPLICATION IS MADE COVERS ONLY CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR DISCOVERY PERIOD, IF APPLICABLE, AND REPORTED TO THE INSURER AS SOON AS PRACTICABLE BUT IN NO EVENT LATER THAN 90 DAYS AFTER THE END OF THE POLICY PERIOD. PLEASE READ THE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

UNLESS AMENDED BY ENDORSEMENT, AMOUNTS INCURRED AS DEFENSE COSTS SHALL BE IN ADDITION TO THE LIMIT OF LIABILITY AND SHALL NOT BE APPLIED TO THE APPLICABLE RETENTION.

THE POLICY PROVIDES THE DUTY ON THE PART OF THE INSURER TO DEFEND.

THE TERM "INSURED ORGANIZATION" MEANS THE PARENT ORGANIZATION WHOSE DIRECTORS AND OFFICERS ARE PROPOSED TO BE INSURED UNDER THE COMMUNITY ASSOCIATION POLICY FOR WHICH THIS APPLICATION IS MADE, ALONG WITH ANY OTHER ENTITIES IN WHICH SUCH PARENT ORGANIZATION HAS OR CONTROLS THE RIGHT TO ELECT MORE THAN 50% OF THE BOARD OF DIRECTORS OR OTHER GOVERNING BODY OF SUCH ENTITY IS SUCH RIGHT EXISTS.

GENERAL INFORMATION

Policy Effective Date: 03/28/22

Quote#: 496687

Name of Insured Organization: Bellyache Ridge Homeowners Association

Address of Insured Organization: Bellyache Ridge Road
Wolcott, CO 81655

Property Manager Name: Laura Waniuk

Title: President of HOA

Telephone: 760-216-3075 Fax:

Email: lwaniuk@live.com

Association Type: Homeowners

SECTION I – PREVIOUS INSURANCE

Attach full details of any claim, notice of circumstance, or wrongful act which has been the subject of notice under such insurance in the last five (5) years (if none, enter No & if you have enter Yes) No

SECTION II – UNDERWRITING INFORMATION

- 1. Number of Units: 70
- 2. Number of Commercial Units: 0
- 3. Number of Employees: 0
- 4. Average Unit Value (to be calculated as the average price of the 3 most recently sold units): 500000
- 5. Does the Association have the following recreational facilities:

Golf Course	Boat Slips
No	No

require special assessment of the association members? No

7. Are the recreational facilities exclusive to only members of the association? n/a

SECTION III – LOSS HISTORY

During the last five (5) years has the Insured Organization or any of its directors, officers, or employees been involved in any litigation that could have a material impact on the Insured's Organization? No

IT IS UNDERSTOOD AND AGREED THAT IF ANYONE FOR WHOM THIS INSURANCE IS SOUGHT HAS ANY KNOWLEDGE OF ANY SUCH ACT, ERROR, OMISSION, FACT, OR CIRCUMSTANCE, ANY CLAIM EMANATING THEREFROM SHALL BE EXCLUDED FROM COVERAGE UNDER THE PROPOSED INSURANCE.

FRAUD STATEMENT AND SIGNATURE SECTIONS

The Undersigned states that he/she is an authorized representative of the Applicant and declares to the best of his/her knowledge and belief and after reasonable inquiry, that the statements set forth in this Application (and any attachments submitted with this Application) are true and complete and may be relied upon by Company * in quoting and issuing the policy. If any of the information in this Application changes prior to the effective date of the policy, the Applicant will notify the Company of such changes and the Company may modify or withdraw the quote or binder.

The signing of this Application does not bind the Company to offer, or the Applicant to purchase the policy.

*Company refers collectively to Philadelphia Indemnity Insurance Company and Toklo Marine Specialty Insurance Company

FRAUD NOTICE STATEMENTS

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS, FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS THAT PERSON TO CRIMINAL AND CIVIL PENALTIES (IN OREGON, THE AFOREMENTIONED ACTIONS MAY CONSTITUTE A FRAUDULENT INSURANCE ACT WHICH MAY BE A CRIME AND MAY SUBJECT THE PERSON TO PENALTIES). (IN NEW YORK, THE CIVIL PENALTY IS NOT TO EXCEED FIVE THOUSAND DOLLARS (\$5,000) AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION). (NOT APPLICABLE IN AL, AR, AZ, CO, DC, FL, KS, LA, ME, MD, MN, NM, OK, PA, RI, TN, VA, VT, WA AND WV).

APPLICABLE IN AL, AR, AZ, DC, LA, MD, NM, RI AND WV: ANY PERSON WHO KNOWINGLY (OR WILLFULLY IN MD) PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR WHO KNOWINGLY (OR WILLFULLY IN MD) PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES OR CONFINEMENT IN PRISON.

APPLICABLE IN COLORADO: IT IS UNLAWFUL TO KNOWINGLY PROVIDE FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES, DENIAL OF INSURANCE AND CIVIL DAMAGES. ANY INSURANCE COMPANY OR AGENT OF AN INSURANCE COMPANY WHO KNOWINGLY PROVIDES FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO A POLICYHOLDER OR CLAIMANT FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE POLICYHOLDER OR CLAIMANT WITH REGARD TO A SETTLEMENT OR AWARD PAYABLE FROM INSURANCE PROCEEDS SHALL BE REPORTED TO THE COLORADO DIVISION OF INSURANCE WITHIN THE DEPARTMENT OF REGULATORY AGENCIES.

APPLICABLE IN FLORIDA AND OKLAHOMA: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY INSURER FILES A STATEMENT OF CLAIM OR AN APPLICATION CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION IS GUILTY OF A FELONY (IN FL, A PERSON IS GUILTY OF A FELONY OF THE THIRD DEGREE).

APPLICABLE IN KANSAS: AN ACT COMMITTED BY ANY PERSON WHO, KNOWINGLY AND WITH INTENT TO DEFRAUD, PRESENTS, CAUSES TO BE PRESENTED OR PREPARES WITH KNOWLEDGE OR BELIEF THAT IT WILL BE PRESENTED TO OR BY AN INSURER, PURPORTED INSURER, BROKER OR ANY AGENT THEREOF, ANY WRITTEN, ELECTRONIC, ELECTRONIC IMPULSE, FACSIMILE, MAGNETIC, ORAL, OR TELEPHONIC COMMUNICATION OR STATEMENT AS PART OF, OR IN SUPPORT OF, AN APPLICATION FOR THE ISSUANCE OF, OR THE RATING OF AN INSURANCE POLICY FOR PERSONAL OR COMMERCIAL INSURANCE, OR A CLAIM FOR PAYMENT OR OTHER BENEFIT PURSUANT TO AN INSURANCE POLICY FOR COMMERCIAL OR PERSONAL INSURANCE WHICH SUCH PERSON KNOWS TO CONTAIN MATERIALLY FALSE INFORMATION CONCERNING ANY FACT MATERIAL THERETO; OR CONCEALS, FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO.

APPLICABLE IN KENTUCKY: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSONS FILES AN APPLICATION FOR INSURANCE CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS, FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY MATERIAL THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME.

APPLICABLE IN MAINE, TENNESSEE, VIRGINIA AND WASHINGTON: IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS.

APPLICABLE IN PENNSYLVANIA: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

APPLICABLE IN NEW YORK: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SHALL BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE STATE VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.

This Application must be currently dated and signed by the association's insurance agent, broker, property manager or by a member of governing board of the association.

NAME (PLEASE PRINT/TYPED): LAURA WANIUK

TITLE: President, HOA
(MUST BE SIGNED BY THE PRINCIPAL, PARTNER OR OFFICER)

SIGNATURE: [Handwritten Signature]

SIGNATURE DATE: 3/4/2022

SECTION TO BE COMPLETED BY THE PRODUCER/BROKER/AGENT

PRODUCER: Elizabeth Daschke

AGENCY: Canyon Insurance & Financial Services, LLC
(If this is a Florida Risk, Producer means Florida Licensed Agent)

PRODUCER LICENSE NUMBER: _____
(If this a Florida Risk, Producer means Florida Licensed Agent)

ADDRESS (STREET, CITY, STATE, ZIP):

623 Railroad Ave
Rifle, CO 81650



A Member of the Tokio Marine Group



GIG Insurance Group, Inc.
750 East Prospect Road
Fort Lauderdale, FL 33334
Telephone: 954.563.1771
Toll Free: 866.563.1771
Facsimile: 954.563.1775
Toll Free: 866.563.1775
www.gigins.com

02/23/22

Elizabeth Daschke
Canyon Insurance & Financial Services, LLC
623 Railroad Ave
Rifle, CO 81650

RE: Bellyache Ridge Homeowners Association

QUOTE #: 496687

Re: Directors and Officers Liability Insurance

Dear Elizabeth Daschke

Based upon our review of the underwriting information provided, Philadelphia is pleased to offer a quote for the above captioned account subject to receipt, review and acceptance of the following items:

- 1) Properly completed, signed and dated Philadelphia Indemnity Insurance Company D&O application

TERMS AND CONDITIONS

Proposed Policy Period: 03/28/22 to 03/28/2023

Policy Form: Philadelphia Indemnity Insurance Company Community Association Executive Advantage Policy

Carrier: Philadelphia Indemnity Insurance Company: "A++" XV (Superior), admitted
Member of the Tokio Marine Group

Table with 4 columns: Aggregate Limit of Liability, Self-Insured Retention Each Loss (Loss Only), Annual Premium, Broker Commission. Row 1: \$1,000,000, \$1,000, \$995.00, 12.5%: \$124.38

*Cyber Liability Coverage Endorsement for \$100,000 sub-limit: NO Cyber Premium: \$0.00
If this coverage is not desired, it can be waived at the time of binding, or added back if removed.
*If Cyber Liability is waived by agent the premium will reflect \$0.00

Other Terms: Pending and/or Prior Litigation Exclusion

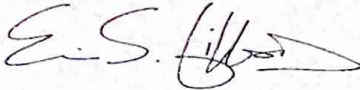
PCAP-PIBELL1-BELL. PCAP-PICAP020-ENHANCEMENT PCAP-PICAPETS-OFAC. PCAP-PICME1-CRISIS.
PCAP-PISLD001-TRIACAPLOSS. PCAP-PICAP021-WAGEHOUR. PCAP-PI TERDN1-TRIANOTICE.

➤ **No terrorism exclusion as per the Terrorism Risk Insurance Act of 2002 – See Attached.**

This quotation is valid for 45 days and is subject to no material change in risk.

Please contact me if you require any specimen wordings or policies, or if you require any amendments to this quotation. Thank you for choosing GIG Insurance Group, Inc. (GIG) and Philadelphia Indemnity Insurance Company (PHLY), a member of the Tokio Marine Group.

Sincerest regards,



Eric S. Gifford
Vice President
(954) 563-1771 ext. 208
egifford@gigins.com

Philadelphia Indemnity Insurance Company (PHLY) headquartered in Bala Cynwyd, PA is a member of the Tokio Marine Group, Japan's oldest and leading Property/Casualty insurer and one of the 10 largest insurance groups in the world.

Policy Number: _____ Named Insured: Bellyache Ridge Homeowners Association



**PHILADELPHIA
INSURANCE COMPANIES**

A Member of the Tokio Marine Group

One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

PHILADELPHIA INSURANCE COMPANIES DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE REJECTION OPTION

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. *As defined in Section 102(1) of the Act:* The term “act of terrorism” means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 and 80% BEGINNING ON JANUARY 1, 2020, OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

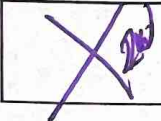
YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS’ LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Your attached proposal (or policy) includes a charge for terrorism. We will issue (or have issued) your policy with terrorism coverage unless you decline by placing an “X” in the box below.

NOTE 1: If “included” is shown on your proposal (or policy) for terrorism you WILL NOT have the option to reject the coverage.

NOTE 2: You will want to check with entities that have an interest in your organization as they may require that you maintain terrorism coverage (e.g. mortgagees).

EXCEPTION: If you have property coverage on your policy, the following Standard Fire Policy states do not permit an Insured to reject fire ensuing from terrorism: CA, CT, GA, HI, IA, IL, MA, ME, MO, NJ, NY, NC, OR, RI, VA, WA, WV, WI. Therefore, if you are domiciled in the above states and reject terrorism coverage, you will still be charged for fire ensuing from terrorism as separately designated on your proposal.



I decline to purchase terrorism coverage. I understand that I will have no coverage for losses arising from "certified" acts of terrorism, EXCEPT as noted above.

You, as the Insured, have 30 days after receipt of this notice to consider the selection/rejection of "terrorism" coverage. After this 30 day period, any request for selection or rejection of terrorism coverage WILL NOT be honored.

REQUIRED IN GA – LIMITATION ON PAYMENT OF TERRORISM LOSSES (applies to policies which cover terrorism losses insured under the federal program, including those which only cover fire losses)

The provisions of the Terrorism Risk Insurance Act, as amended, can limit our maximum liability for payment of losses from certified acts of terrorism. That determination will be based on a formula set forth in the law involving the national total of federally insured terrorism losses in an annual period and individual insurer participation in payment of such losses. If one or more certified acts of terrorism in an annual period causes the maximum liability for payment of losses from certified acts of terrorism to be reached, and we have satisfied our required level of payments under the law, then we will not pay for the portion of such losses above that maximum. However, that is subject to possible change at that time, as Congress may, under the Act, determine that payments above the cap will be made.

INSURED'S SIGNATURE
DATE

Don Hunt
3/4/2022



COMMUNITY ASSOCIATION EXECUTIVE ADVANTAGE POLICY

DECLARATIONS

NOTICE: THIS IS A CLAIMS-MADE POLICY. THIS POLICY COVERS ONLY CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR DISCOVERY PERIOD, IF APPLICABLE, AND REPORTED TO THE INSURER AS SOON AS PRACTICABLE BUT IN NO EVENT LATER THAN 90 DAYS AFTER THE END OF THE POLICY PERIOD. PLEASE READ THE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

UNLESS AMENDED BY ENDORSEMENT, AMOUNTS INCURRED AS DEFENSE COSTS SHALL BE IN ADDITION TO THE LIMIT OF LIABILITY AND SHALL NOT BE APPLIED AGAINST THE APPLICABLE RETENTION.

THE INSURER HAS THE DUTY TO DEFEND.

POLICY NUMBER: PCAP020548-0419

PRODUCER: GIG Insurance Group, Inc.

RENEWAL OF: PCAP020548-0319

ITEM I. NAME AND ADDRESS OF PARENT ORGANIZATION:

Physical:
Bellyache Ridge Homeowners Association
Bellyache Ridge Road
Wolcott, CO 81655

Mailing: Marchetti & Weaver, LLC
Bellyache Ridge Homeowners Association
28 Second Street Ste 213
Edwards, CO 81632

ITEM II. POLICY PERIOD: Inception Date: 03/28/22 Expiration Date: 03/28/2023
(12:01 A.M. at the address set forth in Item I)

ITEM III. LIMIT OF LIABILITY: \$1,000,000 in the aggregate for the **Policy Year**

ITEM IV. RETENTION: \$1,000 in the aggregate each **Claim**

ITEM V. PRIOR LITIGATION DATE: 03/28/19

ITEM VI. PREMIUM: \$995.00 TRIA Premium: \$0.00

ITEM VII. ENDORSEMENTS FORMING PART OF THIS POLICY AT ISSUANCE:

PCAP-PIBELL1-BELL. PCAP-PICAP020-ENHANCEMENT PCAP-PICAPETS-OFAC. PCAP-PICME1-CRISIS.
PCAP-PISLD001-TRIACAPLOSS PCAP-PICAP021-WAGEHOUR. PCAP-PI TERDN1-TRIANOTICE.

This Declarations page, together with the **Application**, the attached Community Association Policy Form, and all endorsements thereto, shall constitute the contract between the Insurer and the **Insureds**. This Policy is valid only if signed below by a duly authorized representative of the Insurer.

This policy has been signed by the Company's President and Secretary.

President

Secretary

Authorized Representative

COMMUNITY ASSOCIATION EXECUTIVE ADVANTAGE POLICY

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UNLESS AMENDED BY ENDORSEMENT, AMOUNTS INCURRED AS DEFENSE COSTS SHALL BE IN ADDITION TO THE LIMIT OF LIABILITY AND SHALL NOT BE APPLIED AGAINST THE APPLICABLE RETENTION.

THE INSURER HAS THE DUTY TO DEFEND.

(Words and phrases printed in **bold** , other than in the headings, are defined in Section 23 below.)

In reliance upon the truthfulness and accuracy of the statements made in the **Application**, in consideration of, and subject to, the payment of premium when due, and subject to the terms, conditions, and exclusions of this Policy, the Insurer and the **Insureds** agree as follows:

- 1. Insuring Agreement:** The Insurer shall pay on behalf of the **Insureds** all **Loss** which they shall become legally obligated to pay as a result of a **Claim** first made during the **Policy Period** or **Discovery Period**, if applicable, against the **Insureds** for a **Wrongful Act** which takes place before or during the **Policy Period**.
- 2. Defense Costs and Settlements:**
 - 2.1** It shall be the right and duty of the Insurer to defend any **Claim**. The Insurer may investigate, as it deems appropriate, any **Claim**, circumstance, or **Wrongful Act** involving the **Insureds**.
 - 2.2** The **Insureds** shall not incur any **Defense Costs**, admit any liability, assume any obligation, agree to any settlement, or make any settlement offer with respect to any **Claim** without the Insurer's prior written consent, which shall not be unreasonably withheld. The Insurer shall not be liable for any **Defense Costs** incurred or any admissions, obligations, agreements, or settlements made by the **Insureds** without the Insurer's prior written consent.
 - 2.3** The Insurer has the right to negotiate the settlement of any **Claims** it deems expedient, but only with the **Insured's** consent. If the **Insureds** withhold consent to such settlement, the Insurer's liability for such **Claim** is limited to the amount in excess of the Retention which the Insurer would have contributed to the settlement had the **Insured** consented to the settlement, plus **Defense Costs** covered by the Policy incurred prior to the date of such refusal to settle.
- 3. Cooperation:** As a condition precedent to the **Insureds'** rights under this Policy, they shall give to the Insurer all information and cooperation as the Insurer reasonably may require and shall do nothing that may prejudice the Insurer's position or its rights of recovery.
- 4. Claim Exclusions:** This Policy does not apply to any **Claim** made against any **Insured** for:

4.1

- (a) bodily injury, sickness, disease, death; or
- (b) emotional distress, mental anguish, false arrest or imprisonment, abuse of process, malicious prosecution, libel, slander, defamation, violation or invasion of any right of privacy or private occupancy, trespass, nuisance or wrongful entry or eviction; or
- (c) damage to, destruction of, or loss of use of any tangible property;

provided, however, that part (b) of this exclusion shall not apply to any **Claim** brought by or on behalf of any **Third Person** or past, present or prospective **Insured Person** for an **Employment Practices Wrongful Act**;

4.2 for any error, misstatement, misleading statement, act, omission, neglect or breach of duty by **Insured Persons** of any **Subsidiary** in such capacity or by the **Subsidiary** itself if such error, misstatement, misleading statement, act, omission, neglect or breach of duty actually or allegedly occurred, in whole or in part, when such entity was not a **Subsidiary**;

4.3 based upon, arising from, or in any way related to any error, misstatement, misleading statement, act, omission, neglect or breach of duty which has been reported or has been the subject of any notice under any insurance policy of which this Policy is a renewal or replacement or under any other policy which it may succeed in time;

4.4 for any actual or alleged violation of the Employee Retirement Income Security Act of 1974, amendments thereto or similar federal, state, local or common law;

4.5 based upon, arising from, or in any way related to:

- (a) any demand, suit, or other proceeding against any **Insured** which has been made, which existed, or was pending prior to the applicable Prior Litigation Date set forth in Item V of the Declarations; or
- (b) the same or substantially the same facts, circumstances or allegations involved in such demand, suit, or other proceeding;

4.6 brought or maintained by or on behalf of the **Insured Organization**;

4.7 based upon, arising from, or in any way related to the actual, alleged, or threatened discharge, dispersal, release or escape of **Pollutants, Fungi** or **Microbes**, or any direction, request or voluntary decision to test for, abate, monitor, clean up, remove, contain, treat, detoxify, or neutralize **Pollutants, Fungi** or **Microbes**;

4.8 based upon, arising from, or in any way related to an **Insured Person** serving as a director, officer, trustee, regent, governor, volunteer, employee, or similar position of any entity other than the **Insured Organization**; or

4.9 based upon, arising from, or in any way related to:

- (a) any **Insureds** gaining in fact any personal profit, remuneration or advantage to which

they were not legally entitled; or

- (b) any deliberately dishonest, malicious or fraudulent act or omission or any willful violation of law by any **Insured**; provided, however, this exclusion shall only apply if it is finally adjudicated that such conduct in fact occurred.

For purposes of determining the applicability of Section 4.9, the **Wrongful Act** of any **Insured Person** shall not be imputed to any other **Insured Person**.

4.10 based upon, arising from, or in any way related to any **Employment Practices Wrongful Act** alleged by or on behalf of an employee of the **Property Manager** .

4.11 based upon, arising from, or in any way related to any **Construction Defect**.

4.12 based upon, arising from, or in any way related to any actual or alleged liability of an **Insured**, in whole or in part, in the capacity as a builder or developer, or in the capacity of a sponsor of the **Organization**, or of an **Insured** affiliated with such a builder, developer or sponsor, and which is related to actual or alleged misconduct on the part of such builder, developer or sponsor, including but not limited to actual or alleged conflict of interest, self- dealing, or disputes concerning conversion, construction or development.

5. Loss Exclusions: The Insurer shall not be liable to pay any **Loss** in connection with any **Claim**:

5.1 for any obligation of the **Insured Organization** to modify any building or property in order to affect compliance with the Americans With Disabilities Act and any amendments thereto or any similar federal, state or local statute, regulation, or common laws; or

5.2 for any actual or alleged liability of any **Insured** under any contract or agreement, express or implied, written or oral, except for employment related obligations which would have attached absent such contract or agreement;

Provided, however, that these exclusions shall not apply to the Insurer's duty to defend and to pay **Defense Costs**.

6. Application Representations and Severability:

6.1 The **Insureds** represent that the statements and representations contained in the **Application** are true and shall be deemed material to the acceptance of the risk or the hazard assumed by the Insurer under this Policy. This Policy is issued in reliance upon the truth of such statements and representations.

6.2 The **Insureds** agree that if the **Application** contains any material statements or representations that are untrue, this Policy shall be void as to the **Insured Organization** and any **Insured Person** who knew the facts that were not truthfully disclosed, provided that such knowledge shall not be imputed to any other **Insured Person**.

7. Reporting Requirements:

7.1 The **Insureds**, as a condition precedent to their rights under this Policy, shall report every **Claim** to the Insurer as soon as practicable from the date any **Executive Officer** has knowledge of the **Claim**, and in no event later than ninety (90) days after the end of the **Policy Period**.

- 7.2 Notice of any **Claim**, circumstance, or **Wrongful Act** shall be forwarded to **Philadelphia Insurance Companies, Attention: Claims Department, One Bala Plaza Suite 100, Bala Cynwyd, Pa 19004-0950 1.800.765.9749 (phone) 1.800.685.9238 (fax) claimsreport@phly.com**
- 7.3 All notices under this Policy shall be sent in writing by mail, prepaid express courier, or facsimile and shall be effective upon receipt thereof by the addressee.
8. **Notice of Circumstance or Wrongful Act:** If during the **Policy Period** or the **Discovery Period** the **Insureds** become aware of any circumstance or **Wrongful Act** that reasonably may be expected to give rise to a **Claim**, and if such circumstance or **Wrongful Act** is reported to the Insurer during the **Policy Period** in writing with details as to the nature and date of such circumstance or **Wrongful Act**, the identity of any potential claimant, the identity of any **Insured Person** involved in such circumstance or **Wrongful Act**, and the manner in which the **Insureds** first became aware of such circumstance or **Wrongful Act**, then any **Claim** subsequently arising from such circumstance or **Wrongful Act** shall be deemed under this Policy to be a **Claim** made during the **Policy Period** in which the circumstance or **Wrongful Act** was first duly reported to the Insurer.
9. **Limit of Liability:**
- 9.1 The Insurer's maximum aggregate Limit of Liability for all **Loss** under this Policy shall be the amount set forth in Item III of the Declarations. Amounts incurred as **Defense Costs** shall be in addition to the Limit of Liability.
- 9.2 All **Claims** arising from the same **Wrongful Act** or **Interrelated Wrongful Acts** shall be deemed one **Claim** and subject to a single limit of liability. Such **Claim** shall be deemed first made on the date the earliest of such **Claims** is first made, regardless of whether such date is before or during the **Policy Period**.
- 9.3 With respect to all **Claims** deemed to have been made in a **Policy Year**, should the Limit of Liability be exhausted by payment of **Loss** resulting from one or more of such **Claims**, the Insurer's duty to defend shall cease and any and all obligations of the Insurer hereunder shall be deemed to be completely fulfilled and extinguished and the Insurer shall have no further obligations hereunder of any kind or nature.
10. **Retention:** The Insurer shall be liable to pay only the amount of covered **Loss** in excess of the applicable Retention amount set forth in **Item IV** of the Declarations. Such applicable Retention shall be uninsured, shall not be applicable to **Defense Costs** and shall be borne by the **Insured Organization**.
11. **Allocation:** If a **Claim** gives rise to **Loss** covered under this Policy and loss not covered under this Policy, either because a **Claim** includes both covered and uncovered matters or both covered and uncovered parties, the **Insureds** and the Insurer shall allocate such amount between covered **Loss** and uncovered loss.
12. **Other Insurance:** If any **Loss** arising from any **Claim** is insured by other valid and collectible insurance, then this Policy shall apply only in excess of the amount of any deductibles, retentions and limits of liability under such other policy or policies, whether such other policy or policies are

stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is written specifically excess of this Policy by reference in such other policy to this Policy's Policy Number.

13. Discovery Period:

- 13.1** If the Insurer or the **Parent Organization** fails or refuses to renew this Policy or if the **Parent Organization** cancels this Policy, any **Insured** shall have the right to an extension of the coverage granted by this Policy following the effective date of such cancellation or non-renewal. Such extension of coverage shall apply solely with respect to **Wrongful Acts** taking place before the effective date of such cancellation or non-renewal.
- 13.2** If the Insurer refuses to renew this Policy the **Discovery Period** shall be the period of ninety (90) days from the end of the **Policy Period**, and there shall be no charge for this **Automatic Discover Period** of ninety (90) days. If prior to the end of the **Automatic Discovery Period** the **Parent Organization** pays the Insurer an additional amount equal to thirty-five percent (35%) of the annual premium of this Policy, the term of the **Discovery Period** shall be extended for an additional twelve (12) months from the end of the **Automatic Discovery Period**. Such Discovery Period shall be deemed fully earned as of such date. This extension shall not apply if this Policy is terminated by the Insurer for failure to pay any premium when due.
- 13.3** If the **Parent Organization** fails or refuses to renew or cancels this Policy, the **Parent Organization** may purchase a **Discovery Period** of twelve (12) month from the end of the **Policy Period**, provided that the **Parent Organization** pays the Insurer an additional amount equal to thirty-five percent (35%) of the annual premium of this Policy within thirty (30) days of the end of the **Policy Period**. Such Discovery Period Premium shall be deemed fully earned as of such date.
- 13.4** The extension of coverage for the **Discovery Period** shall not in any way increase the Limit of Liability set forth in Item III of the Declarations. For purposes of the Limit of Liability, the **Discovery Period** is considered to be part of and not in addition to the last **Policy Year**.
- 14. Conversion to Automatic Run-off:**
- 14.1** In the event of a **Change in Control** during the **Policy Period**, coverage under this Policy shall continue until the end of the **Policy Period**, but only with respect to **Claims** for **Wrongful Acts** taking place prior to the effective date of such **Change in Control**. The entire premium for this Policy shall be deemed fully earned as of the effective date of such **Change in Control**.
- 14.2** The **Parent Organization** shall give written notice of such **Change in Control** to the Insurer as soon as practicable, together with such information as the Insurer may reasonably require.
- 15. Subrogation:** If the Insurer pays any **Loss** under this Policy, the Insurer shall be subrogated to the extent of such payment to all rights of recovery thereof. The **Insureds** shall execute all papers required and shall do everything that may be necessary to secure and preserve such rights, including the execution of such documents necessary to enable the Insurer effectively to bring suit in the name of the **Insureds**. The obligations of the **Insureds** pursuant to this Section 15 survive the termination of the **Policy Period**.
- 16. Parent Organization as Authorized Representative :** The **Insureds** agree that the **Parent Organization** shall act on their behalf with respect to all matters under this Policy,

including without limitation the giving and receiving of notices hereunder, the payment or return of premiums, and the negotiation and acceptance of endorsements.

17. Amendment, Assignment and Headings:

17.1 Any amendment to this Policy or assignment of an interest in this Policy, in whole or in part, shall be effective only if made by endorsement to this Policy signed by an authorized representative of the Insurer.

17.2 The headings to the provisions in this Policy, including those found in any endorsements attached hereto, are provided for convenience only and do not affect the construction hereof.

18. Territory: This Policy applies to **Wrongful Acts** occurring anywhere in the world, provided that a **Claim** is brought against the **Insured** within the United States of America, its territories or possessions or Canada.

19. Spousal Benefit: If a **Claim** against an **Insured Person** for a **Wrongful Act** otherwise covered under this Policy includes a claim against his/her legal spouse where the claimant asserts such claim by reason of spousal status or seeks to obtain recovery against property in which such spouse has an interest, the amount which such spouse becomes legally obligated to pay in respect of such **Claim** (including defense costs) shall be deemed the **Loss** and **Defense Costs** of such **Insured Person**, and subject to this Policy's terms, conditions, and exclusions. In any event, this extension shall not cover any conduct or wrongful act committed by such legal spouse.

20. Estates and Legal Representatives: In the event of the death, incapacity, or bankruptcy of an **Insured Person**, any **Claim** made against the estate, legal representatives, heirs, or the assigns of such **Insured Person** for a **Wrongful Act** by such **Insured Person** shall be deemed to be a **Claim** against such **Insured Person**.

21. Termination:

21.1 The Insurer may not cancel this Policy except for non-payment of premium when due. Such cancellation shall be effective as of the inception date of the **Policy Period**.

21.2 The **Parent Organization** may cancel this Policy by sending notice of cancellation to the Insurer. Such cancellation shall be effective on the date the Insurer receives such notice. The **Parent Organization** may not cancel this Policy in anticipation of or after the effective date of a **Change in Control**. In the event the **Parent Organization** cancels this Policy, the Insurer shall retain the customary short rate premium. Payment of any unearned premium by the Insurer shall not be a condition precedent to the effectiveness of cancellation but such payment shall be made as soon as practicable.

21.3 If the Insurer elects not to renew this Policy, the Insurer shall provide the **Parent Organization** with not less than sixty (60) days advance notice thereof.

22. Action Against Insurer:

22.1 No action shall be taken against the Insurer unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this Policy, or the amount of the **Insureds'**

obligation to pay shall have been finally determined either by judgment against the **Insureds** after actual trial, or by written agreement of the **Insureds**, the claimant and the Insurer.

22.2 No person or organization shall have the right under this Policy to join the Insurer as a party to any action against the **Insureds**, nor shall the Insurer be impleaded by the **Insureds** or their legal representatives.

23. Definitions:

23.1 "**Application**" means all signed applications, including attachments and materials submitted therewith or as a part thereof, or incorporated therein, for this Policy and for any policy in an uninterrupted series of policies issued by the Insurer of which this Policy is a direct or indirect renewal or replacement. All such applications, attachments, and materials are deemed attached to and incorporated into this Policy.

23.2 "**Change in Control**" means:

- (a) the acquisition by another entity of voting rights resulting in voting control by such other entity of more than 50% of the outstanding voting rights representing the present right to vote for election of directors or equivalent positions of the **Parent Organization**;
- (b) the merger of the **Parent Organization** into another entity such that the **Parent Organization** is not the surviving entity, or the consolidation of the **Parent Organization** with another entity; or
- (c) the loss of the **Parent Organization's** not-for-profit tax status.

23.3 "**Claim**" means:

- (a) a written demand for monetary or non-monetary relief against an **Insured**;
- (b) the commencement of a civil or criminal judicial proceeding or arbitration against an **Insured**;
- (c) the commencement of a formal criminal, administrative or regulatory proceeding or investigation against an **Insured**, including any brought before the Equal Employment Opportunity Commission or any similar state, local or territorial governmental agency ; or

including any appeal therefrom. A **Claim** will be deemed first made on the date an **Insured** receives a written demand, complaint, indictment, notice of charges, or order of formal investigation.

23.4 "**Defense Costs**" means reasonable and necessary fees (including attorneys' fees and experts' fees) and expenses incurred in the defense of a **Claim** and cost of attachment or similar bonds, but shall not include the wages, salaries, benefits or expenses of any directors, officers or employees of the **Insured Organization**.

23.5 "**Discovery Period**" means the period of time set forth in Section 13.

23.6 "**Employment Practices Wrongful Act**" means:

- (a) wrongful dismissal or discharge or termination of employment, whether actual or constructive;
- (b) discrimination, whether based upon race, sex, age, national origin, religion, sexual orientation or disability;
- (d) sexual or other harassment in the workplace;
- (e) employment related misrepresentation;
- (f) violation of employment laws;
- (g) wrongful failure to employ, promote or grant tenure;
- (h) wrongful discipline; (i) negligent evaluation; (j) retaliation; and/or
- (l) failure to provide adequate workplace or employment policies or procedures.

Solely with respect to any **Claim** brought by or on behalf of any **Third Party, Employment Practices Wrongful Act** means any actual or alleged, discrimination, sexual harassment or violation of such **Third Party's** civil rights in relation to such discrimination or sexual harassment, whether direct, indirect, or unintentional, committed by an **Insured Person** in his/her capacity as an **Insured Person** or by the **Insured Organization**.

- 23.7 "Executive Officer"** means the president, chief executive officer, chief operating officer, chief financial officer, managing director, any executive vice president and any equivalent executive position of the **Insured Organization**.
- 23.8 "Fungi"** means any form of fungus, including but not limited to yeast, mold, mildew, rust, smut or mushroom, and any spores, mycotoxins, odors or any other substances, products, or by products produced by, released by, or arising out of the current or past presence of fungi.
- 23.9 "Insolvency"** means the status of the **Insured Organization** as a result of the appointment of any receiver, conservator, liquidator, trustee, rehabilitator or similar official to control, supervise, manage, or liquidate the **Insured Organization**, or the **Insured Organization** becoming an insolvent debtor-in-possession.
- 23.10 "Insured(s)"** means the **Insured Persons** and the **Insured Organization**. Insured(s) also means any **Property Manager**, but only if the **Property Manager** is acting pursuant to the written authority granted by the **Parent Organization** or on behalf of and at the direction of the **Parent Organization** or any **Subsidiary**.
- 23.11 "Insured Organization"** means any entity named in Item I of the Declarations and any **Subsidiary**, including any such entity operating as a debtor-in-possession.
- 23.12 "Insured Person(s)"** means one or more natural persons who were, now are, or shall hereafter be duly elected or appointed directors, trustees, officers, employees, committee members or volunteers of the **Insured Organization**, or, with respect to a **Subsidiary** operating outside the United States, their functional equivalent, regardless of title. It also means one or more natural persons who were, now are, or shall hereafter be duly elected or appointed directors, trustees, officers, employees, committee members or volunteers of any **Property Manager**, but only if

such persons are acting within the scope of their employment with the **Property Manager** and on behalf of the **Parent Organization** or any **Subsidiary**.

23.13 "Interrelated Wrongful Acts" means **Wrongful Acts** that have as a common nexus any fact, circumstance, situation, event, transaction, cause or series of causally connected facts, circumstances, situations, events, transactions, or causes.

23.14 "Loss" means:

- (a) sums which the **Insureds** are legally obligated to pay solely as a result of any **Claim** insured by this Policy, including damages, judgments, settlement amounts, legal fees and costs awarded pursuant to judgments, punitive or exemplary damages, and the multiple portion of any multiplied damage award; and
- (b) any excise tax equal to ten percent (10%) of an excess benefit which has been assessed by the Internal Revenue Service against any **Insured Person** pursuant to Section 4658 of the Internal Revenue Code for participation of an organization manager in an excess benefit transaction.

Loss shall not include any other taxes, fines, penalties, or matters uninsurable pursuant to any applicable law.

23.15 "Microbes" means any non-fungal microorganisms or non-fungal colony-form organisms that causes infection or disease including but not limited to any spores, mycotoxins, odors or any other substances, products, or by products produced by, released by, or arising out of the current or past presence of microbes.

23.16 "Parent Organization" means the **Insured Organization** first named in Item I of the Declarations.

23.17 "Policy Period" means the period from the inception date set forth in Item II of the Declarations to the expiration date set forth in Item II of the Declarations, or its earlier termination pursuant to Section 21.

23.18 "Policy Year" means the period of one year following the effective date and hour of this Policy or the period of one year following any anniversary date thereof falling within the **Policy Period**; or if the time between the effective date or any anniversary date and the termination of this Policy is less than one year, such lesser period.

23.19 "Pollutants" means any substance exhibiting hazardous characteristics as is or may be identified on any list of hazardous substances issued by the United States Environmental Protection Agency, or any state, local, or foreign counterpart. This definition shall include, without limitation, any solid, liquid, gaseous or thermal irritant, or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, odors, noise, lead, oil or oil products, radiation, asbestos or asbestos-containing products, waste (including material to be recycled, reconditioned or reclaimed), and any electric, magnetic or electromagnetic field of any frequency, as well as any air emission, waste water, infectious medical waste, nuclear materials, or nuclear waste.

23.20 "Subsidiary" means any entity which qualifies as a not-for-profit organization under the Internal Revenue Code and for which the **Parent Organization** has or controls the right to elect or

appoint more than fifty percent (50%) of the Board of Directors or other governing body of such entity if such right exists:

- (a) prior to inception date of the **Policy Period**;
- (b) after the inception date of the **Policy Period** and the assets of such entity do not exceed thirty- five percent (35%) of the total consolidated assets of the **Insured Organization** as reflected in the **Parent Organization's** most recent audited consolidated financial statement;
- (c) after the inception date of the **Policy Period** and the assets of such entity exceed thirty- five percent (35%) of the total consolidated assets of the **Insured Organization** as reflected in the **Parent Organization's** most recent audited consolidated financial statement but only upon the condition that the **Parent Organization**:
 - (i) give written notice of such transaction to the Insurer within 90 days after the effective date of such transaction;
 - (i) provide the Insurer with such information as the Insurer may require; and
 - (ii) pay any additional premium required by the Insurer.

23.21 "Third Party" means any natural person who is an active or current customer, supplier, vendor, applicant, business invitee or other client of the **Insured Organization**.

23.22 "Wrongful Act" means:

- (a) any actual or alleged error, misstatement, misleading statement, act, omission, neglect, or breach of duty, or **Employment Practices Wrongful Act** committed or attempted by the **Insured Persons** in their capacities as such or by the **Insured Organization**; or
- (b) any matter claimed against the **Insured Persons** solely by reason of their status as **Insured Persons**.

23.23 "Construction Defect" means any actual or alleged defective, faulty or delayed construction or any other matter recognized as a construction defect under applicable common or statutory law, whether or not as a result of:

- (a) faulty or incorrect design or architectural plans;
- (b) improper soil testing;
- (c) inadequate or insufficient protection from subsoil, ground water or earth movement or subsidence;
- (d) the construction, manufacture or assembly of any tangible property;
- (e) the failure to provide construction related goods or services as represented or to pay for such goods or services; or
- (f) the supervision of such activities.

23.24 “Property Manager” means any entity providing real estate property management services to the **Insured Organization** pursuant to a written contract.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**ENHANCEMENT ENDORSEMENT FOR
COMMUNITY ASSOCIATION RISKS**

This endorsement modifies insurance provided under the following:

COMMUNITY ASSOCIATION EXECUTIVE ADVANTAGE POLICY

It is agreed that the Policy is hereby amended as follows:

- (1.) It is agreed that **Section 2.3** of the Policy is hereby deleted in its entirety and replaced with the following:

The Insurer has the right to negotiate the settlement of any **Claims** it deems expedient for any amount up to \$15,000. If the **Insureds** withhold consent to any negotiated settlement up to \$15,000, the Insurer shall waive payment of the Retention by the **Insured Organization** up to an amount of \$5,000. The Retention in excess of \$5,000 shall be borne by the **Insured Organization**. In addition, if the **Insureds** withhold consent to any such settlement in excess of \$15,000, the Insurer's liability for such **Claim** is limited to the amount in excess of the Retention which the Insurer would have contributed to the settlement had the **Insured** consented to the settlement, and 70 percent (70%) of any additional covered **Loss**, including **Defense Costs**, incurred subsequent to such refusal to settle.

- (2.) **Section 4.1** of the Policy is hereby deleted in its entirety and replaced with the following:

4.1 based upon, arising from, or in any way related to:

- (a) bodily injury, sickness, disease, death; or
- (b) emotional distress, mental anguish; or
- (c) damage to, destruction of, or loss of use of any tangible property;

provided, however, that part (b) of this exclusion shall not apply to any **Claim** brought by or on behalf of any **Third Person** or past, present or prospective **Insured Person** for an **Employment Practices Wrongful Act**;

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(3.) **Section 4.6** of the Policy is hereby deleted in its entirety and replaced with the following:

brought or maintained by or on behalf of the **Insured** against any **Property Manager**;

(4.) **Section 4** of the Policy is hereby amended as follows:

The last paragraph of **Section 4.9** is deleted and replaced with the following:

For purposes of determining the applicability of **Sections 4.1** through **4.9**, the **Wrongful Act** of any **Insured Person** shall not be imputed to any other **Insured Person**.

(5.) **Section 6** of the Policy is hereby deleted in its entirety and replaced with the following:

6. Application Representations and Severability:

6.1 The **Insureds** represent that the statements and representations contained in the **Application** are true and shall be deemed material to the acceptance of the risk or the hazard assumed by the Insurer under this Policy. This Policy is issued in reliance upon the truth of such statements and representations.

6.2 The **Insureds** agree that if the **Application** contains any statements or representations that are untrue, this Policy shall be void as to:

(a) any **Insured Person** who knew the facts that were not truthfully disclosed, provided that such knowledge shall not be imputed to any other **Insured Person**. This provision shall also apply to the **Insured Organization** to the extent that it indemnifies such **Insured Person**; and/or

(b) the **Insured Organization**, if it is established that any director or any executive officer of the **Insured Organization** knew the facts that were not truthfully disclosed;

whether or not such director or executive officer knew of such untruthful disclosure in the **Application**.

Except as set forth above, and solely with respect to **Loss** that is not indemnified due to the **Insured Organization's** financial insolvency or because indemnification

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is not legally permissible, this Policy shall not be rescinded by the Insurer in whole or in part for any reason, however, such coverage will be subject to all other terms, conditions and exclusions of the Policy.

(6.) **Sections 7.2 and 7.3** of the Policy are hereby deleted in their entirety and replaced with the following:

7.2 Notice of any **Claim**, circumstance, or **Wrongful Act** shall be forwarded in writing by mail, prepaid express courier, or facsimile to [**Philadelphia Insurance Companies Attention: Claims Department, One Bala Plaza Suite 100, Bala Cynwyd, PA 19004-0950**] and shall be effective upon receipt thereof by the addressee.

7.3 In addition to the postal address set forth in **Section 7.2**, such notice may also be given in writing to the **Insurer** by email at the following email address:

claimsreport@phly.com

Your email must reference the policy number for this Policy. The date of the **Insurer's** receipt of the emailed notice shall constitute the date of notice.

(7.) **Section 9** of the Policy is hereby amended by the addition of the following:

9.4 If **Loss** becomes due and payable, the Insurer shall pay such **Loss** in the following order of priority:

- (a) The Insurer shall first pay such **Loss** on behalf of the **Insured Persons**; and
- (b) whatever amount of the Limit of Liability remains after the payment of such **Loss**, the Insurer then shall pay such **Loss** on behalf of the **Insured Organization**.

(8.) **Sections 13.2 and 13.3** of the Policy are hereby deleted in their entirety and replaced with the following:

13.2 If the Insurer refuses to renew this Policy the **Discovery Period** shall be the period of ninety (90) days from the end of the **Policy Period**, and there shall be no charge for this **Automatic Discovery Period** of ninety (90) days. If prior to the end of the **Automatic Discovery Period** the **Parent Organization** pays the Insurer an additional amount equal to thirty-five percent (35%) of the annual premium of this Policy, the term of the **Discovery Period** shall be extended for an additional twelve (12) months from the end of the **Automatic Discovery Period**. The **Parent**

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Organization shall also have the option of paying seventy percent (70%) of the annual premium for an additional twenty-four (24) months from the end of the **Automatic Discovery Period** or one hundred percent (100%) of the annual premium for an additional thirty-six (36) months from the end of the **Automatic Discovery Period**. Such Discovery Period Premium shall be deemed fully earned as of such date. This extension shall not apply if this Policy is terminated by the Insurer for failure to pay any premium when due.

- 13.3** If the **Parent Organization** fails or refuses to renew or cancels this Policy the **Parent Organization** may purchase a **Discovery Period** of twelve (12) month from the end of the **Policy Period**, provided that the **Parent Organization** pays the Insurer an additional amount equal to thirty-five percent (35%) of the annual premium of this Policy within thirty (30) days of the end of the **Policy Period**. The **Parent Organization** shall also have the option of paying seventy percent (70%) of the annual premium for an additional twenty-four (24) months from the end of the **Policy Period** or one hundred percent (100%) of the annual premium for an additional thirty-six (36) months from the end of the **Policy Period**. Such Discovery Period Premium shall be deemed fully earned as of such date

(9.) **Section 18** of the Policy is hereby deleted in its entirety and replaced with the following:

- 18. Territory:** This Policy applies to **Wrongful Acts** occurring anywhere in the world.

(10.) **Section 19** of the Policy is hereby deleted in its entirety and replaced with the following:

- 19. Spousal Benefit:** If a **Claim** against an **Insured Person** for a **Wrongful Act** otherwise covered under this Policy includes a claim against his/her legal spouse or domestic partner where the claimant asserts such claim by reason of status as a spouse or domestic partner or seeks to obtain recovery against property in which such spouse or domestic partner has an interest, the amount which such spouse or domestic partner becomes legally obligated to pay in respect of such **Claim** (including defense costs) shall be deemed the **Loss** and **Defense Costs** of such **Insured Person**, and subject to this Policy's terms, conditions, and exclusions. In any event, this extension shall not cover any conduct or wrongful act committed by such legal spouse or domestic partner.

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- (11.) The definition of **Claim** under **Section 23.3** of the Policy is hereby deleted in its entirety and replaced with the following:

23.3 "Claim" means:

- (a) a written demand for monetary or non-monetary relief against an **Insured**;
- (b) the commencement of a civil or criminal judicial proceeding or arbitration against an **Insured**;
- (c) the commencement of a formal criminal, administrative or regulatory proceeding or formal investigation against an **Insured**, including any brought before the Equal Employment Opportunity Commission or any similar state, local or territorial governmental agency ;
- (d) a written request to any **Insured** by a prospective claimant to toll or waive any statute of limitation;

including any appeal therefrom. A **Claim** will be deemed first made on the date an **Insured** receives a written demand, complaint, indictment, notice of charges, or order of formal investigation.

- (12.) The definition of **Employment Practices Wrongful Act(s)** under **Section 23.6** of the Policy is hereby deleted in its entirety and replaced with the following:

23.6 "Employment Practices Wrongful Act" means:

- (a) wrongful dismissal or discharge or termination of employment, whether actual or constructive;
- (b) discrimination, whether based upon race, sex, age, national origin, religion, sexual orientation, marital status, gender identity or expression, disability, health status, military status or other protected status established under federal, state or local law;
- (c) sexual harassment, whether quid pro quo or hostile work environment, or other unlawful harassment or bullying in the workplace;
- (d) employment related misrepresentation;
- (e) violation of employment laws;

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- (f) wrongful deprivation of career opportunity, wrongful demotion, or wrongful failure to employ, promote or grant tenure;
- (g) wrongful discipline;
- (h) wrongful evaluation, supervision, training or retention of employees;
- (i) retaliation; and/or
- (j) failure to provide adequate workplace or employment policies or procedures.

Solely with respect to any **Claim** brought by or on behalf of any **Third Party**, **Employment Practices Wrongful Act** means any actual or alleged, discrimination, sexual harassment or violation of such **Third Party's** civil rights in relation to such discrimination or sexual harassment, whether direct, indirect, or unintentional, committed by an **Insured Person** in his/her capacity as an **Insured Person** or by the **Insured Organization**.

- (13.) The definition of **Pollutants** under **Section 23.19** of the Policy is hereby amended as follows:

The word "noise" is deleted.

- (14.) The definition of **Third Party** under **Section 23.21** of the Policy is hereby deleted in its follows:

23.21 "Third Party" means any natural person who is not an employee or applicant for employment.

All other terms, conditions, and exclusions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**BELL ENDORSEMENT**

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS

The following is a summary of Limits of Liability or Limits of Insurance and/or additional coverages provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

COVERAGE	LIMITS OF INSURANCE
Business Travel Accident Benefit	\$50,000
Conference Cancellation	\$25,000
Donation Assurance	\$50,000
Emergency Real Estate Consulting Fee	\$50,000
Fundraising Event Blackout	\$25,000
Identity Theft Expense	\$50,000
Image Restoration and Counseling	\$50,000
Key Individual Replacement Expenses	\$50,000
Kidnap Expense	\$50,000
Political Unrest	\$5,000 per employee: \$25,000 policy limit
Temporary Meeting Space Reimbursement	\$25,000
Terrorism Travel Reimbursement	\$50,000
Travel Delay Reimbursement	\$1,500
Workplace Violence Counseling	\$50,000

II. CONDITIONS

A. Applicability of Coverage

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable.

B. Limits of Liability or Limits of Insurance

1. When coverage is provided by this endorsement and another coverage form or endorsement attached to this policy, the greater limits of liability or limits of insurance will apply. In no instance will multiple limits apply to coverages which may be duplicated within this policy. Additionally, if this policy and any other coverage part or policy issued to you by us, or any company affiliated with us, apply to the same occurrence, offense, wrongful act, accident or loss, the maximum limits of liability or limits of insurance under all such coverage parts or policies combined shall not exceed the highest applicable limits of liability or limits of insurance under any one coverage part or policy.
2. Limits of liability or limits of insurance identified in Section I. **SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS** above are not excess of, but are in addition to the applicable Limits of Liability or Limits of Insurance stated in the Declarations.

C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

III. ADDITIONAL COVERAGES

A. Business Travel Accident Benefit

We will pay a Business Travel Accident Benefit to the insured if a director or officer suffers injury or death while traveling on a common carrier for your business during the policy period.

For the purpose of Business Travel Accident Benefit coverage, injury means:

1. Physical damage to the body caused by violence, fracture, or an accident that results in loss of life not later than one hundred eighty (180) days after the policy expiration, the date of cancellation or the date of non-renewal;
2. Accidental loss of limbs or multiple fingers;
3. Total loss of sight, speech or hearing.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

The Business Travel Accident Benefit shall not be payable if the cause of the injury was:

1. An intentional act by the insured;
2. An act of suicide or attempted suicide;
3. An act of war; or
4. A disease process.

B. Conference Cancellation

We will reimburse the insured for any business-related conference expenses, paid by the insured and not otherwise reimbursed, for a canceled conference that an employee was scheduled to attend. The cancellation must be due directly to a “natural catastrophe” or a “communicable disease” outbreak that forces the cancellation of the conference.

With respect to a conference cancellation claim, it is further agreed as follows:

1. The insured employee must have registered for the conference at least thirty (30) days prior to the cancellation; and
2. The cancellation must be ordered by a local, state or federal Board of Health or other governmental authority having jurisdiction over the location of the conference.

The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

C. Donation Assurance

If the insured is a 501(c)(3) status non-profit organization as defined in the United States Internal Revenue Code, we will reimburse the insured for “failed donation claim(s).”

With respect to any “failed donation claim,” it is further agreed as follows:

1. The donor must not have been in bankruptcy, nor have filed for bankruptcy or reorganization in the past seven (7) years prior to the time said pledge was made to the insured;
2. For non-cash donations, our payment of a “failed donation claim” shall be based on the fair market value of said non-cash donation at the time of the “failed donation claim”;
3. In the case of unemployment or incapacitation of a natural person donor and as a condition of payment of the “failed donation claim”:
 - a. Neither the natural person donor nor the insured shall have had reason to believe the donor would become unemployed or incapacitated subsequent to the donation date; and
 - b. The donor shall be unemployed for at least sixty (60) days prior to a claim being submitted by the insured;
4. No coverage shall be afforded for a written pledge of funds or other measurable, tangible property to the insured dated prior to the policy period; and
5. A donation amount which is to be collected by the insured over more than a twelve (12) month period shall be deemed a single donation.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

D. Emergency Real Estate Consulting Fee

We will reimburse the insured any realtor’s fee or real estate consultant’s fee necessitated by the insured’s need to relocate due to the “unforeseeable destruction” of the insured’s “principal location” listed in the Declarations during the policy period. The limit of insurance for this

coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

E. Fundraising Event Blackout

We will reimburse the insured for “fundraising expenses” that are incurred due to the cancellation of a fundraising event caused by the lack of electric supply resulting in a power outage, provided the fundraising event is not re-scheduled. The fundraising event must have been planned at least thirty (30) days prior to the power outage. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

F. Identity Theft Expense

We will reimburse any present director or officer of the named insured for “identity theft expenses” incurred as the direct result of any “identity theft” first discovered and reported during the policy period; provided that it began to occur subsequent to the effective date of the insured’s first policy with us. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

G. Image Restoration and Counseling

We will reimburse the insured for expenses incurred for image restoration and counseling arising out of “improper acts” by any natural person.

Covered expenses are limited to:

1. The costs of rehabilitation and counseling for the accused natural person insured, provided the natural person insured is not ultimately found guilty of criminal conduct; this reimbursement to occur after acquittal of the natural person insured;
2. The costs charged by a recruiter or expended on advertising, for replacing an officer as a result of “improper acts”; and
3. The costs of restoring the named insured’s reputation and consumer confidence through image consulting.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

H. Key Individual Replacement Expenses

We will pay “key individual replacement expenses” if the Chief Executive Officer or Executive Director suffers an “injury” during the policy period which results in the loss of life during the policy period. The limit of insurance for this coverage is the lesser of \$50,000 or ten (10) times the annual premium paid for this policy. No deductible applies to this coverage.

I. Kidnap Expense

We will pay on behalf of any director or officer of the insured, reasonable fees incurred as a result of the kidnapping of them or their spouse, “domestic partner,” parent or child during the policy period. Coverage will not apply to any kidnapping by or at the direction of any present or former family member of the victim.

Reasonable fees will include:

1. Fees and costs of independent negotiators;
2. Interest costs for any loan from a financial institution taken by you to pay a ransom demand or extortion threat;
3. Travel costs and accommodations incurred by the named insured;
4. Reward money paid to an informant which leads to the arrest and conviction of parties responsible for loss covered under this insurance; and
5. Salary, commissions and other financial benefits paid by you to a director or officer. Such compensation applies at the level in effect on the date of the kidnap and ends upon the earliest of:
 - a. Up to thirty (30) days after their release, if the director or officer has not yet returned to work;
 - b. Discovery of their death;
 - c. One hundred twenty (120) days after the last credible evidence following abduction that they are still alive; or
 - d. Twelve (12) months after the date of the kidnapping.

The limit of insurance for this coverage is \$50,000 each policy period for all insureds combined. No deductible applies to this coverage.

J. Political Unrest Coverage

We will reimburse any present director, officer, employee or volunteer of the named insured while traveling outside the United States of America for "emergency evacuation expenses" that are incurred as a result of an incident of "political unrest." This "political unrest" must occur during the policy period. No coverage is granted for travel to countries in a state of "political unrest" at the time of departure of the travel. The limit of insurance for this coverage is \$5,000 per covered person, subject to a maximum of \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

K. Temporary Meeting Space Reimbursement

We will reimburse the insured for rental of meeting space which is necessitated by the temporary unavailability of the insured's primary office space due to the failure of a climate control system, or leakage of a hot water heater during the policy period. Coverage will exist only for the renting of temporary meeting space required for meeting with parties who are not insured under this policy. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

L. Terrorism Travel Reimbursement

We will reimburse any present director or officer of the named insured in the event of a "certified act of terrorism" during the policy period which necessitates that he/she incurs "emergency travel expenses." The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

M. Travel Delay Reimbursement

We will reimburse any present director or officer of the named insured for any “non-reimbursable expenses” they incur as a result of the cancellation of any regularly scheduled business travel on a common carrier. The limit of insurance for this coverage is \$1,500 per policy period for all insureds combined. A seventy-two (72) hour waiting period deductible applies to this coverage.

N. Workplace Violence Counseling

We will reimburse the insured for emotional counseling expenses incurred directly as a result of a “workplace violence” incident at any of the insured’s premises during the policy period. The emotional counseling expenses incurred must have been for:

1. Your employees who were victims of, or witnesses to the “workplace violence”;
2. The spouse, “domestic partner,” parents or children of your employees who were victims of, or witnesses to the “workplace violence”; and
3. Any other person or persons who directly witnessed the “workplace violence” incident.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

IV. DEFINITIONS

For the purpose of this endorsement, the following definitions apply:

- A. “Certified act of terrorism” means any act so defined under the Terrorism Risk Insurance Act, and its amendments or extensions.
- B. “Communicable disease” means an illness, sickness, condition or an interruption or disorder of body functions, systems or organs that is transmissible by an infection or a contagion directly or indirectly through human contact, or contact with human fluids, waste, or similar agent, such as, but not limited to Meningitis, Measles or Legionnaire’s Disease.
- C. “Domestic partner” means any person who qualifies as a domestic partner under the provisions of any federal, state or local statute or regulation, or under the terms and provisions of any employee benefit or other program established by the named insured.
- D. “Emergency evacuation expenses” mean:
 1. Additional lodging expenses;
 2. Additional transportation costs;
 3. The cost of obtaining replacements of lost or stolen travel documents necessary for evacuation from the area of “political unrest”; and
 4. Translation services, message transmittals and other communication expenses.

provided that these expenses are not otherwise reimbursable.

- E. “Emergency travel expenses” mean:

1. Hotel expenses incurred which directly result from the cancellation of a scheduled transport by a commercial transportation carrier, resulting directly from and within forty-eight (48) hours of a “certified act of terrorism”; and
2. The increased amount incurred which may result from re-scheduling comparable transport, to replace a similarly scheduled transport canceled by a commercial transportation carrier in direct response to a “certified act of terrorism”;

provided that these expenses are not otherwise reimbursable.

- F. “Failed donation claim” means written notice to the insured during the policy period of:
1. The bankruptcy or reorganization of any donor whereby such bankruptcy or reorganization prevents the donor from honoring a prior written pledge of funds or other measurable, tangible property to the insured; or
 2. The unemployment or incapacitation of a natural person donor preventing him/her from honoring a prior written pledge of funds or other measurable, tangible property to the insured.
- G. “Fundraising expenses” mean deposits forfeited and other charges paid by you for catering services, property and equipment rentals and related transport, venue rentals, accommodations (including travel), and entertainment expenses less any deposits or other fees refunded or refundable to you.
- H. “Identity theft” means the act of knowingly transferring or using, without lawful authority, a means of identification of any director or officer (or spouse or “domestic partner” thereof) of the named insured with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.
- I. “Identity theft expenses” mean:
1. Costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies;
 2. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors; and
 3. Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.
- J. “Improper acts” means any actual or alleged act of:
1. Sexual abuse;
 2. Sexual intimacy;
 3. Sexual molestation; or
 4. Sexual assault;
- committed by an insured against any natural person who is not an insured. Such “improper acts” must have been committed by the insured while in his or her capacity as an insured.
- K. “Injury” whenever used in this endorsement, other than in Section III. A. **Business Travel**,

means any physical damage to the body caused by violence, fracture or an accident.

- L.** “Key individual replacement expenses” mean the following necessary expenses:
1. Costs of advertising the employment position opening;
 2. Travel, lodging, meal and entertainment expenses incurred in interviewing job applicants for the employment position opening; and
 3. Miscellaneous extra expenses incurred in finding, interviewing and negotiating with the job applicants, including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up an employment contract.
- M.** “Natural catastrophe” means hurricane, tornado, earthquake or flood.
- N.** “Non-reimbursable expenses” means the following travel-related expenses incurred after a seventy-two (72) hour waiting period, beginning from the time documented on the proof of cancellation, and for which your director or officer produces a receipt:
1. Meals and lodging;
 2. Alternative transportation;
 3. Clothing and necessary toiletries; and
 4. Emergency prescription and non-prescription drug expenses.
- O.** “Political unrest” means:
1. A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risks to the security of citizens of the United States;
 2. A long-term condition of disturbance, turmoil or agitation that makes a foreign country dangerous or unstable for citizens of the United States; or
 3. A condition of disturbance, turmoil or agitation in a foreign country that constrains the United States Government’s ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff
- for which either an alert or travel warning has been issued by the United States Department of State.
- P.** “Principal location” means the headquarters, home office or main location where most business is substantially conducted.
- Q.** “Unforeseeable destruction” means damage resulting from a “certified act of terrorism,” fire, collision or collapse which renders all of the insured’s “principal locations” completely unusable.
- R.** “Workplace violence” means any intentional use of or threat to use deadly force by any person with intent to cause harm and that results in bodily “injury” or death of any person while on the insured’s premises.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**U.S. ECONOMIC AND TRADE SANCTIONS CLAUSE
ENDORSEMENT**

This endorsement modifies and is subject to the insurance provided under the following:

Community Association Executive Advantage Policy

The policy is amended as follows:

Whenever coverage provided by this policy would be in violation of any U.S. economic or trade sanctions such as, but not limited to, those sanctions administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), such coverage shall be null and void. Similarly, any coverage relating to or referred to in any certificates or other evidences of insurance or any claim that would be in violation of U.S. economic or trade sanctions as described above shall also be null and void.

All other terms, conditions, and exclusions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**CRISIS MANAGEMENT ENHANCEMENT ENDORSEMENT**

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

Solely for the purpose of this endorsement: 1) The words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. 2) The words "we," "us" and "our" refer to the company providing this insurance.

I. SCHEDULE OF ADDITIONAL COVERAGE AND LIMITS

The following is the Limit of Liability provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

Crisis Management Expense	\$25,000
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II. CONDITIONS**A. Applicability of Coverage**

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable. All other terms and conditions of the policy or coverage part to which this endorsement is attached remain unchanged.

B. Limits of Liability or Limits of Insurance

When coverage is provided by this endorsement and any other coverage form or endorsement attached to this policy, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Liability or Limit of Insurance.

C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

III. ADDITIONAL COVERAGES

A. We will reimburse you for "crisis management emergency response expenses" incurred because of an "incident" giving rise to a "crisis" to which this insurance applies. The amount of such reimbursement is limited as described in Section **II. CONDITIONS, B. Limits of Liability or Limits of Insurance**. No other obligation or liability to pay sums or perform acts or services is covered.

B. We will reimburse only those "crisis management emergency response expenses" which are incurred during the policy period as shown in the Declarations of the policy to which this coverage is attached and reported to us within six (6) months of the date the "crisis" was initiated.

IV. DEFINITIONS

- A. "Crisis" means the public announcement that an "incident" occurred on your premises or at an event sponsored by you.
- B. "Crisis management emergency response expenses" mean those expenses incurred for services provided by a "crisis management firm." However, "crisis management emergency response expenses" shall not include compensation, fees, benefits, overhead, charges or expenses of any insured or any of your employees, nor shall "crisis management emergency response expenses" include any expenses that are payable on your behalf or reimbursable to you under any other valid and collectible insurance.
- C. "Crisis management firm" means any service provider you hire that is acceptable to us. Our consent will not be unreasonably withheld.
- D. "Incident" means an accident or other event, including the accidental discharge of pollutants, resulting in death or "serious bodily injury" to three or more persons.
- E. "Serious bodily injury" means any injury to a person that creates a substantial risk of death, serious permanent disfigurement, or protracted loss or impairment of the function of any bodily member or organ.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

DIRECTORS AND OFFICERS LIABILITY

If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism subject to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
3. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Policy.

PHILADELPHIA INDEMNITY INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAGE AND HOUR ENDORSEMENT

This endorsement modifies and is subject to the insurance provided under the following:

Community Association Executive Advantage Policy

The policy is amended as follows:

In consideration of the premium paid, it is hereby understood and agreed that this Policy is amended as follows:

1. The following sublimited coverage shall be added to this Policy subject to all terms and conditions unless noted herein:

WAGE AND HOUR EXPENSE COSTS SUBLIMIT

The Insurer shall pay on behalf of the **Insureds** for **Wage and Hour Expense Costs** incurred by the **Insured Organization** with the Insurer's consent, resulting from a **Wage and Hour Wrongful Act** that is brought and maintained by or on behalf of any past or present full-time, part-time or leased employee of the **Insured Organization**. The **Wage and Hour Wrongful Act** must first be made against such **Insured Organization** during the **Policy Period** for a **Wrongful Act** taking place before or during the **Policy Period**.

2. As respects coverage afforded by this Endorsement, Section 7. REPORTING REQUIREMENTS is amended to include the following:

If an **Insured Organization** chooses to seek coverage for a **Wage and Hour Wrongful Act**, they must notify the Insurer in writing as soon as practicable after any **Executive Officer** becomes aware of such **Wage and Hour Wrongful Act**, but in no event later than 90 days after the end of the **Policy Period**, if applicable.

Notice of any Wage and Hour Wrongful Act shall be forwarded to **[Philadelphia Insurance Companies Attention: Claims Department, One Bala Plaza Suite 100, Bala Cynwyd, PA 19004-0950]** claimsreport@phly.com

All notices under this **Policy** shall be sent in writing by mail, email, prepaid express courier or facsimile and shall be effective upon receipt thereof by the addressee.

3. For purposes of coverage provided by this Endorsement, the following exclusion shall apply:

The Insurer shall not be liable for **Loss** on account of any **Claim** made against any **Insured** for an actual or alleged violation of the responsibilities, obligations or duties imposed by the Fair Labor Standards Act (except the Equal Pay Act) or any other similar state or local law concerning wage and hour practices, including but not limited to any **Claim** for overtime, off-the-clock work, failure to provide rest or meal periods, failure to reimburse expenses, improper classification of employees as exempt or non-exempt, failure to timely pay wages, conversion, unjust enrichment or unfair business practices; however, the Insurer shall

PHILADELPHIA INDEMNITY INSURANCE COMPANY

provide an Aggregate Sublimit of Liability of \$150,000 and subject to a Retention of \$1,000 for **Wage and Hour Expense Costs**.

Such Sublimit of Liability shall be part of, and not in addition to, the Limit of Liability applicable to this coverage part.

4. For purposes of this Endorsement, the following definitions shall apply:

Wage and Hour Wrongful Act means any actual or alleged violation of the responsibilities or duties imposed by any federal, state or local statutory or common law (including, but not limited to, the Fair Labor Standards Act) governing wage, hour and payroll practices, including but not limited to any overtime, off-the-clock work, failure to provide rest or meal periods, failure to reimburse expenses, improper classification of employees as exempt or non-exempt, failure to timely pay wages, conversion, unjust enrichment or unfair business practices (excluding the Equal Pay Act, as amended).

Wage and Hour Expense Costs means the reasonable costs, charges, fees (including but not limited to attorneys' fees and experts' fees) and expenses (other than regular or overtime wages, salaries or fees of the directors, officers or employees of the **Insured Organization** or other overhead of the **Insured Organization**) incurred by the **Insureds** in defending a **Wage and Hour Wrongful Act** against such **Insured** and the premium for appeal, attachment or similar bonds although the Insurer has no obligation to apply for or secure such bond.

All other terms, conditions, and exclusions of this Policy remain unchanged.

Policy Number: PCAP020548-0419Named Insured: Bellyache Ridge Homeowners Association

A Member of the Tokio Marine Group

One Bala Plaza, Suite 100
 Bala Cynwyd, Pennsylvania 19004
 610.617.7900 Fax 610.617.7940
 PHLI.com

Terrorism Premium (Certified Acts) <u>\$0.00</u>
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PHILADELPHIA INSURANCE COMPANIES DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE REJECTION OPTION

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. *As defined in Section 102(1) of the Act:* The term “act of terrorism” means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 and 80% BEGINNING ON JANUARY 1, 2020, OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED ABOVE AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS’ LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Your attached proposal (or policy) includes a charge for terrorism. We will issue (or have issued) your policy with terrorism coverage unless you decline by placing an “X” in the box below.

NOTE 1: If -included is shown on your proposal (or policy) for terrorism you WILL NOT have the option to reject the coverage.

NOTE 2: You will want to check with entities that have an interest in your organization as they may require that you maintain terrorism coverage (e.g. mortgagees).

EXCEPTION: If you have property coverage on your policy, the following Standard Fire Policy states do not permit an Insured to reject fire ensuing from terrorism: CA, CT, GA, HI, IA, IL, ME, MA, MO, NJ, NY, NC, OR, RI, VA, WA, WV, WI. Therefore, if you are domiciled in the above states and reject terrorism coverage, you will still be charged for fire ensuing from terrorism as separately designated on your proposal.

	I decline to purchase terrorism coverage. I understand that I will have no coverage for losses arising from “certified” acts of terrorism, EXCEPT as noted above.
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You, as the Insured, have 30 days after receipt of this notice to consider the selection/rejection of “terrorism” coverage. After this 30 day period, any request for selection or rejection of terrorism coverage WILL NOT be honored.

REQUIRED IN GA – LIMITATION ON PAYMENT OF TERRORISM LOSSES (applies to policies which cover terrorism losses insured under the federal program, including those which only cover fire losses)

The provisions of the Terrorism Risk Insurance Act, as amended, can limit our maximum liability for payment of losses from certified acts of terrorism. That determination will be based on a formula set forth in the law involving the national total of federally insured terrorism losses in an annual period and individual insurer participation in payment of such losses. If one or more certified acts of terrorism in an annual period causes the maximum liability for payment of losses from certified acts of terrorism to be reached, and we have satisfied our required level of payments under the law, then we will not pay for the portion of such losses above that maximum. However, that is subject to possible change at that time, as Congress may, under the Act, determine that payments above the cap will be made.

INSURED'S SIGNATURE _____

DATE _____



PHILADELPHIA INSURANCE COMPANIES

A Member of the Tokio Marine Group

One Bala Plaza, Suite 100, Bala Cynwyd, Pennsylvania 19004
610.617.7900 • Fax 610.617.7940 • PHLY.com

02/10/2022

Bellyache Ridge Homeowners Associat
28 2nd St Unit 213
C/O Marchetti & Weaver, Llc
Edwards, CO 81632-8137

Tg<PHPK2379099

Dear Valued Customer:

Thank you very much for choosing Philadelphia Insurance Companies (PHLY) for your insurance needs. Our A++ (Superior) AM Best financial strength rating is one reason why over 700,000 policyholders have put their trust in us. We invite you to experience The PHLY Difference, which includes:

- Exceptional Customer Service
- Complimentary & Tailored Risk Management
- Best in Class Claims Experience
- Industry Leading Coverage
- Team PHLY Working for You!

We realize you have a choice in insurance companies, and we truly appreciate your business. Welcome to TeamPHLY, and please visit us at PHLY.com to learn more about The PHLY Difference!

Sincerely,

John W. Glomb, Jr.
President & CEO
Philadelphia Insurance Companies

JWG/sm

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.



PHILADELPHIA
INSURANCE COMPANIES

A Member of the Tokio Marine Group

One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

Philadelphia Indemnity Insurance Company

Commercial Lines Policy

THIS POLICY CONSISTS OF:

- DECLARATIONS
- COMMON POLICY CONDITIONS
- ONE OR MORE COVERAGE PARTS. A COVERAGE PART CONSISTS OF:
 - ONE OR MORE COVERAGE FORMS
 - APPLICABLE FORMS AND ENDORSEMENTS

IN WITNESS WHEREOF, we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless signed by our authorized representative.

A handwritten signature in black ink, appearing to read "JWG Jr.", written in a cursive style.

John W. Glomb, Jr.
President & CEO

A handwritten signature in black ink, appearing to read "Ed Sar", written in a cursive style.

Secretary

**NOTICE
LATE FEE
NON-SUFFICIENT FUNDS FEE
REINSTATEMENT FEE**

Late Fee

Please be advised that if your payment is late (payment is not received within five days of the payment due date indicated on the invoice), you will be charged a late fee of \$25* (where permitted).

Non-Sufficient Funds Fee

Please be advised that if your payment is returned for non-sufficient funds, you will be charged a fee of \$25** (where permitted).

Reinstatement Fee

Please be advised that if your policy is cancelled due to non-payment of the premium and we agree to reinstate your policy, you will be charged a reinstatement fee of \$50*** (where permitted).

These fees are in addition to any premium owed on the policy and each fee can apply more than once during the policy term.

*\$10 in Florida, Maryland, South Carolina

**\$15 in Florida and \$20 in New York

***\$25 in Delaware, Georgia, New Hampshire and New Mexico; and \$15 in Kansas and Nebraska

ADVISORY NOTICE TO POLICYHOLDERS
COMMERCIAL PROPERTY COVERAGE
COMMERCIAL GENERAL LIABILITY COVERAGE
PROFESSIONAL LIABILITY COVERAGE
COMMERCIAL UMBRELLA LIABILITY COVERAGE

NOTICE OF REDUCTION IN COVERAGE

This is a summary of changes in your policy. No coverage is provided by this summary nor can it be construed to replace any provision of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided. If there is any conflict between the policy and this summary, **THE PROVISIONS OF THE POLICY SHALL PREVAIL.**

The major areas within the policy that broaden or reduce coverage, and other changes, are highlighted below. This notice does not reference every editorial change made in your policy.

The material in this notice makes reference to endorsement numbers; however, not all forms are included in a particular policy. You should review your Declarations to see what form(s) apply to your policy.

Your policy is being renewed with one or more of the following endorsements:

EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA ENDORSEMENT – CP 01 40 07 06

ALASKA – EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA – CP 01 81 01 08

MASSACHUSETTS – EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA – CP 01 76 09 06

NEW YORK – EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA – CP 01 78 08 08

This endorsement makes an explicit statement regarding a risk that is not covered under your Commercial Property or Ultimate Cover insurance. It points out that there is no coverage under such insurance for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease. The exclusion in this endorsement applies to all coverages provided by your Commercial Property or Ultimate Cover insurance, including (if any) property damage and business income coverage.

COMMUNICABLE DISEASE EXCLUSION ENDORSEMENT – CG 21 32 05 09

COMMUNICABLE DISEASE EXCLUSION – ILLINOIS – PI-GL-037 IL (04/20)

COMMUNICABLE DISEASE EXCLUSION – WASHINGTON – PI-GL-037 WA (04/20)

This endorsement excludes coverage for liability arising out of the actual or alleged transmission of a communicable disease which includes but is not limited to, COVID-19.

ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – PROFESSIONAL LIABILITY – PI-PROF-002 (06/20)

ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – PROFESSIONAL LIABILITY – GEORGIA – PI-PROF-002 GA (11/20)

ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – PROFESSIONAL LIABILITY – ILLINOIS – PI-PROF-002 IL (06/20)

ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – PROFESSIONAL LIABILITY – MONTANA – PI-PROF-002 MT (06/20)

ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – PROFESSIONAL LIABILITY – PENNSYLVANIA – PI-PROF-002 PA (06/20)

This endorsement excludes coverage for professional liability arising out of the actual or alleged transmission of a communicable disease which includes, but is not limited to, COVID-19.

If you have also purchased a Commercial Umbrella Liability Policy, the following may also apply:

ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – PI-CXL-132 (06/20)

ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – ALASKA – PI-CXL-132 AK (06/20)

ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – ILLINOIS – PI-CXL-132 IL (06/20)

ABSOLUTE COMMUNICABLE DISEASE EXCLUSION – WASHINGTON – PI-CXL-132 WA (01/21)

This endorsement adds an exclusion to the Umbrella for claims related to the actual or alleged transmission of a communicable disease which includes, but is not limited to, COVID-19.

GENERAL LIABILITY FOLLOW FORM ENDORSEMENT – PI-CXL-041 (05/16)

GENERAL LIABILITY FOLLOW FORM ENDORSEMENT – PI-CXL-041 AK (05/16)

GENERAL LIABILITY FOLLOW FORM ENDORSEMENT – PI-CXL-041 NY (05/16)

GENERAL LIABILITY FOLLOW FORM ENDORSEMENT – PI-CXL-041 VA (05/16)

This endorsement indicates that any General Liability insurance provided in the Umbrella will follow the same provisions, exclusions and limitations as those that are contained in your underlying General Liability policy. Coverage under your Umbrella policy will not be any broader than what is provided in your underlying General Liability policy.

PI-VIRUSNOTICE 1 (06/21)

ALL COMMERCIAL LINES

PRIVACY NOTICE FOR COMMERCIAL LINES

This notice is provided on behalf of Philadelphia Indemnity Insurance Company

PURPOSE OF THIS NOTICE

When you apply for or become an insured under, the insurance policies we issue, we gather certain non-public information or “NPI” about your business and its employees. We are committed to safeguarding the NPI you entrust to us. The purpose of this notice is, therefore, to let you know how we collect, use, share and protect the NPI you provide to us in those contexts.

That means this notice applies only to your business interactions with us involving your application for a quote or as a policy holder. NPI we may collect from you in connection with other interactions, such as when you or your employees visit one of our general interest, publicly accessible websites, is governed by the separate notices and policies we publish on those relevant sites or otherwise provide to you.

When we refer in this notice to your “NPI”, we mean non-public information as that term is generally defined and applied under the New York Department of Financial Services’ Cybersecurity Regulation, the Gramm-Leach-Bliley Act and the National Association of Insurance Commissioners’ Data Security Model Law which includes non-public information about your business, such as financial information, account numbers, loss history, personal non-public information of your employees including social security number, address or medical information and any proprietary information we obtain about your business or your customers.

Due to a variety of factors, including certain explicit exemptions they contain, this notice and the NPI we collect from you in connection with the above-described business interactions ***is not*** governed by the EU General Data Protection Regulation, its related EU and Swiss Privacy Shield or the California Consumer Privacy Act.

COLLECTING YOUR NPI

In the course of, or as part of a business interaction, we collect your NPI both directly from you, or from the agents, brokers or other intermediaries acting on your or our behalf, as well as from a variety of additional sources including:

- the applications or other forms you provide to us (these forms may contain your name, address, social security number, marital status, date of birth, gender, length of employment, prior insurance information, home ownership, residency history, vehicle type, vehicle use, or driving history)
- your transactions with us, our other affiliates of the Tokio Marine Group as well as third parties (this information would include, for example, premium payment and claims history)
- consumer or independent reporting agencies (for example your motor vehicle report, property inspection report, accident report or claim report)

USING YOUR NPI

We use your NPI in a variety of ways such as creating and issuing a quote, underwriting or otherwise processing and servicing your insurance policy, handling claims you may have and offering you additional products and services that we think may be of interest to you as well as for related research and analytics purposes.

SHARING YOUR NPI

We do not disclose or share any NPI about our customers or former customers outside of the Tokio Marine Group, except as permitted by law. We do not sell or disclose or share your NPI for third party marketing purposes. We do, however, share your NPI with third parties that we use to service your account or process your insurance policy or your claim, or administer related transactions. These third parties may include:

- your agent, broker or producer
- independent claims adjusters, investigators, data processors or attorneys
- persons or organizations that conduct scientific research, including actuarial or underwriting studies
- an insurance support organization or another insurer, to prevent or prosecute fraud or to properly underwrite the risk
- another insurer, if you are involved in an accident with their insured
- State insurance departments or other governmental or law enforcement authorities, if required by law, to protect our legal interests or in cases of suspected fraud or illegal activities
- a court of law

We also are required to disclose your NPI if we receive a subpoena, search warrant or other court order.

RETAINING YOUR NPI

The NPI we collect is kept in your policy and/or claim files for as long as needed in connection with your business interactions with you and, if longer, as required by law.

HOW WE PROTECT YOUR NPI

We have adopted and implemented a security and privacy program that includes technical, organizational, administrative, and other measures designed to protect, as required by applicable law and in accordance with industry standards, against reasonably anticipated or actual threats to the security of your NPI. Our security program was created by reference to widely recognized standards such as those published by the International Standards Organization and National Institute of Standards and Technology. It includes, among many other things, procedures for assessing the need for, and as appropriate, either employing encryption and multi-factor authentication or using equivalent compensating controls. As part of our security program, we have specific incident response and management procedures that are activated whenever we become aware that your NPI was likely to have been compromised.

CHANGES TO THIS NOTICE

We may amend this notice from time to time and will inform you of these changes as required by law.

QUESTIONS AND CONTACT INFORMATION

If you have any questions about this notice or how we collect, use, share and protect your NPI, please contact the Chief Privacy Officer of TMNA Services, LLC, who acts as the privacy and data security administrator for most of the Tokio Marine Group in North America. The Chief Privacy Officer's contact information is:

Attn: Privacy Office
TMNA Services, LLC
3 Bala Plaza East, Suite 400
Bala Cynwyd, Pennsylvania 19004
610-227-1300



A Member of the Tokio Marine Group

One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

Philadelphia Indemnity Insurance Company
COMMON POLICY DECLARATIONS

Policy Number: PHPK2379099

Named Insured and Mailing Address:

Bellyache Ridge Homeowners Associat
28 2nd St Unit 213
C/O Marchetti & Weaver, Llc
Edwards, CO 81632-8137

Producer: 100955

Canyon Ins-Rifle
638 Railroad Ave
Rifle, CO 81650

(970)625-2192

Policy Period From: 03/28/2022 **To:** 03/28/2023

at 12:01 A.M. Standard Time at your mailing
address shown above.

Business Description: Homeowners Association

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

	PREMIUM
Commercial Property Coverage Part	
Commercial General Liability Coverage Part	650.00
Commercial Crime Coverage Part	
Commercial Inland Marine Coverage Part	
Commercial Auto Coverage Part	
Businessowners	
Workers Compensation	
Total	\$ 650.00
Total Includes Federal Terrorism Risk Insurance Act Coverage	3.00

FORM (S) AND ENDORSEMENT (S) MADE A PART OF THIS POLICY AT THE TIME OF ISSUE
Refer To Forms Schedule

*Omits applicable Forms and Endorsements if shown in specific Coverage Part/Coverage Form Declarations

CPD- PIIC (06/14)

Secretary

John W. Glomb, Jr.
President & CEO

Philadelphia Indemnity Insurance Company

Form Schedule – Policy

Policy Number: PHPK2379099

Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

Form	Edition	Description
BJP-190-1	1298	Commercial Lines Policy Jacket
PI-FEES-NOTICE 1	1119	Notice Late/Non-Sufficient Funds/Reinstatement Fee
PP2020	0220	Privacy Notice For Commercial Lines
CPD-PIIC	0614	Common Policy Declarations
Location Schedule	0100	Location Schedule
PI-BELL-1	1109	Bell Endorsement
PI-CME-1	1009	Crisis Management Enhancement Endorsement
IL0017	1198	Common Policy Conditions
IL0021	0908	Nuclear Energy Liability Exclusion Endorsement
IL0125	1113	Colorado Changes - Civil Union
IL0228	0907	Colorado Changes - Cancellation and Nonrenewal
PI-ACL-001	1218	Absolute Cyber Liability And Electronic Exclusion
PI-SAM-018	0519	Absolute Abuse or Molestation Exclusion
PI-TER-DN1	0115	Disclosure Notice Of Terrorism Ins Coverage Rejection

Philadelphia Indemnity Insurance Company

Locations Schedule

Policy Number: PHPK2379099

Prem. No.	Bldg. No.	Address
0001	0001	Bellyache Ridge Rd Wolcott, CO 81655

Philadelphia Indemnity Insurance Company

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

Policy Number: PHPK2379099

Agent # 100955

See Supplemental Schedule

LIMITS OF INSURANCE

\$	2,000,000	General Aggregate Limit (Other Than Products – Completed Operations)
\$	2,000,000	Products/Completed Operations Aggregate Limit
\$	1,000,000	Personal and Advertising Injury Limit (Any One Person or Organization)
\$	1,000,000	Each Occurrence Limit
\$	100,000	Rented To You Limit (Any One Premises)
\$	5,000	Medical Expense Limit (Any One Person)

FORM OF BUSINESS: ASSOCIATION

Business Description: Homeowners Association

Location of All Premises You Own, Rent or Occupy: **SEE SCHEDULE ATTACHED**

AUDIT PERIOD, ANNUAL, UNLESS OTHERWISE STATED: This policy is not subject to premium audit.

Classifications	Code No.	Premium Basis	Rates		Advance Premiums	
			Prem./ Ops.	Prod./ Comp. Ops.	Prem./ Ops.	Prod./ Comp. Ops.
SEE SCHEDULE ATTACHED						
TOTAL PREMIUM FOR THIS COVERAGE PART:					\$ 650.00	\$

RETROACTIVE DATE (CG 00 02 ONLY)

This insurance does not apply to "Bodily Injury", "Property Damage", or "Personal and Advertising Injury" which occurs before the retroactive date, if any, shown below.

Retroactive Date: NONE

FORM (S) AND ENDORSEMENT (S) APPLICABLE TO THIS COVERAGE PART: Refer To Forms Schedule

Countersignature Date

Authorized Representative

Philadelphia Indemnity Insurance Company

Form Schedule – General Liability

Policy Number: PHPK2379099

Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

Form	Edition	Description
Gen Liab Dec	1004	Commercial General Liability Coverage Part Declaration
Gen Liab Schedule	0100	General Liability Schedule
CG0001	0413	Commercial General Liability Coverage Form
CG2017	1093	Additional Insured-Townhouse Associations
CG2101	1185	Exclusion - Athletic or Sports Participants
CG2106	0514	Excl-Access/Disclosure-With Ltd Bodily Injury Except
CG2132	0509	Communicable Disease Exclusion
CG2147	1207	Employment-Related Practices Exclusion
CG2167	1204	Fungi or Bacteria Exclusion
CG2170	0115	Cap On Losses From Certified Acts Of Terrorism
CG2402	1204	Binding Arbitration
PI-GL-001	0894	Exclusion - Lead Liability
PI-GL-002	0894	Exclusion - Asbestos Liability
PI-SAM-006	0117	Abuse Or Molestation Exclusion

Philadelphia Indemnity Insurance Company

COMMERCIAL GENERAL LIABILITY COVERAGE PART SUPPLEMENTAL SCHEDULE

Policy Number: PHPK2379099

Agent # 100955

Classifications	Code No.	Premium Basis	Rates		Advance Premiums	
			Prem./ Ops.	Prod./ Comp. Ops.	Prem./ Ops.	Prod./ Comp. Ops.
CO PREM NO. 001 TOWNHOUSES PROD/COMP OP SUBJ TO GEN AGG LIMIT	68500	UNIT 75	8.626	INCL	650	INCL

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**BELL ENDORSEMENT**

One Bala Plaza, Suite 100
 Bala Cynwyd, Pennsylvania 19004
 610.617.7900 Fax 610.617.7940
 PHLI.com

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS

The following is a summary of Limits of Liability or Limits of Insurance and/or additional coverages provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

COVERAGE	LIMITS OF INSURANCE
Business Travel Accident Benefit	\$50,000
Conference Cancellation	\$25,000
Donation Assurance	\$50,000
Emergency Real Estate Consulting Fee	\$50,000
Fundraising Event Blackout	\$25,000
Identity Theft Expense	\$50,000
Image Restoration and Counseling	\$50,000
Key Individual Replacement Expenses	\$50,000
Kidnap Expense	\$50,000
Political Unrest	\$5,000 per employee: \$25,000 policy limit
Temporary Meeting Space Reimbursement	\$25,000
Terrorism Travel Reimbursement	\$50,000
Travel Delay Reimbursement	\$1,500
Workplace Violence Counseling	\$50,000

II. CONDITIONS

A. Applicability of Coverage

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable.

B. Limits of Liability or Limits of Insurance

1. When coverage is provided by this endorsement and another coverage form or endorsement attached to this policy, the greater limits of liability or limits of insurance will apply. In no instance will multiple limits apply to coverages which may be duplicated within this policy. Additionally, if this policy and any other coverage part or policy issued to you by us, or any company affiliated with us, apply to the same occurrence, offense, wrongful act, accident or loss, the maximum limits of liability or limits of insurance under all such coverage parts or policies combined shall not exceed the highest applicable limits of liability or limits of insurance under any one coverage part or policy.
2. Limits of liability or limits of insurance identified in Section I. **SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS** above are not excess of, but are in addition to the applicable Limits of Liability or Limits of Insurance stated in the Declarations.

C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

III. ADDITIONAL COVERAGES

A. Business Travel Accident Benefit

We will pay a Business Travel Accident Benefit to the insured if a director or officer suffers injury or death while traveling on a common carrier for your business during the policy period.

For the purpose of Business Travel Accident Benefit coverage, injury means:

1. Physical damage to the body caused by violence, fracture, or an accident that results in loss of life not later than one hundred eighty (180) days after the policy expiration, the date of cancellation or the date of non-renewal;
2. Accidental loss of limbs or multiple fingers;
3. Total loss of sight, speech or hearing.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

The Business Travel Accident Benefit shall not be payable if the cause of the injury was:

1. An intentional act by the insured;
2. An act of suicide or attempted suicide;
3. An act of war; or
4. A disease process.

B. Conference Cancellation

We will reimburse the insured for any business-related conference expenses, paid by the insured and not otherwise reimbursed, for a canceled conference that an employee was scheduled to attend. The cancellation must be due directly to a "natural catastrophe" or a "communicable disease" outbreak that forces the cancellation of the conference.

With respect to a conference cancellation claim, it is further agreed as follows:

1. The insured employee must have registered for the conference at least thirty (30) days prior to the cancellation; and
2. The cancellation must be ordered by a local, state or federal Board of Health or other governmental authority having jurisdiction over the location of the conference.

The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

C. Donation Assurance

If the insured is a 501(c)(3) status non-profit organization as defined in the United States Internal Revenue Code, we will reimburse the insured for "failed donation claim(s)."

With respect to any "failed donation claim," it is further agreed as follows:

1. The donor must not have been in bankruptcy, nor have filed for bankruptcy or reorganization in the past seven (7) years prior to the time said pledge was made to the insured;
2. For non-cash donations, our payment of a "failed donation claim" shall be based on the fair market value of said non-cash donation at the time of the "failed donation claim";
3. In the case of unemployment or incapacitation of a natural person donor and as a condition of payment of the "failed donation claim":
 - a. Neither the natural person donor nor the insured shall have had reason to believe the donor would become unemployed or incapacitated subsequent to the donation date; and
 - b. The donor shall be unemployed for at least sixty (60) days prior to a claim being submitted by the insured;
4. No coverage shall be afforded for a written pledge of funds or other measurable, tangible property to the insured dated prior to the policy period; and
5. A donation amount which is to be collected by the insured over more than a twelve (12) month period shall be deemed a single donation.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

D. Emergency Real Estate Consulting Fee

We will reimburse the insured any realtor's fee or real estate consultant's fee necessitated by the insured's need to relocate due to the "unforeseeable destruction" of the insured's "principal location" listed in the Declarations during the policy period. The limit of insurance for this

coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

E. Fundraising Event Blackout

We will reimburse the insured for “fundraising expenses” that are incurred due to the cancellation of a fundraising event caused by the lack of electric supply resulting in a power outage, provided the fundraising event is not re-scheduled. The fundraising event must have been planned at least thirty (30) days prior to the power outage. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

F. Identity Theft Expense

We will reimburse any present director or officer of the named insured for “identity theft expenses” incurred as the direct result of any “identity theft” first discovered and reported during the policy period; provided that it began to occur subsequent to the effective date of the insured’s first policy with us. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

G. Image Restoration and Counseling

We will reimburse the insured for expenses incurred for image restoration and counseling arising out of “improper acts” by any natural person.

Covered expenses are limited to:

1. The costs of rehabilitation and counseling for the accused natural person insured, provided the natural person insured is not ultimately found guilty of criminal conduct; this reimbursement to occur after acquittal of the natural person insured;
2. The costs charged by a recruiter or expended on advertising, for replacing an officer as a result of “improper acts”; and
3. The costs of restoring the named insured’s reputation and consumer confidence through image consulting.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

H. Key Individual Replacement Expenses

We will pay “key individual replacement expenses” if the Chief Executive Officer or Executive Director suffers an “injury” during the policy period which results in the loss of life during the policy period. The limit of insurance for this coverage is the lesser of \$50,000 or ten (10) times the annual premium paid for this policy. No deductible applies to this coverage.

I. Kidnap Expense

We will pay on behalf of any director or officer of the insured, reasonable fees incurred as a result of the kidnapping of them or their spouse, “domestic partner,” parent or child during the policy period. Coverage will not apply to any kidnapping by or at the direction of any present or former family member of the victim.

Reasonable fees will include:

1. Fees and costs of independent negotiators;
2. Interest costs for any loan from a financial institution taken by you to pay a ransom demand or extortion threat;
3. Travel costs and accommodations incurred by the named insured;
4. Reward money paid to an informant which leads to the arrest and conviction of parties responsible for loss covered under this insurance; and
5. Salary, commissions and other financial benefits paid by you to a director or officer. Such compensation applies at the level in effect on the date of the kidnap and ends upon the earliest of:
 - a. Up to thirty (30) days after their release, if the director or officer has not yet returned to work;
 - b. Discovery of their death;
 - c. One hundred twenty (120) days after the last credible evidence following abduction that they are still alive; or
 - d. Twelve (12) months after the date of the kidnapping.

The limit of insurance for this coverage is \$50,000 each policy period for all insureds combined. No deductible applies to this coverage.

J. Political Unrest Coverage

We will reimburse any present director, officer, employee or volunteer of the named insured while traveling outside the United States of America for "emergency evacuation expenses" that are incurred as a result of an incident of "political unrest." This "political unrest" must occur during the policy period. No coverage is granted for travel to countries in a state of "political unrest" at the time of departure of the travel. The limit of insurance for this coverage is \$5,000 per covered person, subject to a maximum of \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

K. Temporary Meeting Space Reimbursement

We will reimburse the insured for rental of meeting space which is necessitated by the temporary unavailability of the insured's primary office space due to the failure of a climate control system, or leakage of a hot water heater during the policy period. Coverage will exist only for the renting of temporary meeting space required for meeting with parties who are not insured under this policy. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

L. Terrorism Travel Reimbursement

We will reimburse any present director or officer of the named insured in the event of a "certified act of terrorism" during the policy period which necessitates that he/she incurs "emergency travel expenses." The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

M. Travel Delay Reimbursement

We will reimburse any present director or officer of the named insured for any “non-reimbursable expenses” they incur as a result of the cancellation of any regularly scheduled business travel on a common carrier. The limit of insurance for this coverage is \$1,500 per policy period for all insureds combined. A seventy-two (72) hour waiting period deductible applies to this coverage.

N. Workplace Violence Counseling

We will reimburse the insured for emotional counseling expenses incurred directly as a result of a “workplace violence” incident at any of the insured’s premises during the policy period. The emotional counseling expenses incurred must have been for:

1. Your employees who were victims of, or witnesses to the “workplace violence”;
2. The spouse, “domestic partner,” parents or children of your employees who were victims of, or witnesses to the “workplace violence”; and
3. Any other person or persons who directly witnessed the “workplace violence” incident.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

IV. DEFINITIONS

For the purpose of this endorsement, the following definitions apply:

- A. “Certified act of terrorism” means any act so defined under the Terrorism Risk Insurance Act, and its amendments or extensions.
- B. “Communicable disease” means an illness, sickness, condition or an interruption or disorder of body functions, systems or organs that is transmissible by an infection or a contagion directly or indirectly through human contact, or contact with human fluids, waste, or similar agent, such as, but not limited to Meningitis, Measles or Legionnaire’s Disease.
- C. “Domestic partner” means any person who qualifies as a domestic partner under the provisions of any federal, state or local statute or regulation, or under the terms and provisions of any employee benefit or other program established by the named insured.
- D. “Emergency evacuation expenses” mean:
 1. Additional lodging expenses;
 2. Additional transportation costs;
 3. The cost of obtaining replacements of lost or stolen travel documents necessary for evacuation from the area of “political unrest”; and
 4. Translation services, message transmittals and other communication expenses.

provided that these expenses are not otherwise reimbursable.

- E. “Emergency travel expenses” mean:

1. Hotel expenses incurred which directly result from the cancellation of a scheduled transport by a commercial transportation carrier, resulting directly from and within forty-eight (48) hours of a “certified act of terrorism”; and
2. The increased amount incurred which may result from re-scheduling comparable transport, to replace a similarly scheduled transport canceled by a commercial transportation carrier in direct response to a “certified act of terrorism”;

provided that these expenses are not otherwise reimbursable.

- F.** “Failed donation claim” means written notice to the insured during the policy period of:
1. The bankruptcy or reorganization of any donor whereby such bankruptcy or reorganization prevents the donor from honoring a prior written pledge of funds or other measurable, tangible property to the insured; or
 2. The unemployment or incapacitation of a natural person donor preventing him/her from honoring a prior written pledge of funds or other measurable, tangible property to the insured.
- G.** “Fundraising expenses” mean deposits forfeited and other charges paid by you for catering services, property and equipment rentals and related transport, venue rentals, accommodations (including travel), and entertainment expenses less any deposits or other fees refunded or refundable to you.
- H.** “Identity theft” means the act of knowingly transferring or using, without lawful authority, a means of identification of any director or officer (or spouse or “domestic partner” thereof) of the named insured with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.
- I.** “Identity theft expenses” mean:
1. Costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies;
 2. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors; and
 3. Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.
- J.** “Improper acts” means any actual or alleged act of:
1. Sexual abuse;
 2. Sexual intimacy;
 3. Sexual molestation; or
 4. Sexual assault;
- committed by an insured against any natural person who is not an insured. Such “improper acts” must have been committed by the insured while in his or her capacity as an insured.
- K.** “Injury” whenever used in this endorsement, other than in Section **III. A. Business Travel**,

means any physical damage to the body caused by violence, fracture or an accident.

- L.** “Key individual replacement expenses” mean the following necessary expenses:
1. Costs of advertising the employment position opening;
 2. Travel, lodging, meal and entertainment expenses incurred in interviewing job applicants for the employment position opening; and
 3. Miscellaneous extra expenses incurred in finding, interviewing and negotiating with the job applicants, including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up an employment contract.
- M.** “Natural catastrophe” means hurricane, tornado, earthquake or flood.
- N.** “Non-reimbursable expenses” means the following travel-related expenses incurred after a seventy-two (72) hour waiting period, beginning from the time documented on the proof of cancellation, and for which your director or officer produces a receipt:
1. Meals and lodging;
 2. Alternative transportation;
 3. Clothing and necessary toiletries; and
 4. Emergency prescription and non-prescription drug expenses.
- O.** “Political unrest” means:
1. A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risks to the security of citizens of the United States;
 2. A long-term condition of disturbance, turmoil or agitation that makes a foreign country dangerous or unstable for citizens of the United States; or
 3. A condition of disturbance, turmoil or agitation in a foreign country that constrains the United States Government’s ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff
- for which either an alert or travel warning has been issued by the United States Department of State.
- P.** “Principal location” means the headquarters, home office or main location where most business is substantially conducted.
- Q.** “Unforeseeable destruction” means damage resulting from a “certified act of terrorism,” fire, collision or collapse which renders all of the insured’s “principal locations” completely unusable.
- R.** “Workplace violence” means any intentional use of or threat to use deadly force by any person with intent to cause harm and that results in bodily “injury” or death of any person while on the insured’s premises.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**CRISIS MANAGEMENT ENHANCEMENT ENDORSEMENT**

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

Solely for the purpose of this endorsement: 1) The words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. 2) The words "we," "us" and "our" refer to the company providing this insurance.

I. SCHEDULE OF ADDITIONAL COVERAGE AND LIMITS

The following is the Limit of Liability provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

Crisis Management Expense	\$25,000
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II. CONDITIONS**A. Applicability of Coverage**

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable. All other terms and conditions of the policy or coverage part to which this endorsement is attached remain unchanged.

B. Limits of Liability or Limits of Insurance

When coverage is provided by this endorsement and any other coverage form or endorsement attached to this policy, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Liability or Limit of Insurance.

C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

III. ADDITIONAL COVERAGES

A. We will reimburse you for "crisis management emergency response expenses" incurred because of an "incident" giving rise to a "crisis" to which this insurance applies. The amount of such reimbursement is limited as described in Section **II. CONDITIONS, B. Limits of Liability or Limits of Insurance**. No other obligation or liability to pay sums or perform acts or services is covered.

B. We will reimburse only those "crisis management emergency response expenses" which are incurred during the policy period as shown in the Declarations of the policy to which this coverage is attached and reported to us within six (6) months of the date the "crisis" was initiated.

IV. DEFINITIONS

- A.** "Crisis" means the public announcement that an "incident" occurred on your premises or at an event sponsored by you.
- B.** "Crisis management emergency response expenses" mean those expenses incurred for services provided by a "crisis management firm." However, "crisis management emergency response expenses" shall not include compensation, fees, benefits, overhead, charges or expenses of any insured or any of your employees, nor shall "crisis management emergency response expenses" include any expenses that are payable on your behalf or reimbursable to you under any other valid and collectible insurance.
- C.** "Crisis management firm" means any service provider you hire that is acceptable to us. Our consent will not be unreasonably withheld.
- D.** "Incident" means an accident or other event, including the accidental discharge of pollutants, resulting in death or serious bodily injury to three or more persons.
- E.** "Serious bodily injury" means any injury to a person that creates a substantial risk of death, serious permanent disfigurement, or protracted loss or impairment of the function of any bodily member or organ.

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;
 - b. Give you reports on the conditions we find; and
 - c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:
 - A. Under any Liability Coverage, to "bodily injury" or "property damage":
 - (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
 - B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
 - C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:
 - (1) The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;
 - (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
 - (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.
2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

(c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COLORADO CHANGES – CIVIL UNION

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
ELECTRONIC DATA LIABILITY COVERAGE PART
FARM COVERAGE PART
FARM UMBRELLA LIABILITY POLICY
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

- A.** The term "spouse" is replaced by the following:
Spouse or party to a civil union recognized under Colorado law.
- B.** Under the Commercial Automobile Coverage Part, the term "family member" is replaced by the following and supersedes any other provisions to the contrary:
"Family member" means a person related to:
1. The individual Named Insured by blood, adoption, marriage or civil union recognized under Colorado law, who is a resident of such Named Insured's household, including a ward or foster child;
 2. The individual named in the Schedule by blood, adoption, marriage or civil union recognized under Colorado law, who is a resident of the individual's household, including a ward or foster child, if the Drive Other Car Coverage – Broadened Coverage For Named Individuals endorsement is attached.
- C.** With respect to coverage for the ownership, maintenance or use of "covered autos" provided under the Commercial Liability Umbrella Coverage Part, the term "family member" is replaced by the following:
"Family member" means a person related to you by blood, adoption, marriage or civil union recognized under Colorado law, who is a resident of your household, including a ward or foster child.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COLORADO CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
 COMMERCIAL AUTOMOBILE COVERAGE PART
 COMMERCIAL GENERAL LIABILITY COVERAGE PART
 COMMERCIAL INLAND MARINE COVERAGE PART
 COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 CRIME AND FIDELITY COVERAGE PART
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
 EQUIPMENT BREAKDOWN COVERAGE PART
 FARM COVERAGE PART
 FARM UMBRELLA LIABILITY POLICY
 LIQUOR LIABILITY COVERAGE PART
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraph **2.** of the **Cancellation** Common Policy Condition is replaced by the following:

- 2.** If this policy has been in effect for less than 60 days, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b.** 30 days before the effective date of cancellation if we cancel for any other reason.

B. The following is added to the **Cancellation** Common Policy Condition:

7. Cancellation Of Policies In Effect For 60 Days Or More

- a.** If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel this policy by mailing through first-class mail to the first Named Insured written notice of cancellation:
 - (1)** Including the actual reason, at least 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
 - (2)** At least 45 days before the effective date of cancellation if we cancel for any other reason.

We may only cancel this policy based on one or more of the following reasons:

- (1)** Nonpayment of premium;
- (2)** A false statement knowingly made by the insured on the application for insurance; or
- (3)** A substantial change in the exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless the first Named Insured has notified us of the change and we accept such change.

C. The following is added and supersedes any other provision to the contrary:

NONRENEWAL

If we decide not to renew this policy, we will mail through first-class mail to the first Named Insured shown in the Declarations written notice of the nonrenewal at least 45 days before the expiration date, or its anniversary date if it is a policy written for a term of more than one year or with no fixed expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

D. The following condition is added:

INCREASE IN PREMIUM OR DECREASE IN COVERAGE

We will not increase the premium unilaterally or decrease the coverage benefits on renewal of this policy unless we mail through first-class mail written notice of our intention, including the actual reason, to the first Named Insured's last mailing address known to us, at least 45 days before the effective date.

Any decrease in coverage during the policy term must be based on one or more of the following reasons:

1. Nonpayment of premium;
2. A false statement knowingly made by the insured on the application for insurance; or
3. A substantial change in the exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless the first Named Insured has notified us of the change and we accept such change.

If notice is mailed, proof of mailing will be sufficient proof of notice.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**ABSOLUTE CYBER LIABILITY AND ELECTRONIC EXCLUSION**

The following exclusion applies to all coverages afforded under this policy:

This insurance does not apply to any loss, cost, expense, fine, penalty, error and omission, or damage alleging, arising out of or from, attributable to, or giving rise to:

- (1) Any access to, collection or disclosure of, or failure to erase any person's or organization's confidential or personal information, including but not limited to patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information, biometrics, or any other type of nonpublic information; or
- (2) Business interruption or suspension of operations as caused by any access, unauthorized access, lack of access, delay in access, damage, manipulation, loss, or impairment to **Electronic Data** or **Electronic Media**; or
- (3) **Cyber Extortion**; or
- (4) A **Privacy Breach**; or
- (5) A **Security Breach**; or
- (6) Any fraudulent communication through **Electronic Media** that impersonates any person or organization, including but not limited to phishing or other social engineering techniques or otherwise; or
- (7) Any computer code, software, or programming; or
- (8) Any **Security Breach** that results in any electronic thing or device or **Electronic Media** malfunctioning, improperly functioning, non-functioning, failing to perform as the intended user desired, or being electronically manipulated to perform in a way that causes harm to the insured or others; or
- (9) The loss, loss of use, misuse, delay, manipulation, corruption, damage, alteration, destruction, distortion, erasure, or theft of, or inability to access or manipulate **Electronic Data** or **Electronic Media** as a result of **Cyber Extortion**; or **Privacy Breach**; or **Security Breach**
- (10) Any failure of utilities based upon, arising out of, or attributable to any mechanical or electrical failure, interruption, or outage, however caused, including but not limited to any electrical power interruption or surge, brownout, blackout, short circuit, over voltage, or power fluctuation or outage to gas, water, telephone, cable, satellite, telecommunications, the internet, or any component thereof, including but not limited to hardware, software, or any other infrastructure as a result of **Cyber Extortion**; or **Privacy Breach**; or **Security Breach**.
- (11) This exclusion applies even if damages are claimed for notification costs, errors or omissions, credit monitoring expenses, forensic expenses, public relations expenses, or any other loss, cost, or expense incurred by the insured or others arising out of that which is described in Paragraphs (1) through (10) above.

As used in this exclusion, the following definitions apply:

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Computer hardware means the physical components of any **computer system** including CPU's, memory storage devices, storage media, and input/output devices and other peripheral devices and components including but not limited to cable, connectors, fiber optics, networking equipment, **electronic data** storage devices, input and output devices, backup facilities, wire, power supply units, keyboards, display monitors and audio speakers.

Computer system means an electronic, wireless, web or similar systems (including all **computer hardware**, computer programs and **electronic data**) used to process data or information in an analog, digital, electronic or wireless format, including but not limited to, associated input and output devices, data storage devices, networking equipment, wired or wireless peripherals, electronic backup facilities, and media libraries, that is owned or leased, operated and controlled by the insured or operated by an independent contractor authorized to provide Business Process Outsourcing services or outsourced Information Technology services for the insured.

Corporate Information Breach means the public disclosure of an organization's non-public information.

Cyber Extortion means any threat or connected series of threats communicated to the insured for the purpose of demanding money, securities, or property, including but not limited to threats to release, divulge, disseminate, corrupt, damage or destroy **Electronic Data** or **Electronic Media**; introduce malware or **malicious code** into the insured's computer system; electronically communicate with the insured's customers in order to fraudulently obtain personal information, money, securities or property; or restrict or hinder access to the insured's computer system, **Electronic Data** or **Electronic Media**, including but not limited to ransomware.

Denial of service means unauthorized or unexpected interference or malicious attack by any person(s) or entity(ies) that restricts or prevents access to a **computer system** by persons or entities authorized to gain access to the **computer system** or **electronic data**.

Electronic Data means information, facts, blockchain, crypto currencies, or computer programs stored as or on, created or used on, or transmitted to or from computer software, including but not limited to systems and applications software, hard or floppy disks, CD-ROMs, DVDs, external drives, USB sticks, tapes, drives, cells, microchip, data processing devices, or any other media which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of **Electronic Data**, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve, or send data.

Electronic Media means broadcast or storage media that take advantage of electronic technology. They include television, radio, Internet, fax, Bluetooth, GPS, audio beacons, electronic data, and any other medium that requires electricity or digital encoding of information.

Malicious code means unauthorized and corrupting or harmful computer code, including but not limited to computer viruses, spyware, Trojan horses, worms, logic bombs, and mutations of any of the preceding.

Privacy Breach means a common law or statutory breach of confidence or violation of any common law or statutory rights to privacy, including but not limited to breach of a privacy policy, breach of a person's right of publicity, misappropriation of likeness, false light, intrusion upon a person's seclusion, or public disclosure of a person's or animal's private information. Privacy Breach will also include a **Corporate Information Breach**.

Security breach means:

1. **Unauthorized access** of the insured's **computer system** or **unauthorized use of computer systems** including **unauthorized access** or **unauthorized use** resulting from the theft of a password from the insured's **computer system**;
2. A **denial of service** attack against your **computer systems**; or
3. Infection of the insured's **computer system** by **malicious code** or transmission of **malicious code** from the insured's **computer systems**,

whether any of the foregoing is a specifically targeted attack or a generally distributed attack.

Unauthorized access means the gaining of access to a **computer system** by an unauthorized person or persons.

Unauthorized use means the use of a **computer system** by an unauthorized person or persons or an authorized person in an unauthorized manner.

This Endorsement is an absolute exclusion for cyber liability, **Electronic Data, Electronic Media and Security Breaches**. This Endorsement applies except if coverage is specifically and affirmatively provided in the following coverage forms or endorsements issued by us and only in respect to the coverage afforded in those coverage forms or endorsements. In no event will this Endorsement broaden any coverage afforded in any coverage form or endorsement:

- **Cyber Security Liability Coverage Form**
- **Cyber Security Liability Endorsement**
- **Building and Personal Property Coverage Form**
- **Fraudulent Inducement Insuring Agreement**
- **Fraudulent Inducement Insuring Agreement - Broad Form**
- **Fraudulent Impersonation**
- **Fraudulent Impersonation Ultimate Cover**
- **Business Income and Extra Expense Coverage Form**
- **Computer Coverage Form**

All other terms and conditions remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ABSOLUTE ABUSE OR MOLESTATION EXCLUSION
PROFESSIONAL LIABILITY**

The following exclusion applies to all professional liability coverages afforded in any coverage form or endorsement issued by us. When the applicable professional liability coverage:

- A.** Contains an abuse or molestation exclusion, it is deleted in its entirety and replaced with the following; or
- B.** Does not contain an abuse or molestation exclusion, the following is added:

This insurance does not apply to any loss, cost, expense, fine, penalty, act, error and omission, or damage alleging, arising out of or from, attributable to, or giving rise to any injury sustained by any person caused by the alleged, actual or threatened abuse or molestation by anyone.

We shall not have any duty to defend any "suit" against any insured on account of any such injury.

This exclusion applies to all injury sustained by any person, including emotional distress, arising out of molestation or abuse whether alleged, actual or threatened including but not limited to molestation or abuse arising out of your negligence or other wrongdoing with respect to:

- 1. a.** Hiring, placement, employment, training;
- b.** Investigation;
- c.** Supervision;
- d.** Reporting any molestation or abuse to the proper authorities, or failure to so report; or
- e.** Retention

of a person for whom any insured is or ever was legally responsible or for whom any insured may have assumed the liability; and whose conduct would be excluded above; or

- 2. a.** Failure to provide professional services to; or
- b.** Neglect of the therapeutic needs of,
any person because of the conduct which would be excluded above.

This endorsement is an absolute exclusion for abuse or molestation.

All other terms and conditions remain unchanged.

Policy Number: PHPK2379099Named Insured: Bellyache Ridge Homeowners Associat

PHILADELPHIA
INSURANCE COMPANIES

A Member of the Tokio Marine Group

One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

Terrorism Premium (Certified Acts) \$ <u>3.00</u>

**PHILADELPHIA INSURANCE COMPANIES
DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE REJECTION OPTION**

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. *As defined in Section 102(1) of the Act:* The term “act of terrorism” means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 and 80% BEGINNING ON JANUARY 1, 2020, OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED ABOVE AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS’ LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Your attached proposal (or policy) includes a charge for terrorism. We will issue (or have issued) your policy with terrorism coverage unless you decline by placing an “X” in the box below.

NOTE 1: If -included is shown on your proposal (or policy) for terrorism you WILL NOT have the option to reject the coverage.

NOTE 2: You will want to check with entities that have an interest in your organization as they may require that you maintain terrorism coverage (e.g. mortgagees).

EXCEPTION: If you have property coverage on your policy, the following Standard Fire Policy states do not permit an Insured to reject fire ensuing from terrorism: CA, CT, GA, HI, IA, IL, ME, MA, MO, NJ, NY, NC, OR, RI, VA, WA, WV, WI. Therefore, if you are domiciled in the above states and reject terrorism coverage, you will still be charged for fire ensuing from terrorism as separately designated on your proposal.

	<p>I decline to purchase terrorism coverage. I understand that I will have no coverage for losses arising from “certified” acts of terrorism, EXCEPT as noted above.</p>
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You, as the Insured, have 30 days after receipt of this notice to consider the selection/rejection of “terrorism” coverage. After this 30 day period, any request for selection or rejection of terrorism coverage WILL NOT be honored.

REQUIRED IN GA – LIMITATION ON PAYMENT OF TERRORISM LOSSES (applies to policies which cover terrorism losses insured under the federal program, including those which only cover fire losses)

The provisions of the Terrorism Risk Insurance Act, as amended, can limit our maximum liability for payment of losses from certified acts of terrorism. That determination will be based on a formula set forth in the law involving the national total of federally insured terrorism losses in an annual period and individual insurer participation in payment of such losses. If one or more certified acts of terrorism in an annual period causes the maximum liability for payment of losses from certified acts of terrorism to be reached, and we have satisfied our required level of payments under the law, then we will not pay for the portion of such losses above that maximum. However, that is subject to possible change at that time, as Congress may, under the Act, determine that payments above the cap will be made.

INSURED'S SIGNATURE _____

DATE _____

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

(2) The "bodily injury" or "property damage" occurs during the policy period; and

(3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

- (1)** "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a)** At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
 - (i)** "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (ii)** "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
 - (iii)** "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
 - (b)** At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
 - (c)** Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i)** Any insured; or
 - (ii)** Any person or organization for whom you may be legally responsible; or
 - (d)** At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i)** "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (ii)** "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii)** "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
 - (e)** At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

- (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
- (b) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;

- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

However, this exclusion does not apply to liability for damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III – Limits Of Insurance.

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Recording And Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

COVERAGE C – MEDICAL PAYMENTS

1. Insuring Agreement

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;
- provided that:

- (a) The accident takes place in the "coverage territory" and during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a. All expenses we incur.
- b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";

b. This insurance applies to such liability assumed by the insured;

c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";

d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

f. The indemnitee:

(1) Agrees in writing to:

(a) Cooperate with us in the investigation, settlement or defense of the "suit";

(b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";

(c) Notify any other insurer whose coverage is available to the indemnitee; and

(d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(2) Provides us with written authorization to:

(a) Obtain records and other information related to the "suit"; and

(b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **2.b.(2)** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:

a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:
 - a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:
 - (1) "Bodily injury" or "personal and advertising injury":
 - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
 - (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
 - (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1)(a) or (b) above; or
 - (d) Arising out of his or her providing or failing to provide professional health care services.
 - (2) "Property damage" to property:
 - (a) Owned, occupied or used by;
 - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
 - b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
 - c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.
 - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
 3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.
- No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage **C**;
 - b. Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. Damages under Coverage **B**.

3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to Paragraph **2.** above, the Personal And Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to Paragraph **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage **A**; and
 - b. Medical expenses under Coverage **C**
 because of all "bodily injury" and "property damage" arising out of any one "occurrence".
6. Subject to Paragraph **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to Paragraph **5.** above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and

- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b. If a claim is made or "suit" is brought against any insured, you must:
 - (1) Immediately record the specifics of the claim or "suit" and the date received; and
 - (2) Notify us as soon as practicable.
 You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
 - c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
 - d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

b. Excess Insurance

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

(iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability.

(b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured.

(2) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(b) The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

a. The statements in the Declarations are accurate and complete;

- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. "Auto" means:
 - a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. "Coverage territory" means:
 - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
 - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication; provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.
5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:
- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your "advertisement"; or
- g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

- (1) Products that are still in your physical possession; or
- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a.** An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b.** Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

- a.** Means:
 - (1)** Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a)** You;
 - (b)** Others trading under your name; or
 - (c)** A person or organization whose business or assets you have acquired; and
 - (2)** Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2)** The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

- (1)** Work or operations performed by you or on your behalf; and
- (2)** Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

- (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- (2)** The providing of or failure to provide warnings or instructions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – TOWNHOUSE ASSOCIATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

WHO IS AN INSURED (Section II) is amended to include each individual townhouse owner, but only with respect to liability as a member of the townhouse association and not with respect to any liability arising out of the ownership, maintenance, use or repair of the real property to which the owner has title.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ATHLETIC OR SPORTS PARTICIPANTS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

SCHEDULE

Description of Operations:

Any and all sporting and athletic events held or sponsored by the named insured

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

With respect to any operations shown in the Schedule, this insurance does not apply to "bodily injury" to any person while practicing for or participating in any sports or athletic contest or exhibition that you sponsor.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION – ACCESS OR DISCLOSURE OF
CONFIDENTIAL OR PERSONAL INFORMATION AND
DATA-RELATED LIABILITY – WITH
LIMITED BODILY INJURY EXCEPTION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Exclusion 2.p. of Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by the following:

2. Exclusions

This insurance does not apply to:

p. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability

Damages arising out of:

- (1)** Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2)** The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph **(1)** or **(2)** above.

However, unless Paragraph **(1)** above applies, this exclusion does not apply to damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

B. The following is added to Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

2. Exclusions

This insurance does not apply to:

Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMUNICABLE DISEASE EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

2. Exclusions

This insurance does not apply to:

Communicable Disease

"Bodily injury" or "property damage" arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

- a. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- b. Testing for a communicable disease;
- c. Failure to prevent the spread of the disease; or
- d. Failure to report the disease to authorities.

B. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

2. Exclusions

This insurance does not apply to:

Communicable Disease

"Personal and advertising injury" arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

- a. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- b. Testing for a communicable disease;
- c. Failure to prevent the spread of the disease; or
- d. Failure to report the disease to authorities.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FUNGI OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** The following exclusion is added to Paragraph 2. **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**
- 2. Exclusions**
- This insurance does not apply to:
- Fungi Or Bacteria**
- a.** "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
 - b.** Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.
- This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.
- B.** The following exclusion is added to Paragraph 2. **Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**
- 2. Exclusions**
- This insurance does not apply to:
- Fungi Or Bacteria**
- a.** "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.
 - b.** Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.
- C.** The following definition is added to the **Definitions** Section:
- "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

- A.** If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.
- "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
 2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- B.** The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BINDING ARBITRATION

This endorsement modifies insurance provided under the following:

COMMERCIAL	GENERAL	LIABILITY	COVERAGE	PART
ELECTRONIC DATA	LIABILITY	COVER	AGE	PART
LIQUOR	LIABILITY	COVER	AGE	PART
OWNERS AND CONTRACTORS	PROTECTIVE	LIABILITY	COVER	PART
POLLUTION	LIABILITY	COVER	AGE	PART
PRODUCTS/COMPLETED	OPERATIONS	LIABILITY	COVER	PART
PRODUCT WITHDRAWAL	COVER	AGE		
RAILROAD	PROTECTIVE	LIABILITY	COVER	PART
UNDERGROUND STORAGE	TANK	POLICY		

If we and the insured do not agree whether coverage is provided under this Coverage Part for a claim made against the insured, then either party may make a written demand for arbitration.

When this demand is made, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will:

1. Pay the expenses it incurs; and

2. Bear the expenses of the third arbitrator equally.

Unless both parties agree otherwise, arbitration will take place in the county or parish in which the address shown in the Declarations is located. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - LEAD LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to paragraph 2., Exclusions of COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section 1 - Coverages) and paragraph 2., Exclusions of COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY (Section 1 - Coverages):

This insurance does not apply to:

1. "Bodily injury," "property damage," or "personal and advertising injury" arising out of or caused by the actual or alleged:
 - a. Exposure to or existence of lead, paint containing lead, or any other material or substance containing lead;
 - b. Manufacture, distribution, sale, resale, rebranding, installation, repair, removal, encapsulation, abatement, replacement or handling of lead, paint containing lead, or any other material or substance containing lead;

Whether or not the lead is or was at any time airborne as a particulate, contained in a product ingested, inhaled, transmitted in any fashion, or found in any form whatsoever.
2. Any legal obligation of any insured for indemnification or contribution due to damages arising out of "bodily injury," "property damage" or "personal and advertising injury" caused by lead, paint containing lead, or any other substance or material containing lead.
3. Any loss, cost, expense or damages, whether direct or consequential, arising out of any:
 - (a) Request, demand or order that any insured or others test for, monitor, clean up, remove, abate, contain, treat or neutralize lead, paint containing lead, or any other substance or material containing lead, or in any way respond to, or assess the effects of lead; or
 - (b) Claim or suit related to, testing for, monitoring, cleaning up, removing, abating, containing, treating or neutralizing lead, paint containing lead, or any other substance or material containing lead or in any way responding to or assessing the effects of lead.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - ASBESTOS LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to paragraph 2., Exclusions of COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section 1 - Coverages) and paragraph 2., Exclusions of COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY (Section 1 - Coverages):

This insurance does not apply to:

“Bodily injury,” “property damage,” “personal injury” or “advertising injury” arising out of:

1. Inhaling, ingesting or prolonged physical exposure to asbestos or goods or products containing asbestos;
2. The use of asbestos in constructing or manufacturing any good, product or structure;
3. The removal of asbestos from any good, product or structure; or
4. The manufacture, sale, transportation, storage or disposal of asbestos or goods or products containing asbestos.

The coverage afforded by this policy does not apply to payment for the investigation or defense of any loss or “suit,” injury or damage or any cost, fine or penalty or for any expense or claim or “suit” related to any of the above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ABUSE OR MOLESTATION EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2. Exclusions of **SECTION I – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and Paragraph 2. Exclusions of **SECTION I – COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**:

This insurance does not apply to any injury sustained by any person arising out of or resulting from the alleged, actual or threatened abuse or molestation by anyone.

We shall not have any duty to defend any “suit” against any insured seeking damages on account of any such injury.

This exclusion applies to all injury sustained by any person, including emotional distress, arising out of molestation or abuse whether alleged, actual or threatened including but not limited to molestation or abuse arising out of your negligence or other wrongdoing with respect to:

1. Hiring, placement, employment, training;
2. Investigation;
3. Supervision;
4. Reporting any molestation or abuse to the proper authorities, or failure to so report; or
5. Retention;

of a person for whom any insured is or ever was legally responsible or for whom any insured may have assumed the liability; and whose conduct would be excluded above.



STATE OF COLORADO

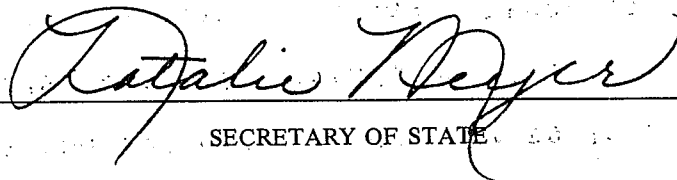
DEPARTMENT OF
STATE

CERTIFICATE

I, NATALIE MEYER, Secretary of State of the State of Colorado hereby certify that the prerequisites for the issuance of this certificate have been fulfilled in compliance with law and are found to conform to law.

Accordingly, the undersigned, by virtue of the authority vested in me by law, hereby issues A RESTATED CERTIFICATE OF INCORPORATION TO BELLACHE RIDGE HOMEOWNERS ASSOCIATION, A NONPROFIT CORPORATION.

Dated: MARCH 5, 1993



SECRETARY OF STATE

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RESTATED ARTICLES OF INCORPORATION 931024044 \$60.00
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OF

BELLYACHE RIDGE HOMEOWNERS ASSOCIATION

ARTICLE I

The name of the corporation is BELLYACHE RIDGE HOMEOWNERS ASSOCIATION.

ARTICLE II

The corporation shall have perpetual existence.

ARTICLE III

The nature of the corporation and the objects and purposes for which the corporation is organized are as follows:

1. To acquire ownership of, and title to, certain real property including but not limited to greenbelt areas and any tangible personal property or real property necessary to properly carry out the purposes of providing for the general benefit of the owners and residents of Bellyache Ridge Subdivision.

2. To maintain and operate real and personal property including but not limited to greenbelt areas, parks, and other open areas, as an appurtenance to real estate owned by each of the members, subject to such annual or special assessments or charges as may be required to defer the costs and expenses thereof.

3. To adopt, administer and enforce Protective Covenants of Bellyache Ridge Subdivision Filing No. 1 and Bellyache Ridge Subdivision Filing No. 2, including architectural control for the architecture and appearance of a housing development for the benefit of its respective members on a cooperative basis.

4. To have and exercise, generally, all powers, and to do and perform all the acts, which or may be necessary to carry out and effectuate the purposes for which the corporation is formed; such powers shall include, without limiting the general powers of the corporation, the power to perform the following specific acts:

(a) Pay taxes and assessments on all property held by the association for the general use of the members;

- (b) Maintain vacant unimproved and unkept lots;
- (c) Collect, maintain and disburse funds collected for maintenance, taxes or other proper charges levied against the property of the association;
- (d) Acquire or dispose of property in the interests of the association, either by purchase, sale or dedication to a public authority;
- (e) Borrow money for the proper conduct of the affairs of the association;
- (f) Establish, levy, and assess annual or special charges and assessments against the property in pursuance of the purposes of the corporation and establish appropriate collection procedures therefore;
- (g) To maintain greenbelt areas, parks and other open spaces until such maintenance is assumed by public authority or in lieu thereof;
- (h) To perform and provide other proper functions in the nature of community services, including, but without limitation, fire protection, refuse collection, street sweeping, and snow removal, and the development, construction, and maintenance of a public or community sewage disposal system, provided that the construction of any such common sewage disposal system and such other community service functions shall be approved by the members pursuant to the by-laws of the corporation;
- (i) To exercise all those general powers conferred upon non-profit corporations under the laws of the State of Colorado.

6. The corporation is organized exclusively for purposes of furnishing various community services to its members, holding title to greenbelt areas, parks and other open spaces, and easements and to enforce Protective Covenants on a cooperative basis, whereby at least 85% of its income shall be derived from assessments to members for the sole purpose of meeting expenses or losses and in full compliance with the requirements of 501(c)(4) of the Internal Revenue Code of 1986.

7. The Board of Directors of the corporation shall be vested with the exclusive authority under which conveyance or encumbrance of all or any part of the corporate property may be made, and the President or the Vice-President, with the

attestation of the Secretary, shall be authorized to execute the appropriate instruments of conveyance or encumbrance, upon resolution of the Board of directors made.

ARTICLE IV

1. No part of the income or net earnings of the corporation shall inure to the benefit or be distributable to any member, director or officer of the corporation or any other corporation or private individual; however, reasonable compensation may be paid for services actually rendered to or for the corporation and any officer, director, agent or employee, or any other person or corporation, may be reimbursed for expenses advanced or incurred for the corporation's benefit upon authorization of the Board of Directors. No member, director or officer of the corporation, nor any other corporation or private individual, shall be entitled to share in any distribution of any of the corporate assets on dissolution of the corporation or otherwise, except as hereinafter expressly set forth. No substantial part of the activities of the corporation shall consist of carrying on lobbying activities, propaganda campaigns or other activities designed to influence legislation. The corporation shall not participate or intervene in any political campaign on behalf of any candidate for public office.

2. Upon dissolution of the corporation, all of its assets remaining after payment of liabilities shall be paid over and transferred to one or more exempt organizations as are qualified for exemption from Federal income taxes under Section 501(c)(4) and (12) of the Internal Revenue Code. The proceedings of dissolution shall be conducted in accordance with Article 24 Chapter 31, C.R.S. as amended.

3. Notwithstanding any other provision hereof, this corporation shall not conduct or carry on any activities not permitted nor receive any income which is prohibited under the provisions of Section 501(c) (4) and (12) of the Internal Revenue Code, as amended.

ARTICLE V

1. Members of the corporation shall be the owner, or owners, of lots, multiple-family dwelling units, or condominium units hereinafter collectively referred to as "ownership units", located in Eagle County, Colorado, within the area known as "Bellyache Ridge Subdivision" which shall consist of subdivision filings entitled "Bellyache Ridge Subdivision Filing No. 1", "Bellyache Ridge Subdivision Filing No. 2", as shall be shown on the recorded plats of said subdivisions in the office of the

Clerk and Recorder of Eagle County, Colorado.

2. Each established owner of an "ownership unit", by whatever means, in Bellyache Ridge Subdivision, shall be entitled to membership in the Bellyache Ridge Homeowners Association. Each such "ownership unit", shall entitle the members thereof, collectively, to a proportionate share of the use of the property owned and controlled by such non-profit corporation as may be necessary by the corporation. In the event of dissolution of the corporation, each such proportionate share of such property shall be vested in such established owner and distributed accordingly.

Each lot, whether approved for single family, two family, multiple family or condominium use, shall represent one "ownership unit" as hereinbefore provided, until such time as dwelling units are constructed thereon. Upon the completion of the construction of such dwelling units, any such lot shall cease to represent a "ownership unit" but thereupon the real property or lot associated with each such dwelling unit shall, in and of itself, represent one "ownership unit".

3. Each member shall be entitled to one vote, either in person or by proxy for each ownership unit registered in his name on the books of the corporation. In the election of directors, each such voting member shall have the right to vote such number of ownership units for as many persons as there are directors to be elected. Cumulative voting shall not be allowed for any purpose.

4. At all meetings of the members a majority of ownership units entitled to vote at such meeting, represented in person or by proxy, shall constitute a quorum.

5. All assessments made by the Board of Directors under authority of these Articles of Incorporation shall be and become a lien against the respective subdivision lots to which the ownership units are appurtenant upon the recording of a memorandum of any such assessment in the office of the Eagle County Clerk and Recorder, and such lien shall continue and remain in effect until such assessments have been paid. The manner of enforcing any such lien shall be set forth in the By-laws of the corporation.

ARTICLE VI

The following provisions are inserted as notice of the specific intent of the corporation concerning the management of the business and the conduct of the affairs of the corporation, and the same are in furtherance of, and not limitation or

exclusion of, the powers conferred by the laws of the State of Colorado.

1. Indemnification of Officers and directors. The board of directors of the corporation shall have the power to:

a. Indemnify any person who was, is, or is threatened to be made, a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action, by or in the right of the corporation), by reason of the fact that he is or was a director, officer, employee, or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he conducted himself or herself in good faith and he or she reasonably believed (in the case of conduct in his official capacity with the corporation) that his or her conduct was in the corporation's best interests or (in all other cases) that his conduct was at least not opposed to the corporation's best interests and, with respect to any criminal action or proceeding, he or she had no reasonable cause to believe his or her conduct was unlawful. The termination of any proceeding by judgment, order, settlement, or conviction or upon a plea of nolo contendere or its equivalent is not of itself determinative that the individual did not meet the standard of conduct set forth herein. No indemnification shall be made in connection with a proceeding by or in the right of the corporation in which the director was adjudged liable to the corporation or in connection with any proceeding charging improper personal benefit to the director, officer, employee, or agent whether or not involving action in his official capacity, in which he or she was adjudged liable on the basis that personal benefit was improperly received by him or her unless and only to the extent that a court of competent jurisdiction determines upon application that the director, officer, employee, or agent is fairly and reasonably entitled to indemnification in view of all the relevant circumstances.

b. Indemnify a person who is or was a director, officer, employee or agent of the corporation and who was wholly successful on the merits or otherwise, in defense of any proceeding to which he was a party, against reasonable expenses incurred by him or her in connection with the proceeding.

c. Authorize indemnification under paragraph (a) of

this Section 2 in the specific case after a determination has been made that indemnification of the director, officer, employee, or agent is permissible in the circumstances because he or she has met the standard of conduct set forth in paragraph (a) of this section. Such determination shall be made by the board of directors by a majority vote of a quorum, which quorum shall consist of directors not parties to the proceeding. If a quorum cannot be not obtained, such determination shall be made by a majority vote of a committee of the board designated by the board, which committee shall consist of two or more directors not parties to the proceeding except that directors who are parties to the proceeding may participate in the designation of directors for the committee. If the quorum cannot be obtained or the committee cannot be established as hereinabove provided or even if a quorum is obtained or a committee designated, if such quorum or committee so directs, the determination shall be made by independent legal counsel selected by a vote of the board of directors or the committee in the manner hereinabove specified or, if a quorum of the full board cannot be obtained and a committee cannot be established, by independent legal counsel selected by a majority vote of the full board; or by the members.

d. Authorize the indemnification of and evaluate the reasonableness of expenses (including attorney's fees) in the same manner as the determination that indemnification is permissible; except that if the determination that indemnification is permissible is made by independent legal counsel, authorization of indemnification and evaluation of reasonableness of expenses shall be made by the body that selected said counsel.

e. Authorize payment of expenses (including attorney's fees) incurred by a director, officer, agent or employee in defending a civil or criminal action or proceeding in advance of the final disposition of the same if the director, officer, employee or agent furnishes the corporation a written affirmation of his or her good faith belief that he or she has met the standard of conduct described in paragraph (a) of this section, furnishes the corporation a written undertaking, executed personally or on his behalf, to repay the advance if it is determined that he did not meet such standard of conduct, and a determination is made that the facts then known to those making the determination would not preclude indemnification hereunder. Provided, the corporation may indemnify and advance expenses pursuant to this paragraph to a greater extent if consistent with law and if provided for by resolution of the corporation's members or directors or in a contract.

f. Purchase and maintain insurance on behalf of an individual who is or was a director, officer, employee, fiduciary

or agent of this corporation and who is or was serving at the request of the corporation as a director, officer, partner, trustee, employee, fiduciary, or agent of any other foreign or domestic corporation, or of any partnership, joint venture, trust, other enterprise or employee benefit plan against any liability asserted against or incurred by him in any such capacity or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability under the provisions of this section.

2. Liability of directors

A director shall have no personal liability to the corporation or to its members for monetary damages for breach of fiduciary duty as a director; except that a director shall be liable to the corporation or to its members for monetary damages for (a) any breach of the director's duty of loyalty to the corporation or to its members, (b) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (c) acts specified in section CRS 7-5-114, or any similar successor statute, (d) any transaction from which the director derived an improper personal benefit.

ARTICLE VII

The Board of Directors shall adopt, and may amend from time to time, by-laws for the regulation and government of the corporation's business and affairs and the issuance and transfer of its membership or stock certificates.

CERTIFICATION

The undersigned hereby certify:

1. That the foregoing Restated Articles of Incorporation of Bellyache Ridge Homeowners Association correctly set forth and incorporate herein all provisions of the Restated Articles of Incorporation of Bellyache Ridge Homeowners Association, as amended on the 20th day of January, 1993;

2. That the foregoing restate and integrate, and do not further amend, except as was approved on the 20th day of January, 1993, the original Articles of Incorporation of Bellyache Ridge Homeowners Association, that there is no discrepancy between such original Articles of Incorporation with any previous amendments or supplements and the provision of the Restated Articles of Incorporation of Bellyache Ridge Homeowners Association. and that the Restated Articles of Incorporation of Bellyache Ridge Homeowners Association, supersede the original Articles of

Incorporation and all amendments and supplements thereto.

2. That the foregoing Restated Articles of Incorporation of Bellyache Ridge Homeowners Association were adopted as required by law and they supersede the original articles of incorporation and all amendments thereto, having been adopted by unanimous vote of the members of the Association present at its annual meeting of the members of the Association, at which a quorum was present, on the 20th day of January, 1993.

IN WITNESS WHEREOF, the undersigned have subscribed their names to the Articles of Incorporation of Bellyache Ridge Homeowners Association, a non-profit corporation on this 17 day of February, A.D. 1993.

Attest:

Robert S. Tetter
Secretary

Jerry [Signature]
President

STATE OF COLORADO)
)ss:
COUNTY OF EAGLE)

The foregoing instrument was subscribed and sworn to before me the 17th day of February, 1993, by LARRY METLERWICK as President and by ROBERT S. TETTER as Secretary of Bellyache Ridge Homeowners Association.

My commission expires: 10/29/95

Witness my hand and official seal.

Mary J. Kessler
Notary Public

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STATE OF COLORADO

DEPARTMENT OF
STATE



NONPROFIT
CERTIFICATE OF
INCORPORATION

I, Byron A. Anderson,

Secretary of State of the State of Colorado, hereby certify that duplicate originals of Articles of Incorporation, duly signed and acknowledged pursuant to the provisions of the Colorado Nonprofit Corporation Act, have been received in this office and are found to conform to law.

Accordingly the undersigned, by virtue of the authority vested in me by law, hereby issues this Certificate of Incorporation of

-----BELLYACHE RIDGE HOMEOWNERS ASSOCIATION-----
(A COLORADO NONPROFIT CORPORATION)

and attaches hereto a duplicate original of the Articles of Incorporation.

Dated this--Thirty-First-- day of ----January----, A. D. 19 73.

Byron A. Anderson
SECRETARY OF STATE
Jeremiah D. Connolly
BY DEPUTY



ARTICLES OF INCORPORATION
OF
BELLYACHE RIDGE HOMEOWNERS ASSOCIATION

We the undersigned natural persons, each being more than twenty-one years of age, acting as incorporators, hereby establish a non-profit corporation under and by virtue of the Colorado Non-Profit Corporation Act and adopt the following Articles of Incorporation:

ARTICLE I

The name of the corporation is BELLYACHE RIDGE HOMEOWNERS ASSOCIATION.

ARTICLE II

The corporation shall have perpetual existence.

ARTICLE III

The nature of the corporation and the objects and purposes for which the same is organized are as follows:

1. To acquire ownership of, and title to, certain roads and roadways, certain greenbelt areas, certain water and water rights, springs and spring rights, ditch and ditch rights, well and well rights, together with all water, pumps and distribution facilities and equipment used in connection therewith, including, but not limited to, wells, springs, pipelines, ditches, laterals, headgates and other water distribution equipment, fixtures or rights necessary or pertinent thereto, and any other tangible personal property or real property necessary to properly carry out the purposes of supplying water for domestic and other beneficial uses to or for the benefit of its respective members on a cooperative basis.

2. To maintain and operate certain roads and roadways, greenbelt areas, parks, and other open areas, water sources, wells, pipelines, ditches, and water distribution facilities

and equipment necessary and proper for the distribution of water and to furnish and supply water to the members of the corporation for domestic or other beneficial purposes, as an appurtenance to real estate owned by each of the members, subject to such annual or special assessments or charges as may be required to defer the costs and expenses thereof.

3. To acquire any necessary water by appropriation, adjudication or otherwise and to obtain adjudication of priority rights, change points of diversion for any such water rights and to assess all members for necessary costs incurred therefor, and for the acquisition of any and all capital improvements or additions, equipment or facilities necessary for the continued distribution of water to the members.

4. To adopt, administer and enforce Protective Covenants, including architectural control, for the architecture and appearance of a housing development for the benefit of its respective members on a cooperative basis.

5. To have and exercise, generally, all powers, and to do and perform all the acts, which or may be necessary to carry out and effectuate the purposes for which the corporation is formed; such powers shall include, without limiting the general powers of the corporation, the power to perform the following specific acts:

- (a) Pay taxes and assessments on all property held by the association for the general use of the members;
- (b) Maintain vacant unimproved and unkept lots;
- (c) Disburse funds collected for maintenance, taxes or other proper charges levied against the property of the association;
- (d) Acquire or dispose of property in the interests of the association, either by purchase, sale or dedication to a public authority;
- (e) Borrow money for the proper conduct of the affairs of the association;
- (f) Establish, levy, and assess annual or special charges and assessments against the property in pursuance of the purposes of the corporation and establish appropriate collection procedures therefore;

(g) To maintain streets, greenbelt areas, parks and other open spaces until such maintenance is assumed by public authority or in lieu thereof;

(h) To perform and provide other proper functions in the nature of community services, including, but without limitation, fire protection, refuse collection, street sweeping, and snow removal, and the development, construction, and maintenance of a public or community sewage disposal system, provided that the construction of any such common sewage disposal system and such other community service functions shall be approved by the members pursuant to the by-laws of the corporation;

(i) To exercise all those general powers conferred upon non-profit corporations under the laws of the State of Colorado.

6. The corporation is organized exclusively for purposes of furnishing various community services to its members, holding title to mutually owned and used water systems, greenbelt areas, parks and other open spaces, roadways and easements and to enforce Protective Covenants on a cooperative basis, whereby at least 85% of its income shall be derived from assessments to members for the sole purpose of meeting expenses or losses and in full compliance with the requirements of 501(c)(4) and (12) of the Internal Revenue Code of 1954.

7. The Board of Directors of the corporation shall be vested with the exclusive authority under which conveyance or encumbrance of all or any part of the corporate property may be made, and the President or the Vice-President, with the attestation of the Secretary, shall be authorized to execute the appropriate instruments of conveyance or encumbrance, upon resolution of the Board of Directors made.

ARTICLE IV

1. No part of the income or net earnings of the corporation shall inure to the benefit or be distributable to any member, director or officer of the corporation or any other corporation or private individual; however, reasonable compensation may be paid for services actually rendered to or for the corporation and any officer, director, agent or employee, or any other

person or corporation, may be reimbursed for expenses advanced or incurred for the corporation's benefit upon authorization of the Board of Directors. No member, director or officer of the corporation, nor any other corporation or private individual, shall be entitled to share in any distribution of any of the corporate assets on dissolution of the corporation or otherwise, except as hereinafter expressly set forth. No substantial part of the activities of the corporation shall consist of carrying on lobbying activities, propoganda campaigns or other activities designed to influence legislation. The corporation shall not participate or intervene in any political campaign on behalf of any candidate for public office.

2. Upon dissolution of the corporation, all of its assets remaining after payment of liabilities shall be paid over and transferred to one or more exempt organizations as are qualified for exemption from Federal income taxes under Section 501(c)(4) and (12) of the Internal Revenue Code, except that all roads, water rights and other property appurtenant to, used in connection with, or necessary for the convenient use and occupation of the real property of the members, whether such property was originally received by the corporation in exchange for shares of stock issued to members or thereafter acquired and funded by member assessments, shall be returned, transferred or conveyed to such members in accordance with the provisions of Article V of these Articles of Incorporation. The proceedings of dissolution shall be conducted in accordance with Article 24 Chapter 31, C.R.S. as amended.

3. Notwithstanding any other provision hereof, this corporation shall not conduct or carry on any activities not permitted nor receive any income which is prohibited under the provisions of Section 501(c)(4) and (12) of the Internal Revenue Code of 1954 as amended.

ARTICLE V

1. Members of the corporation shall be the owner, or owners, of lots, multiple-family dwelling units, or condominium units hereinafter collectively referred to as "ownership units", located in Eagle County, Colorado, within the area known as "Bellyache Ridge Subdivision" which shall consist of successive subdivision filings entitled "Bellyache Ridge Subdivision Filing No. 1", "Bellyache Ridge Subdivision Filing No. 2", etc., etc., as shall be shown on the recorded plats of said subdivisions in the office of the Clerk and Recorder of Eagle County, Colorado.

2. The corporation shall issue shares of stock to members in accordance with the by-laws hereinafter promulgated pursuant to law. Each established owner of an "ownership unit", by whatever means, in Bellyache Ridge Subdivision, shall be entitled to receive one share of corporate stock, represented by a membership or stock certificate in the Bellyache Ridge Homeowners Association for each such "ownership unit", entitling each established owner to a proportionate share of the use of the roads and water and water systems, greenbelt areas and other property owned and controlled by such non-profit corporation as may be necessary for domestic and other beneficial uses appurtenant to the ownership thereof. In the event of dissolution of the corporation, each such proportionate share in such property shall be vested in such established owner and distributed accordingly.

Lots approved for multiple family dwellings or condominiums shall represent one "ownership unit" and constitute an entitlement to one share of corporate stock, as hereinbefore provided, until such time as dwelling units are constructed thereon. Upon the completion of the construction of such dwelling units, any such lot shall cease to represent an "ownership unit" and said share of corporate stock shall be cancelled by the corporation; but thereupon, each such dwelling unit shall, in and of itself,

represent one "ownership unit" and constitute an entitlement to receive one share of corporate stock, which stock shall be issued to the established owner or owners of such "ownership units", simultaneously with the cancellation of the original share issued for the unimproved lot.

3. Each member shall be entitled to one vote, either in person or by proxy for each share of stock registered in his name on the books of the corporation. In the election of directors, each such voting member shall have the right to vote such number of shares for as many persons as there are directors to be elected. Cumulative voting shall not be allowed for any purpose.

4. At all meetings of the shareholders a majority of shares entitled to vote at such meeting, represented in person or by proxy, shall constitute a quorum.

5. Each stock certificate issued to a member shall constitute and be construed as a proportionate right, title and interest in and to all water rights and other assets owned by the corporation for purposes of assessments required to carry out the purpose of the corporation and in connection with liens pursuant to such assessments and the enforcement thereof.

6. All assessments made by the Board of Directors under authority of these Articles of Incorporation shall be and become a lien against the respective shares of stock represented by the certificates issued to members and against the respective subdivision lots to which the same are appurtenant upon the recording of a memorandum of any such assessment in the office of the Eagle County Clerk and Recorder, and such lien shall continue and remain in effect until such assessments have been paid. The manner of enforcing any such lien shall be set forth in the by-laws of the corporation.

ARTICLE VI

The address of the initial registered office of the corporation is Wolcott, Eagle County, Colorado 81655. The name and address of its initial registered agent is George E. Burens, Wolcott, Eagle County, Colorado 81655. The business and affairs of such corporation shall be conducted and carried on within the State of Colorado. The principal office of the corporation shall be located at Wolcott, Colorado 81655.

ARTICLE VII

The number of directors constituting the initial Board of Directors of the corporation shall be three and the names and addresses of the persons who are to serve as directors until the first annual meeting of shareholders or until their successors shall have been duly elected and qualified are as follows, to-wit:

<u>Name</u>	<u>Address</u>
George E. Burens	Wolcott, Colorado 81655
Karen Evans	Vail, Colorado 81657
John Trainor Evans	Wolcott, Colorado 81655

ARTICLE VIII

The name and address of each incorporator is:

<u>Name</u>	<u>Address</u>
George E. Burens	Wolcott, Colorado 81655
Karen Evans	Vail, Colorado 81657
John Trainor Evans	Wolcott, Colorado 81655

ARTICLE IX

The corporation shall be entitled to treat the "registered holder" of any shares of the corporation as the owner thereof for all purposes, including all rights deriving from such shares, and shall not be bound to recognize any equitable or other claim, to, or interest in such shares or rights deriving from such shares, on the part of any other person, unless and until such person has become the "registered holder" of such shares,

in the manner prescribed in the corporate by-laws.

ARTICLE X

The Board of Directors shall adopt, and may amend from time to time, by-laws for the regulation and government of the corporation's business and affairs and the issuance and transfer of its membership or stock certificates.

IN WITNESS WHEREOF, the undersigned have subscribed their names to the Articles of Incorporation of Bellyache Ridge Homeowners Association, a corporation not for profit on this 22 day of January, A.D. 1973.

George E. Burens
George E. Burens (SEAL)

Karen Evans
Karen Evans (SEAL)

John Trainor Evans
John Trainor Evans (SEAL)

STATE OF COLORADO)
) ss.
COUNTY OF EAGLE)

I, Kathleen A. Gude, a notary public, hereby certify that George E. Burens, Karen Evans and John Trainor Evans, known to me to be the persons whose names are subscribed to the foregoing Articles of Incorporation, appeared before me this 22 day of January, A.D. 1973, in person and being by me first duly sworn, acknowledged and declared that each signed such Articles of Incorporation as his or her free and voluntary act and deed, for the uses and purposes therein set forth, and that the statements therein contained are true.

Witness my hand and official seal.

My commission expires: 1-15-77

Kathleen A. Gude
Notary Public

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AMENDED AND
CONSOLIDATED RESTATEMENT AND DECLARATION
OF
PROTECTIVE COVENANTS
FOR
BELLYACHE RIDGE SUBDIVISION
FILING NO. 1 AND FILING NO. 2
EAGLE COUNTY, COLORADO

KNOW ALL MEN BY THESE PRESENTS, that the undersigned comprise a majority of the owners, who also own a majority of the Lots comprising the Bellyache Ridge Subdivision, Filing No. 1, and the owners of more than sixty-six and two thirds percent (66-2/3%) of the lots comprising the Bellyache Ridge Subdivision Filing No. 2, located in Eagle County, Colorado, and being desirous of protecting property values, and protecting the health, convenience, welfare and use of the owners of lots in said subdivision, do hereby declare and adopt the following amended and consolidated restatement and declaration of protective covenants, use and building restrictions, each and all of which shall be applicable to and run with the lots of Bellyache Ridge Subdivision, Filing No. 1 and Filing No. 2, as an Amended and Consolidated Restatement and Declaration of Protective Covenants, prospectively superseding those protective covenants recorded in the real property records of the Eagle

County Clerk and Recorder in Book 226 at Page 958 and in Book 251 at Page 496. Said restrictions being as follows:

ARTICLE I
DEFINITIONS

The following words, when used herein, shall have the following meanings:

1. "Association" shall mean and refer to the Bellyache Ridge Homeowners Association, a Colorado nonprofit corporation.

2. "Board" shall mean and refer to the Board of Directors of the Association.

3. "Property" shall mean and refer to all property and improvements thereon, which are subject to this declaration.

4. "Lot" shall mean and refer to each separate parcel of land within the Property as more specifically set forth in the recorded plats of the Property as Lots 1 through 69, Bellyache Ridge Subdivision, Filings 1 and 2, any resubdivision thereof, or any condominium unit (as that term is defined in the Colorado Condominium Ownership Act) erected on such parcel or resubdivision thereof.

5. "Real Property Interest" shall mean and refer to a Lot, together with all improvements thereon and appurtenant rights thereto.

6. "Owner" shall mean and refer to the record owner,

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whether one or more persons or entities, of the fee simple title to any one Lot, provided that the Association shall not be considered an Owner.

7. "Member" shall mean and refer to every person or entity who is an Owner and holds membership in the association.

8. "Single Unit Residential Lot" shall mean and refer to a Lot which can be used only for residential purposes and upon which not more than one building, containing no more than one Dwelling Unit, together with private garage outbuilding, barn and utility building may be constructed, provided such accessory building with the exception of the private garage, shall not exceed in aggregate area twenty-five percent (25%) of the number of square feet in the principal dwelling.

9. "Double Unit Residential Lot" shall mean and refer to a Lot which can be used only for residential purposes and upon which no more than one building, containing not more than two Dwelling Units, together with private garage outbuilding, barn and utility buildings may be constructed, provided such accessory buildings with the exception of the private garage, shall not exceed in aggregate area twenty-five percent (25%) of the number of square feet in the principal dwelling.

10. "Double Four Unit Residential Lot" shall mean and refer to a Lot which can be used solely for residential purposes and upon which not more than two buildings, containing not more than four Dwelling Units per building, together with not more

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than one garage outbuilding per fourplex, may be constructed.

11. "Dwelling Units" shall mean and refer to a single family residential living unit.

12. "Common Area" shall mean and refer to any property designated as "Greenbelt Area" on the recorded plat of the Property, and all easements and other real property now or hereafter acquired or created for the benefit of all Owners, and also, to the extent management or responsibility for such property comes under the control of the Association, that real property owned by Bellyache Ridge Metropolitan District.

13. "Structure" shall mean anything man-made above-ground, including but not limited to buildings, storage sheds, fuel tanks, radio and television antennas, satellite dishes and fences.

14. "Adjacent Lot" shall mean any lot which shares a common boundary line or common boundary corner with subject lot. In the case of an intervening road right-of-way the lot corners shall be projected to the road right-of-way centerline, perpendicular to the centerline, for purposes of determining adjacency.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

The Property. The real property which is held,

transferred, sold, conveyed and occupied subject to this Declaration is located in Eagle County, Colorado, and is more particularly described as follows:

Bellyache Ridge Subdivision,
Filings No. 1 and No. 2

ARTICLE III

USES

1. All Lots in the Property shall fall within the following land use definitions:

<u>Definition</u>	<u>Lot Description</u>
Single Unit Residential Lot	Lots 1 through 18, Lots 24, 25, 26, 28, 30, 31, 33, 36, 37, 38, 40, 41, 43, 44, 46, 47N, 47S, 48N, 48S, 49, 50, 52, 53. 54, 55, 56 Lot 1, 56 Lot 2, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67. 68 and 69
Double Unit Residential Lot	Lots 19, 20, 21, 22, 23, 27 29, 32, 34, 35, 39, 42, and 45
Double Four Unit Residential Lot	Lot 51

2. Changes in Land Use Categories. The use classification applicable to any Lot may be changed by a majority

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vote of the Board and additionally a 75% approval vote of Owners of Adjacent Lots, provided that

(a) such change is requested or approved by the Owner of the Lot;

(b) Notice of such proposed change is given to the Owners of all Adjacent Lots prior to a hearing by the Board to consider the change, and

(c) a hearing is held by the Board at which all interested persons may appear and address the Board on the proposed change;

and further provided the change is consistent with the County zoning then in effect. The use classification applicable to any Lot may also be changed from any other use permitted for Lot to a Single Family Residential Lot by the consent of an Owner and the Board of the Association. A memorandum of any change in the land use classification applicable to any Lot shall be signed by the President or Secretary of the Association and shall be effective upon recordation with the Clerk and Recorder of Eagle County.

ARTICLE IV

ARCHITECTURAL CONTROL

1. Architectural Control Committee. An Architectural Control Committee is hereby established consisting of not less than three nor more than five members, who shall own real

property or be officers of a corporation which owns real property in Bellyache Ridge Subdivision Filings No. 1 or No. 2, who shall be appointed by and serve at the pleasure of the Board of Directors of the Association. At least two members of the Architectural Control Committee shall also be Directors of the Association Board. A quorum comprising a majority of the committee may conduct the business of the Committee. Members of the Committee may be removed by the Board of Directors with or without cause.

2. Improvements.

(a) No Building or other structure or improvements shall be constructed, erected or maintained on any Lot, nor shall any addition thereon or change or alteration therein be made until the complete plans and specifications for such improvements have been submitted to the Committee and approved by it in writing. Such plans and specifications shall include, but not necessarily be limited to, (unless deemed unnecessary by the Committee) geologic and soils site investigation and foundation reports; site plan showing all existing and proposed topography; all easements; existing utilities; all required setbacks; outline of existing vegetation, rock outcroppings, and other site features; all proposed vegetation clearing; provisions for offstreet parking and locations of driveway access; floor plans; building elevations illustrating exterior materials and color information. The decision of the Committee approving or

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disapproving the plans shall be final. The Committee shall make reasonable efforts to notify Owners of Adjacent Lots and invite their review and comments.

(b) The Committee may adopt and amend Design Guidelines for the purpose of achieving the goals of these Covenants.

(c) In passing upon any plan, the Architectural Control Committee shall consider the following criteria, which may be supplemented or amended by the Committee:

(i) The suitability of the improvements (including the materials of which it is to be constructed) to the Lot on which it is to be located and compatibility to existing buildings already on the lot;

(ii) The nature of adjacent neighboring buildings and improvements;

(iii) The nature, quality, type and color ranges of the distinguishing features of the materials to be utilized in the proposed improvements;

(iv) The effect of the proposed improvements on the view of any adjacent neighboring property;

(v) The maintenance of the development theme and whether the improvement will be so similar or dissimilar to others in the vicinity that values, monetary or aesthetic, will be impaired;

(vi) The siting of the improvements on the lot;
and

(vii) The lot topography, the lot vegetation and the view of the proposed improvements from adjacent properties, from the roadway, and from any other appropriate view points.

(d) The Architectural Control Committee shall have the power (i) to require an advance and/or payment of such costs as may be reasonably incurred by the Committee in engaging professional personnel to review and comment upon any proposal, and (ii) to require a deposit of up to \$1,000 per unit as a cleanup, site restoration and revegetation guarantee. The deposit is refundable upon completion of the cleanup, site restoration and revegetation to the satisfaction of the Committee. In the event a project is not cleaned up, a site is not restored and or a site is not revegetated to the reasonable satisfaction of the Committee, such deposit may be retained and applied against the cost of such clean-up, site restoration and revegetation, and the Association and the Committee, and their representatives, are hereby granted the right to enter upon any Lot for the purpose of accomplishing such clean-up, site restoration and revegetation and related activities.

3. Committee's Failure to Act. If the Committee fails to approve or disapprove such plans or specifications as are submitted to the Committee in writing within thirty (30) days

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after the submission of all information requested by the Committee relating to such plans and specifications, the Committee shall be deemed to have approved such plans and specifications. In the event the Committee determines that the submittal is incomplete, said thirty-day period shall not begin until the Committee determines that the submittal is complete.

4. Termination of Approval. Architectural Control Committee approval is good for one year from date of approval. In the event a building permit is not obtained or construction is not commenced within one year from date of approval by the Committee, the approval shall automatically terminate. In the event that, upon the beginning of construction, the construction is not diligently pursued to completion, then the approval of the Committee shall terminate upon such date as may be established by the Committee.

5. Variances. The Architectural Control Committee shall have the power to grant variances from the provisions of the limitations contained in Article V herein (except any variance which would permit the violation of any governmental regulations) upon the determination by the Committee that (a) the application of such limitations to the conditions of the Lot in question would result in undue hardship, (b) the granting of such variances would have no impact upon any Adjacent Lot, and (c) the Owners of all Adjacent Lots have approved the requested variance and evidence of such approvals is presented to the Committee with

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such request for variance. The decision of the Committee regarding any request for variance shall be final.

ARTICLE V

ARCHITECTURAL-AESTHETIC CONTROL

1. Height. No building or other structure in the subdivision shall exceed thirty-five (35) feet in height except as provided herein. Appurtenances to buildings, including antennas or lightning rods, may not extend more than 5 feet above the highest point of the building. Free standing radio or TV antennas shall not exceed the 35 foot height limitation.

2. Set-Backs. No structures of any sort except driveways, driveway support walls, and driveway entrance gates shall be constructed closer than twenty-five (25) feet from any side or rear Lot line or closer than fifty (50) feet from any front Lot line. These permitted structures are subject to Architectural Control Committee review.

3. Fences. No fences shall be constructed or maintained on any Lot unless and until the construction plans and specifications shall have been approved by the Architectural Control Committee.

4. Prohibited Residences. No structure of a temporary character (including but not limited to any trailer,

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basement, tent, shack, garage, barn or any other outbuilding of any description) shall be used on any Lot as a residence.

5. Minimum Size of Dwelling Unit. No Dwelling Unit erected on a Lot shall contain less than one thousand five hundred (1,500) square feet of interior living space, not including open porches, garages, or carports, except as may be authorized through variance process established by this Declaration.

6. Maximum Size of Dwelling Unit. No Dwelling Unit erected on a new lot shall contain more than seven thousand five hundred (7,500) square feet of interior living space, not including open porches, garages, or car ports, except as may be authorized through variance process established by this Declaration.

7. Sewage Disposal. Each Dwelling Unit shall contain at least one fully equipped bathroom. All sewage shall be disposed of by means of an individual mechanical sewage treatment facility or septic tank and leach field which has been approved by the Colorado State Health Department and local health agencies having jurisdiction thereof. No mechanical sewage treatment facility shall be utilized which may pollute or threaten to pollute ground or surface waters. No Lot shall be used in any manner or for any purpose that would tend to pollute nearby streams or other sources of water. This paragraph is not intended, and shall not be construed, to prevent the development

and utilization of a public or community sewage disposal system.

8. Animals. The keeping of livestock, poultry and other animals, except for family pets shall be prohibited. Family pets must be confined to the Owner's property and kept to a number which does not constitute a nuisance or a health hazard.

9. Horses. Horses shall not be kept in the Subdivision but may be ridden within the Subdivision.

10. Nuisance. No noxious or offensive conduct or activities shall be carried on upon any Lot which may constitute a health hazard, nuisance or annoyance to residents of other Lots, nor shall any Owner suffer or permit any Dwelling Unit or other Structure erected thereon to be used or employed for any purpose that will constitute a nuisance at law or detract from the residential value of other Lots. No materials, tools, equipment, or other readily housed objects shall be stored out of doors, including, but not limited to, unlicensed automobiles and home maintenance equipment such as lawn mowers, ladders, etc.

11. Trash Disposal. The outside burning of any trash, rubbish or other materials is prohibited. Standard outside barbecues and fireplaces shall be allowed for the preparation of food. Lots shall be kept clear and free of rubbish and trash and all structures thereon shall be kept in good repair.

12. Utilities. All gas lines, fuel and propane storage tanks, light and power lines, cable television and telephone lines which service individual Lots shall be buried

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underground.

13. Completion of Construction. The Owner of any Lot shall complete exterior finish construction and preliminary site cleanup of any structures erected thereon within one (1) year from commencement of construction of such structure.

Commencement of construction shall be considered to be the start of excavation.

14. New Construction. No building shall be placed upon the Property by any means other than new construction; it being the purpose of this covenant to insure that buildings will not be moved from previous locations and placed upon the Property.

15. Prohibited Structures. No structure shall be placed upon any Lot which is or ever has been the subject of a specific ownership tax as now defined in Article 42 of the Colorado Revised Statutes.

16. Signs. No billboards, signs, or other advertising devices of any nature shall be erected, placed, maintained or permitted upon any Lot or any other part of Property, provided that this restriction shall not be construed to prevent appropriate name and address signs and signs that advertise such Lot or part of the Property for sale or rent insofar as is necessary to promote the sale and development of such Lot or part of the Property. Real estate signs shall not exceed six (6) square feet of advertising space on each side of a

two-sided sign.

17. Hunting. No hunting, shooting, trapping or otherwise killing or harming of wildlife shall be permitted on the Property nor shall firearms be discharged upon the Property.

18. Water Drainage. Each Lot Owner must accept historic drainage from uphill lots. Location and amount of drainage leaving the lot must not change. Drainage patterns within a lot may be modified to accommodate building construction.

19. Foliage and Vegetation. The natural foliage and vegetation on each Lot and adjoining roadside shall be preserved in as near a natural state as possible. To this end, the same shall not be removed further than thirty (30) feet from the foundation lines of houses and garages except to the extent necessary to install driveways, pathways and sewage disposal facilities, but then only with the approval of the Architectural Control Committee. Dead trees and brush shall be removed to minimize fire hazard.

20. Parking. Each Lot shall have facilities sufficient to accommodate two automobiles for each Dwelling Unit erected thereon. Additional facilities shall be provided for recreational vehicles, boats, utility trailers, snowmobiles, etc. if these are present. None of these parking facilities shall be within the set-backs.

21. Recreational Vehicles. The operation of all-

terrain vehicles and other recreational vehicles is prohibited on the Lots and the Common Area, other than upon the Lot of the owner of the recreational vehicle for purposes of ingress and egress.

22. Exterior Maintenance. Each Owner shall maintain and provide exterior maintenance upon all Structures upon each Lot, including repairing, replacing and caring for roofs, exterior building surfaces and finishes, and shall also maintain in good condition all trees, shrubs, grass, walks, and other exterior improvements.

23. Pre-existing Uses and Structures. Any uses and structures which conformed with the Covenants of Bellyache Ridge Subdivision, Filing No. 1, or the Covenants of Bellyache Ridge Subdivision, Filing No. 2, which were in effect prior to the effective date of the this Amended and Consolidated Restatement and Declaration of Protective Covenants for Bellyache Ridge Subdivision Filing No. 1 and Filing No. 2, and any uses which were non-conforming under such previous covenants but were granted the written approval of the Association or the Architectural Control Committee prior to the effective date of this Declaration, and which are not in conformity with this Declaration, shall be permitted to continue to the extent of and nonconformity with prior authority, provided, however, that such uses and structures shall be terminated or brought into conformity with this Amended and Consolidated Restatement and

Declaration of Protective Covenants upon any of the following events: (a) termination of use for a period of one year; (b) any change, modification or replacement of a use or a structure, whether or not that change, modification or replacement requires approval of the Design Review Board, the Board of Directors, or the Association under these Covenants.

ARTICLE VI

EASEMENTS

1. Easements, Drainage, Ingress and Egress. Easements and rights-of-way are hereby reserved as shown or described on the recorded plat of the Bellyache Ridge Subdivision, Filing No. 1 and Filing No. 2. There are, in addition, (i) easements reserved in the right-of-way of each road for water and all other utilities; (ii) utility easements along, across, upon and through a strip of land 7.5 feet in width, along the side Property line of each Lot and a strip of land 15 feet in width along the back Property line of each Lot; and (iii) an easement for egress and ingress upon the surface of the land, 24 Feet in width, the center line of which is located on the westerly property line of Lots 65 and 66, and the easterly property line of Lots 62, 63, and 64.

2. Maintenance and Repair of Easement Areas. Each Owner shall be responsible for the maintenance and repair of the

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Easement areas within the Lot of such Owner, provided, however, that any Owner who, by his negligence or willful act, causes damages to the utility line or lines of another, whether within or without any Easement area, shall bear the cost of restoration thereof, and any other damages allowed by law. The right of any Owner to contribution or damages from any other Owner shall be appurtenant to the land and shall pass to such Owner's successor in title.

ARTICLE VII

HOMEOWNERS' ASSOCIATION

COPY

1. Purpose. There has been organized under the laws of the State of Colorado a nonprofit corporation, the name of which is Bellyache Ridge Homeowners Association, in order to provide and perform other functions in the nature of community services for the benefit of the Property.

2. Membership. Every Owner shall be a member of the Association, entitling such Owner to the rights and subject to the provisions of the Articles of Incorporation and the By-Laws of the Association.

ARTICLE VIII

ADMINISTRATION AND MANAGEMENT OF THE ASSOCIATION

1. Administration and Management. The administration

and management of any Common Areas shall be governed by Bellyache Ridge Homeowners Association, a Colorado non-profit corporation.

2. Certificate of Identity. There may be recorded by the president of the Association, from time to time, at the office of the Clerk and Recorder of Eagle County, Colorado, a Certificate of Identity which identifies, by name and address, the persons then comprising the management body of the Association, and the mailing address of the Association.

3. Rules and Regulations. The Board of Directors of the Association shall have the right to establish and enforce reasonable rules and regulations to be observed by all Owners, guests, invitees, tenants and other persons during their presence on or use of the Property.

4. Registration by Owner of Mailing Address. Each Owner shall register his mailing address with the Association, and except for statements and other routine notices, all other notices or demands intended to be served upon an Owner shall be sent by either registered or certified mail, postage prepaid, addressed in the name of the Owner at such registered mailing address. All notices, demands, or other notices intended to be served upon the Board, the Committee, or the Association shall be sent by certified mail, postage prepaid, to P.O. Box 40, Wolcott, CO 81655, until such address is changed by a notice of change of address recorded in the records of Eagle County.

ARTICLE IX

MAINTENANCE ASSESSMENTS

1. Assessments. Each Owner by acceptance of his deed, for each Lot owned by that Owner within the Property, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association annual assessments or charges. The annual assessment, together with such interest thereon, and costs of collection thereof, as hereinafter provided, shall be a charge on the Lot and the improvements thereon and shall be a continuing lien upon the property against which such assessments is made. Each such assessment, together with such interest thereon and cost of collection thereof, as hereinafter provided, shall also be the personal obligation of the person who is the Owner of such property at the time when the assessment fell due.

2. Purposes of Assessments. The assessments levied by the Association may be used for any of the following purposes:

(a) Common Area. The assessments may be used for maintaining and repairing any Common Areas within the Property and for providing such services to the residents of the Lots as the Board of Directors of the Association may, from time to time, find advisable.

(b) Exterior Maintenance. The assessments may be used for maintenance required of Lot Owners by this Declaration

but not provided. In the event a Lot is not so maintained, the Association shall have the right to enter upon such Lot and to furnish the labor and materials necessary to perform such maintenance, and the cost of this labor and materials shall be added to, and become a part of, the assessment of any Lot or Lots which, in the discretion of the Association, would benefit from such maintenance. Interest will accrue on unpaid balances at such rate as may be established by the Board of Directors.

(c) Administration and Enforcement. The assessments may be used in such manner as may be deemed appropriate by the Board for the administration and enforcement of these Covenants.

(d) Reserves. The assessments may be used in order to establish appropriate reserves to provide for the later payment of anticipated expenses authorized to be incurred by the Association.

3. Basis and Payment of Assessment.

(a) The annual assessment with respect to each Lot shall be established by the Board of Directors prior to the beginning of each year or fiscal year, and the assessment shall be payable in advance in such periodic installments as are specified by the Board of Directors.

(b) The Board of Directors shall determine, from time to time, whether a deficit or surplus will result based upon its current estimate of expenditures, and shall make appropriate

revision of the assessment amount. A deficit shall be borne by all Owners and shall be reflected in the next periodic installment to be paid by all Owners.

(c) Written notices of periodic installments shall be sent to all Owners and such installments shall be due and payable within twenty (20) days from the date of such notice. The Board of Directors is empowered to assess a late charge of not more than ten percent (10%) of the amount of each delinquent installment, plus interest at such rate as may be determined from time to time by the Board.

4. Uniform Rate of Assessments. All assessments shall be fixed at uniform rate for all Lots, provided, however, the Board may assess Lots an additional amount based upon any increase of use by Owners. Each undeveloped Lot shall be assessed on the basis of a Single Family Residential Lot. Each improved Lot shall be assessed upon the basis of the number of Dwelling Units actually constructed on it.

5. Lien on Property Interest. The annual assessment (or revised or additional assessments, including any deficit) and other separate charges provided in this Declaration, including but not limited to expenses necessarily or reasonably incurred (a) in dealing with violations of this Declaration, the Articles of Incorporation, or the Bylaws of the Association, and (b) in responding to applications for action by the Association or the Architectural Control Committee (for brevity, hereinafter

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referred to as "assessments") shall be a charge on the entire Real Property Interest of each Owner and shall be a continuing lien upon such Real Property Interest against which each assessment is made, and such continuing liens shall be superior to all other liens and encumbrances, except for (i) tax and special assessment liens on the Real Property Interest in favor of Eagle County, Colorado, or any assessing unit, and (ii) except as provided in paragraph 8 below.

Upon the failure of an Owner to pay one or more periodic installments of the annual assessment, the Board of Directors of the Association shall prepare a written Notice of Lien setting forth the amount of such unpaid indebtedness, the name of the Owner and a description of his Real Property Interest. Such notice shall be signed by one (1) member of the Board of Directors, or an officer of the Association, or a representative of the Board of Directors, or an officer of the Association, or a representative of the Board of Directors of the Association, and shall be recorded in the Office of the Clerk and Recorder of Eagle County, Colorado. Notice shall be given to the Owner of each Lot of such lien by regular and certified mail, provided that the failure to provide such notice shall not affect the validity of the lien or create any liability on the part of the Association, the Board or any member thereof, or any representative of the Association. Such debt and lien for the common expenses shall attach from the date of the failure of

payment of the assessment. Such debt and lien may thereafter be enforced by the foreclosure of the defaulting Owner's Real Property Interest by the Association in like manner as a mortgage on real property or by any other method of collection deemed appropriate by the Board of Directors. In any such Notice of Lien or other collection proceeding, the Owner shall be required to pay the Association's costs, expenses, and attorney's fees incurred for filing the lien and/or other collection efforts, and in the event that a foreclosure proceeding is subsequently brought, the Association's additional costs, expenses, and the amount incurred for reasonable attorneys' fees shall be paid by the Owner. The Owner of the Real Property Interest being foreclosed shall be required to pay to the Association the subsequently accrued and accruing periodic installments of the annual assessments during the period of foreclosure, and the Association shall be entitled to a receiver to collect the same. The Association shall have the power to bid upon the Real Property Interest at foreclosure or other legal sale, and to acquire and hold, lease, mortgage, convey, or otherwise deal with the same.

Any encumbrancer holding a lien on a Real Property Interest may pay, but shall not be required to pay, any unpaid assessments payable with respect thereto, and upon such payment such encumbrancer shall have a lien on such Real Property Interest for the amounts paid of the same rank as the lien of his

encumbrances.

Upon request of a mortgagee of a Real Property Interest, the Association shall report to the mortgagee any unpaid assessment remaining unpaid for longer than twenty-five (25) days after the same is due, and shall not be liable for any such disclosure or error therein.

6. Owners' Personal Obligation for Payment of Assessments. The amount of the assessment shall be the personal and individual debt of the Owner thereof. No Owner may exempt himself from the liability for the assessment by waiver of the use or enjoyment of the common area or by abandonment of his Real Property Interest. In the event of default in the payment of an assessment installment, the Owner shall be obligated to pay the Association interest at a rate established by the Board of Directors imposed upon the amount of the installment from the date thereof, together with all costs and expenses, including attorneys' fees incurred, together with such late charges as is provided by the By-Laws of the Association. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing same.

7. Assessment Certificate. The Association shall, upon request of any Owner, mortgagee or contract purchaser, issue its certificate executed by an officer or agent of the Association certifying whether or not assessment installments with respect to any Lot or Real Property Interest have been paid

or if they are in arrears, or, if in arrears, the total amount owing as of the date of the certificate. The Association shall be entitled to collect a reasonable fee for the issuance of any such certificate. Such certificate shall be conclusive evidence thereof in favor of any third person relying therein in good faith, and the Association shall not be held liable for such disclosure or error therein.

8. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or deed of trust in existence at the time a default occurs. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot as a result of judicial foreclosure of a first mortgage, or a foreclosure of a first deed of trust through the Public Trustee, shall extinguish the lien of such assessments (unless the Association's lien rights are enforced in association with such foreclosure by redemption or otherwise) as to payments thereof which become due prior to such sale or transfer, but shall not relieve any former Owner of personal liability therefor. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

9. Exempt Property. All properties dedicated to and accepted by a public authority shall be exempt from the assessments created herein.

ARTICLE X

GENERAL CONDITIONS, STIPULATION AND PROTECTIVE COVENANTS

1. Duration, Revocation and Amendment. Each and every provision of this Declaration shall run with and bind the land for a term of ten (10) years from the date of recording of this Declaration, after which time this Declaration shall be automatically extended for successive periods of ten (10) years each. This Declaration may be abandoned, amended, or revoked at any time by an instrument approved in writing by all Owners of not less than fifty-one percent (51%) of the Lots. Such abandonment, amendment or revocation shall be effective when a certificate signed by the President or the Secretary of the Association is duly recorded; provided, however, that any abandonment, amendment or revocation must comply with the statutes of Colorado and the resolutions and ordinances of the County of Eagle, Colorado.

2. Notices. Any notice required to be sent to any Owner under the provisions of this declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as member or Owner on the records of the Association at the time of such mailing.

3. Governmental Regulations. To the extent any subject or matter contained in this Declaration is also the subject of any applicable governmental regulation or restriction

of whatever nature, the more restrictive provision or provision requiring a higher standard of conduct shall apply. Such other governmental regulations are hereby incorporated into this Declaration and may be enforced in any manner available for enforcement of this Declaration.

4. Enforcement. Enforcement of these covenants, restrictions, and other provisions shall be by the Association or by an Owner by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation and/or to recover damages, and against the land to enforce any lien created by these covenants. The omission or failure of the Association, Architectural Control Committee, or any Owner to enforce any covenant or restriction set forth in this Declaration shall in no event be deemed a waiver of the right to do so thereafter. In the event of enforcement by the Association, the Association shall be entitled to recover all expenses and costs associated with such enforcement, whether or not litigation was instituted, including but not limited to court costs and expenses, attorneys' fees and fees for other professionals, and, until paid, shall constitute a lien upon the Lot regarding which the enforcement action was required.

5. Construction. If any of the provisions of this Declaration or any paragraph, sentence, clause, phrase or word, or the application thereof in any circumstance be invalidated,

such invalidity shall not affect the validity of the remainder of this Declaration, that the application of any such provision, paragraph, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

6. Miscellaneous. That whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the singular, and the use of any gender shall include all genders.

BYLAWS
OF
BELLYACHE RIDGE HOMEOWNERS ASSOCIATION, INC.

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BYLAWS
OF
BELLYACHE RIDGE HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is Bellyache Ridge Homeowners Association, Inc. hereinafter referred to as the "Association", a Colorado nonprofit corporation. The principal office and the registered office of the corporation shall be established at such locations as may be determined from time to time by the Board of Directors.

ARTICLE II

OBJECT AND DEFINITIONS

Section 2.01. Purposes. The specific purpose for which the Association is formed is to provide for the maintenance, preservation, and control of the Common Area, and the real property, including but not limited to the individual lots (the "Lots), and to promote the health, safety, and welfare of the owners of the Lots (the "Owners") and users related to that real property described as Bellyache Ridge Subdivision Filing No. 1 and Bellyache Ridge Subdivision Filing No. 2 (the "Subdivision").

Section 2.02. Assent. All present or future Owners, their family, present or future tenants, and their guests and invitees, and any other person using the facilities of the Subdivision in any manner are subject to the Protective Covenants of the Subdivision, the Articles of Incorporation of the Association, these Bylaws, and the Rules and Regulations of the Association (Bellyache Ridge Subdivision Documents). The mere acquisition or rental of any of the Lots in the Subdivision or the mere act of occupancy of one of the lots shall constitute ratification and acceptance of these Bylaws.

Section 2.03. Definitions. The defined terms used in these Bylaws shall have the same meaning as the same terms have in the Protective Covenants.

ARTICLE III

MEMBERSHIP

Section 3.01. Eligibility for Membership.

The corporation shall have one class of members, all of whom shall be entitled to vote as set forth in the Articles of Incorporation. Members shall be accepted in accordance with the provisions of the Articles of Incorporation and the procedures established by the Board of Directors. All owners of "ownership units" within BELLYACHE RIDGE SUBDIVISION, as defined in the Articles of Incorporation, shall be eligible for membership, and no person or other entity shall be eligible for membership if not an owner of such an "ownership unit."

Section 3.02. Proof of Membership. Any person or entity on becoming an Owner of a Lot may be required to furnish to the Manager or to the Secretary of the Association a photocopy or a certified copy of the recorded instrument vesting that person or entity with an ownership interest in order to establish that person's eligibility for membership, which instrument shall remain in the records of the Association.

ARTICLE IV

ASSOCIATION: MEETINGS, QUORUM, VOTING, PROXIES

Section 4.01. Annual Meetings. The annual meeting of the members, for the election of directors and for the transaction of such other business as may properly come before the meeting shall be held once each calendar year, at such time and date as may be established by the Board of Directors. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day. If the election of directors should not be held on the date above designated for the annual meeting, a special meeting of the members shall be called in the manner herein provided for special meetings for the purpose of electing such directors.

Section 4.02. Special Meeting. Special meetings of the Members may be called at any time by the secretary or the Board of Directors, or by members entitled to vote at least one-third of the ownership units, for any purpose. A notice of any such special meeting shall state the place, date and hour, and the purposes of the meeting, and must be delivered or mailed to the members at least ten and not more than fifty days prior to the

date of such special meeting.

Section 4.03. Place of Meetings. Annual and special meetings shall be held at Bellyache Ridge Subdivision, south of Wolcott, Colorado, or at an other place within the State of Colorado as may be fixed by the Board of Directors and stated in the notice of any such meeting.

Section 4.04. Notice of Meetings. Written notice stating the place, day, and hour of each meeting, and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten nor more than fifty days before the date of the meeting, either personally or by mail, by or at the direction of the President, or the Secretary, or the persons calling the meeting, to the registered mailing addresses of each member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the registered mailing address as it appears on the records of the Association, with postage thereon prepaid.

Section 4.05. Quorum. At any meeting of the members, members entitled to vote a majority of the ownership units members, present in person or represented by proxy or vote by mail, shall constitute a quorum. If members entitled to vote less than a majority of such ownership units are represented at a meeting, such meeting may be adjourned without further notice. When a quorum is present or represented at any meeting, members entitled to vote a majority of the ownership units represented at such meeting shall, except where a larger vote is required by law, or the Articles of Incorporation, decide any question brought before such meeting. The members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 4.06. Proxies and Voting. Each member shall have the right to cast one vote for each ownership unit registered in such member's name, which may be cast either in person or by proxy. Ownership units held in the names of multiple owners (i.e., joint tenants, tenants in common, etc.) shall have only one vote per each ownership unit. Every proxy must be executed in writing by the member or by his duly authorized attorney, and shall be filed with the Secretary of the corporation. No proxy shall be valid after the expiration of six months from the date of proxy may be revoked by the person executing it, or by his personal representative or attorney. Cumulative voting shall not be allowed. Members may also vote by mail in accordance with Colorado law.

Section 4.07. Informal Action by Members. Any action which could be taken at a meeting of the members, may be taken without a meeting if a written consent, setting forth the action taken, shall be signed by all of the members entitled to vote thereon. Such written consent shall have the same force and effect as the unanimous vote of the members.

Section 4.08. Voting by Mail. The Board of Directors may decide that voting of the Members shall be by mail with respect to any properly noticed matter or to any particular election of Directors or with respect to any proposed amendment of any of the Bellyache Ridge Homeowners Association documents or adoption of a proposed plan of merger, consolidation, or dissolution. In the case of a vote by mail relating to any properly noticed matter or to any proposed amendment to any of the Bellyache Ridge Homeowners Association documents or adoption of a proposed plan of merger, consolidation, or dissolution, the Secretary shall give written notice to all Members, which notice shall include a proposed written resolution setting forth a description of the proposed action, and shall state that such persons are entitled to vote by mail for or against such proposal and stating a date not less than 20 days after the date such notice shall have been given on or before which all votes must be received and stating that they must be sent to the specified address of the principal office of the corporation. Votes received after that date shall not be effective. Any such proposal shall be adopted if approved by the affirmative vote of not less than two-thirds of the votes of the Members of the Association. Delivery of a vote in writing to the principal office of the corporation shall be equivalent to receipt of a vote by mail at such address for the purpose of this section.

Section 4.09. Designation of Voting Representative--Proxy. If title to a Lot is held by more than one individual, by a firm, corporation, partnership, association, or other legal entity, or any combination thereof, a proxy must be executed and filled with the Secretary appointing and authorizing one person or alternate persons (who may be a tenant of the Owner) to attend all annual and special meetings of the Association Members and to cast the vote of the that Lot at the meeting. Such proxy shall be effective and remain in force for six months from the date of its execution unless voluntarily revoked, amended, or sooner terminated by operation of law; provided, however, that within 30 days after such revocation, amendment, or termination, the Owner or Owners shall reappoint and authorize one person or alternate persons to attend all annual and special meetings as provided by this section.

Section 4.10. Waiver of Notice. Waiver of notice of

meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member, whether in person or by proxy, shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted at the meeting unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

Section 4.11. Majority of Owners. As used in these Bylaws, the term "majority" shall mean those votes, owners, ownership units, or other groups as the context may indicate totaling more than 50 percent of the total number.

Section 4.12. Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transaction occurring there.

Section 4.13. Voting Rights. No Member of the Association shall have the right to vote at any meeting of the Association unless all dues and/or assessments have been paid at least 30 days prior to such meeting.

ARTICLE V

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 5.01. Number and Tenure. The business and affairs of the corporation shall be managed by a board consisting of three directors. Each of the directors shall be the owner of or one of the owners of an ownership unit. Directors shall be elected annually by the voting members at an annual meeting. Each director shall hold office until the election of his successor. The number of directors may be increased by appropriate resolution of the Board of Directors or upon two-thirds vote of the members at any annual or special meeting^{of} members.

Section 5.02. Vacancies. Any director may resign at any time by giving written notice to the president or secretary of the corporation. Such resignation shall take effect at the time specified therein; and unless otherwise specified therein, the

acceptance of such resignation shall not be necessary to make it effective. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors although less than a quorum. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of directors shall be filled by the affirmative vote of a majority of the directors then in office or by an election at an annual meeting or at a special meeting of members called for that purpose.

Section 5.03. Removal. Any elected Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association at a meeting called by the Board for that purpose. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 5.04 Compensation. No director shall receive compensation for any service he or she may render to the Association. However, any Director may be reimbursed for actual expenses incurred in the performance of such Director's duties.

Section 5.05. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 5.06. Nomination. Nomination of candidates for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall, in its discretion, determine, but not less than the number of vacancies that are to be filled.

Section 5.07. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many

votes as they are entitled to exercise under the provisions of the Protective Covenants. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 6.01. Regular Meetings. Regular meetings of the Board of Directors shall be held at such places within the State of Colorado, and at such times, as the Board may from time to time by vote determine. Any business may be transacted at a regular meeting. Unless otherwise designated, the regular meeting of the Board of Directors for the election of officers and for such other business as may come before the meeting may be held without call or formal notice immediately after, and at the same place as, the annual meeting of members, or any special meeting of members at which the Board of Directors is elected.

Section 6.02. Special Meetings. Special meetings of the Board of Directors may be held at any place within Colorado at any time when called by the president, or by two or more directors.

Section 6.03. Notice. Notice of any special meeting of the Board of Directors shall be given at least five days previously thereto by written notice delivered personally, or by telephone, or by mail sent to each director at his business address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid.

Section 6.04. Waiver of Notice. The transaction of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the Directors not present signs a written waiver of notice. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of

Directors need be specified in the notice, or waiver of notice, of such meeting. If every director shall be present at any meeting, any business may be transacted without previous notice.

Section 6.05. Quorum. A majority of the directors in office but in no case less than two, shall constitute a quorum, but a lesser number may adjourn any meeting from time to time. When a quorum is present at any meeting, a majority of the directors in attendance shall, except where a larger number is required by law, or by these By-Laws, decide any question brought before such meeting.

Section 6.06. Informal Action by Directors. Any action which could be taken at a meeting of the directors may be taken without a meeting if a written consent, setting for the action taken, shall be signed by all of the directors entitled to vote thereon. Such written consent shall have the same force and effect as a unanimous vote of the directors.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 7.01. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities thereon and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and the right to use the Common Area, if any, of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days from the last date of infraction, for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation or the Protective Covenants;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the

Board of Directors; and

(e) authorize the officers to enter into one or more management agreements with third parties in order to facilitate efficient operation of the Property. It shall be the primary purpose of such management agreements to provide for the administration, management, repair and maintenance of the Common Area and the receipt and disbursement of funds as may be authorized by the Board of Directors. The terms of said management agreements shall be determined by the Board of Directors to be in the best interests of the Association, and shall be subject in all respects to the Articles of Incorporation, these Bylaws, and the Protective Covenants. The duration of any management agreement shall not exceed three years from the date of execution and shall be terminable by either party without cause and without payment of a termination fee upon 90 days' written notice.

Section 7.02. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by 50% of the Members who are entitled to vote;

(b) supervise all officers, agents, and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Protective Covenants, to:

(1) determine the estimated assessments to meet the common expenses of maintenance, operation, and management of the Property;

(2) send written notice of each assessment to the respective Owner of a Lot. Assessments shall be due and payable within 30 days after written notice of the amount thereof shall have been directed to the respective Owner of the Lot.

(3) foreclose the lien against any Lot for which assessments are not paid within 30 days after due date, or to bring an action at law against the Owner personally obligated to pay the same, or to make such other provision for the collection of such assessment

as the Board may determine to be appropriate.

(d) upon the payment of a reasonable fee not to exceed \$50, and upon the written request of any Owner, mortgagee, prospective mortgagee, or prospective purchaser of a Lot, to authorize an appropriate officer to issue a certificate setting forth the amount of the unpaid assessments, if any, with respect to such Lot;

(e) procure and maintain adequate hazard insurance on property, if any, owned by the Association and an adequate blanket policy of hazard insurance for the improvements, if any, owned by the Association, and adequate liability insurance; and

(f) cause the Common Area, if any, to be maintained.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 8.01. Enumeration of Officers. The officers of the Association shall be a president, vice-president, secretary, and treasurer, and such other officers as the Board may from time to time by resolution create. The President shall be a member of the Board of Directors.

Section 8.02. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 8.03. Term. The officers of the Association shall be elected annually by the Board and each shall hold office for one year, or, if longer, until his or her successor shall have been elected, unless he shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

Section 8.04. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may from time to time determine.

Section 8.05. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the president, or the secretary. Such resignation shall

take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any officer or agent may be removed by the Board of Directors whenever in its judgment the best interest of the corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not in itself create contract rights.

Section 8.06. Vacancies. A vacancy in any office, however occurring, may be filled by the Board of Directors for the unexpired portion of the term.

Section 8.07. Multiple Offices. One person may hold more than one office; however, one person may not hold both the offices of president and secretary simultaneously.

Section 8.08. Duties. The duties of the officers are as follows:

(a) President: The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments; and, upon the direction of the Board of Directors, shall co-sign all checks and promissory notes. Subject to the direction and supervision of the Board of Directors, the president shall be the chief executive officer of the corporation and shall have general supervision of its officers, agents and employees.

(b) Vice-President: The Vice-president shall act in the place and stead of the president in the event of his absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board. The vice president shall assist the president and shall perform such duties as may be assigned to him by the president or by the Board of Directors. In the absence of the president, the vice president shall have the powers and perform the duties of the president. The vice president shall generally assist the president in the exercise of his powers and shall exercise such powers in the absence or disability of the president.

(c) Secretary: The Secretary shall record the votes and keep the minutes of all meeting and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal;

service notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and shall perform such other duties as required by the Board.

(d) Treasurer: The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; and shall prepare an annual budget and the financial statements required by the Board of Directors and deliver or make copies available of each to the Members.

(f) In all cases where the duties of any officers, agent or employee are not prescribed by the By-Laws or by the Board of Directors, such officer, agent or employee shall follow the orders and instructions of the President.

Section 8.09 General. The Board of Directors may appoint such other officers and agents, including but not limited to a chairman of the Board, assistant secretary or assistant treasurer, as may be deemed necessary, any of whom shall be appointed in such manner and hold office for such terms and have such powers and duties as may be determined by the Board of Directors.

ARTICLE IX

COMMITTEES

The Board shall appoint a Nominating Committee as provided in these Bylaws. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X

INDEMNIFICATION

Section 10.01. Indemnification. The Association shall indemnify every Director and officer, or former Director or officer, and their respective successors, personal representatives, and heirs, against all loss, cost, and expenses, including counsel fees, reasonably incurred by such person in connection with any action, suit, or proceeding to which such person may be made a party by reason of such person's being or

having been a Director or officer of the Association, except as to matters as to which such person shall be finally adjudged in such action, suit, or proceeding to be liable for gross negligence or willful misconduct in the performance of such person's duty to the Association. 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 gross negligence or willful misconduct in the performance of such person's duties as such Director or officer. The foregoing rights shall not be exclusive of other rights to which such Director or officer may be entitled. All liability, loss, damage, cost, and expense arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expense shared among the Members.

ARTICLE XI

ASSESSMENTS

Section 11.01. Levying of Assessments. The Board of Directors shall determine the amount of such annual or special assessments as may be required for the ordinary and necessary expenses incurred, or to be incurred, or in connection with the enforcement of Protective Covenants, or the operation and maintenance of the Common Area or for the acquisition of any equipment or facilities necessary for the continued operation and maintenance of Common Areas. Assessments may be made separately for either administrative or operating expenses, or both, as the Board of Directors shall determine. The Secretary or Treasurer shall notify each member in writing of the amount of any such assessment levied against each member. All such assessments shall be levied against all members as set forth in the Protective Covenants for Bellyache Ridge. Each member shall pay to the treasurer the amount of assessment so levied within twenty days after notice thereof shall have been duly mailed or delivered to such member. Any and all such assessments shall be and become a lien against the real estate to which the ownership unit is associated, from the date such assessment is made until the same shall have been fully paid, as authorized under the provisions of the Protective Covenants and the Articles of Incorporation. Each and every such assessment shall also constitute a personal obligation of the record owner of such real estate at the time of the assessment.

Section 11.02. Enforcement of Assessment Obligations and Liens If any such assessment shall not have been paid within

twenty days after notice thereof given as aforesaid, the Board of Directors, by appropriate action, may recover the amount of any such unpaid assessment, together with interest from the due date thereof and reasonable attorney's fees and costs by appropriate legal action against the member in default, in the same manner as for goods sold and delivered, and the judgment in any such action brought in a court of record may provide and be enforced by appropriate judicial order for sale of real estate owned by such defaulting member, to which is ownership unit may be appurtenant, in the same manner as for real estate sales under execution.

Section 11.03. Membership Transfers - Assessments in Default. In the event the real estate to which any ownership unit may be appurtenant, in whole or in part, shall be transferred or conveyed by any member who shall be in default in the payment of any assessments, the transferee or grantee of any such real estate shall be liable for the payment of all assessments in arrears, which shall be paid before any such membership shall be transferred on the books of the corporation, to any such grantee or transferee.

ARTICLE XII

PROPERTY RIGHTS - RESTRICTIONS

Section 12.01. Property Rights in Memberships. A member may not sell, assign or otherwise transfer his ownership unit unless associated with the lot associated with the ownership unit owned by the member is transferred simultaneously to the same transferee. No transfer of an ownership unit shall be recognized by the corporation for any purpose unless the same is registered on the books of the corporation.

Section 12.02. Earnings or Profits. No part of the net earnings, if any, of the corporation shall inure to the benefit of any member, except that members may be compensated for services actually rendered or for full and adequate consideration given, as authorized by the Board of Directors.

ARTICLE XIII

AMENDMENTS

Section 13.01. By Directors. The Board of Directors shall have power to make, amend and repeal the By-Laws of the Corporation at any regular meeting of the Board or at any special meeting called for such purpose; provided, that if the members after the date of these By-Laws shall make, amend or repeal any By-Laws, the directors shall not thereafter amend the same in

such manner as to defeat or impair the object of the members in taking such action.

Section 13.02. By Members. The members may make, alter, amend and repeal the By-Laws of the corporation at any annual meeting or at any special meeting called for such purpose, and all By-Laws made by the directors may be amended or repealed by the members.

ARTICLE XIV

MISCELLANEOUS

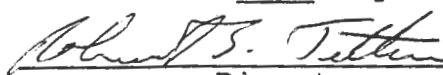
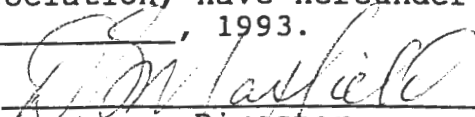
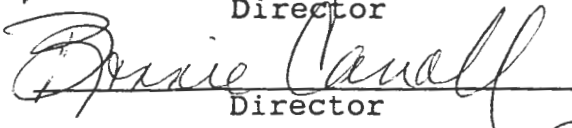
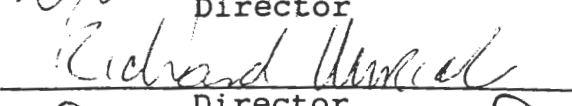

Section 14.01. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 14.02. Corporate Seal. The corporation seal of the corporation shall be circular in form and shall contain the name of the corporation and the words "Corporate Seal - Colorado".

Section 14.03. Conflicts of Documents. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Protective Covenants and these Bylaws, the Protective Covenants shall control, and in the case of any conflict between the Articles and the Protective Covenants, the Protective Covenants shall control.

Section 14.04. Conveyances and Encumbrances. All or any part of the corporate property may be conveyed or encumbered by resolution of the Board of Directors and the execution of the appropriate instruments of conveyance or encumbrance by the officers in the manner prescribed in the Articles of Incorporation.

IN WITNESS WHEREOF, we, being all of the directors of the Bellyache Ridge Homeowners Association, have hereunder set our hands this 14th day of April, 1993.

 _____ Director	 _____ Director
 _____ Director	 _____ Director
	 _____ Director

CERTIFICATION

I, the undersigned, do hereby certify:

That I am duly elected and acting secretary of the Bellyache Ridge Homeowners Association.

That the foregoing Bylaws constituting the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 14th day of April, 1993.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 14th day of April, 1993.

Robert D. Tether
Secretary

(SEAL)

cp\bylaws\hoassn.brh

**BELLYACHE RIDGE HOMEOWNERS ASSOCIATION
A COLORADO NONPROFIT CORPORATION**

**UNANIMOUS WRITTEN CONSENT OF THE BOARD OF DIRECTORS
IN LIEU OF SPECIAL MEETING
REGARDING BYLAWS**

The undersigned, being all of the Directors (the "Directors") of the Bellyache Ridge Homeowners Association, a Colorado nonprofit corporation (the "Association"), acting pursuant to the provisions of the Colorado Revised Nonprofit Corporation Act and the Bylaws of the Association, do hereby waive notice of the time, place and purpose of a meeting, and do hereby consent, in lieu of holding a special meeting, to the adoption of the following resolutions, which shall have the same force and effect as if adopted at a formal special meeting of the Directors, duly called and held for the purposes of acting upon proposals to adopt the following resolutions (this "Consent"):

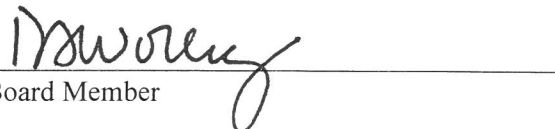
1. **RESOLVED**, that, effective August 1, 2017, it is resolved that the attached Bylaws of Bellyache Ridge Homeowners Association ("Bylaws") are hereby re-executed by the Directors. The Bylaws have been in existence since 1996; however, a signed copy is not available.
2. **FURTHER RESOLVED**, that a facsimile, telecopy or other reproduction of this Consent may be executed by the Directors and shall be considered valid, binding and effective, for all purposes; and it is further resolved that this Consent may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument; and
3. **RESOLVED**, that all actions of the Directors or Officers of the Association, on behalf of the Association, are hereby ratified, approved and confirmed in all respects.

IN WITNESS WHEREOF, the undersigned, constituting all the Members of the Board of Directors of the Association, hereby consent to, approve, and adopt the foregoing actions to be effective as of 8-16, 2017.

BELLYACHE RIDGE HOMEOWNERS ASSOCIATION,
a Colorado nonprofit corporation


Board Member


Board Member


Board Member

RULES AND REGULATIONS
OF BELLYACHE RIDGE HOMEOWNERS ASSOCIATION
AND BELLYACHE RIDGE SUBDIVISION

Revised on February 13, 2008

By action of the Board of Directors of the Bellyache Ridge Homeowners Association, and as authorized by Article VIII, Section 3, of the Amended and Consolidated Restatement and Declaration of Protective Covenants for Bellyache Ridge Subdivision Filing No. 1 and Filing No. 2, Eagle County, Colorado (hereinafter, the "Protective Covenants"), the activities and conditions maintained on the properties within the Bellyache Ridge Subdivision shall be subject to the following rules and regulations:

I. Rules and Regulations:

1. Improvements. No building or other structure or improvements shall be constructed, erected or maintained on any Lot, nor shall any addition thereon or change or alteration therein be made until the complete plans and specifications including samples of exterior finishes for such improvements have been submitted to the Architectural Control Committee and approved by it in writing.

2. Drainage. All drainage easements and rights-of-ways within the subdivision shall be maintained, and all plans, specifications and proposals for structures or driveways shall provide for the maintenance of such drainage easements and rights of ways, in a free and clear and unobstructed condition.

3. Fences. No barbed-wire or chain link fences are permitted. Fencing of individual property lines is prohibited.

4. Trash. In addition to the limitations on trash contained in the Protective Covenants:

a. No trash, ashes or other refuse shall be thrown or dumped on any land within the Subdivision.

b. Each property owner shall provide suitable receptacles meeting Eagle County mandated requirements for the temporary storage of refuse, and all such receptacles shall be screened from the public view and protected from disturbance. Such screening must be approved by the Architectural Control Committee.

c. No trash cans shall be put or left out over night for collection other than between the hours of 6:00am and 7:00pm on the day of collection.

d. No trash cans shall be stored within twenty (20) feet of any public road right-of-way or in a location where the trash can is visible from any public road or any residence other than that on the property on which the trash can is located.

5. Temporary Structures. No temporary structure, trailer or tent shall be permitted in the Subdivision, except as may be determined by the Architectural Control Committee to be necessary during construction and without significant impact on adjoining properties or Bellyache Ridge Subdivision as a whole.

6. Screening. Clotheslines, boats, commercial vehicles, trailers, campers, motor homes, all terrain vehicles (ATVs), recreational or inoperative vehicles must be screened, buried or enclosed from view. Satellite dishes over 24" in diameter must be removed. The location and screening of such facilities must be approved by the Architectural Control Committee.

7. Propane Tanks. All propane tanks shall be buried and re-vegetated or finished to match the surroundings.

8. Radio Antennas. Exterior mounted exposed television antennas/satellite dishes or radio antennas, if installed, shall be installed and maintained only in accordance with the approval of the Architectural Control Committee.

9. Long Term Parking. Parking of recreational vehicles, construction vehicles, commercial vehicles and storage of construction material is subject to review by Architectural Control Committee.

10. Real Estate Signs: Signs which advertise any lot or part of the subdivision for sale or rent shall be posted on the affected property only and must be removed as soon as possible after closing on any sale or rental of any property. If any such sign is not removed within 15 days after closing or rental, the Association may remove the sign and either place it in proximity to the improvements on the subject property or destroy it. Open House signs must be removed in a timely manner.

11. Recreational Fires: Recreational fires must be contained in a fire pit constructed of ceramic, copper, steel, brick or stone. Unless using fake logs fired by propane, fires must be equipped with safety screens to contain sparks, must be 25 feet from a structure or combustible material and must be constantly attended until the fire is extinguished. One portable fire extinguisher or garden hose shall be available for immediate utilization.

II. General Provisions.

1. Definitions. All words contained herein and defined in the Protective Covenants of Bellyache Ridge Subdivision shall have the same meaning as contained in such Declaration.

2. Relationship to Protective Covenants. The rules and regulations adopted by the Board of Directors of the Bellyache Ridge Homeowners Association supplement and do not replace or repeal any provision of the Protective Covenants. In the event of any conflict between the rules and regulations and the Protective Covenants, the more restrictive provision will govern.

III. Enforcement. In the event any Owner violates any provision of these rules and regulations, the Board of Directors of the Bellyache Ridge Homeowners Association shall have the authority to take all action necessary or appropriate, and permitted by law, to impose a sanction for and to terminate and prevent such violation. The Board of Directors shall have the specific authority to take either of the following actions, or any other action permitted by law:

1. Under the provisions of Article IX, Section 4 of the Protective Covenants, the Board of Directors may (a) advise the Owner by certified and regular mail of the alleged violation and (b) determine that the violation and the measures required for enforcement of the rules and regulation and the termination and prevention of the violation constitute an increase of use and assess an additional assessment, not to exceed \$100.00 for each day of the violation, which assessment may be collected in like manner as other assessments authorized under the Protective Covenants.

2. A designated representative of the Board of Directors of the Bellyache Ridge Homeowners Association may apply, on behalf of the Board of Directors, for judicial relief to prevent and terminate such violation.

3. A designated representative of the Board of Directors may notify the Owner alleged to have violated any rule or regulation of the alleged violation by certified and regular mail, directed to the last known address of the Owner registered with the Association. In the event no denial of such allegations is received by the association within 14 days after mailing of the notice of alleged violation, the Owner shall be deemed to have admitted the allegations. In the event the Association receives a response from the Owner within such 14 day period denying or asserting a defense to such allegations, the Board of Directors may set a hearing at which the allegations may be heard by the Board of Directors. The proceedings before the Board of Directors shall be informal but shall permit the Board of Directors to consider any allegations as well as any defense or denial offered by the Owner. In the event the alleged violation is either deemed admitted by the silence of the Owner, affirmatively admitted by the Owner, or found to be true by the Board of Directors, the Board of Directors may then either (a) direct that the Owner cease or correct the alleged violation or (b) in the case of repeated or continuing violations in the face of earlier knowledge on the part of the Owner (whether or not through the procedure herein established) the Board of Directors may impose such sanctions as the Board may deem appropriate and as may be authorized to the Board of Directors by the Declaration, the Articles of Incorporation, or the Bylaws of the Bellyache Ridge Homeowner's Association. Such sanctions may include but are not necessarily limited to denial of access or rights to such portions of the common area or the property (as defined in the Declaration) as may be determined appropriate by the Board of Directors. Apart from the direct application for judicial relief referred to above, the Board of Directors shall also be authorized to proceed to seek and obtain judicial relief at any time before, during or after the foregoing hearing process in order to prevent the continued violation of the Rules and Regulations of the Bellyache Ridge Homeowners Association, and to seek any other relief to which it is entitled.

Bellyache Ridge Homeowners Association
Eagle County, Colorado

Bellyache Ridge Design Guidelines

- New Home Build
- Home Improvements; Major & Minor Modifications

Appendix A: Building Process Checklist

Appendix B: New Home or Home Improvement Coordination and Approval Process



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Article I: Introduction

The Amended and Consolidated Restatement and Declaration of Protective Covenants for Bellyache Ridge Subdivision (the “Declarations”) authorizes the Homeowners Association Board to adopt Design Guidelines and establish the Bellyache Subdivision Architectural Control Committee (the “Committee”) and directs the Committee to enforce those Design Guidelines.

Each Owner should review both the Declarations and the Design Guidelines carefully before commencing the design and review process. The Guidelines merely expound upon the concepts set forth in the Declarations, they do not repeat them. No application for development or improvements which violate either the applicable Declarations or County zoning regulations shall be approved. The more restrictive of the applicable Declarations or the County land use regulations shall prevail.

The Design Guidelines, along with the Declarations, describe the philosophy and the specific consideration to be applied in reviewing the site planning, architectural design and landscaping plan for your new home or improvements in the Bellyache Subdivision (the “Subdivision”). They also set forth the exact procedure to be followed during the design review process. Finally, they detail the construction regulations your general contractor must observe during construction.

Capitalized terms that are not at the beginning of a sentence or a proper name represent terms which are defined in these Guidelines or the Declarations. If you are in any doubt as to the exact meaning of those terms, please check for a formal explanation.



Article II: Design Philosophy

The Bellyache Ridge Subdivision is an area of unique mountain beauty. The purpose of the Declarations and the Guidelines is not to encroach into land use requirements already in place but to ensure a low-density community in which such beauty and seclusion are preserved, to enhance the desirability of living in the Bellyache Ridge Subdivision, and to preserve and increase the value and quality of continued Ownership in the Subdivision.

Since existing natural features, including topography, wildlife and wildlife corridors, vegetation, rock outcroppings, and views of a nearby and distant surroundings, are unique and provide aesthetic values in their present state, all activities during planning, construction and residence are to be directed toward minimizing environmental disturbance. This concept requires, for example, that only essential trees be removed for access and building site location and that all other trees and vegetation be protected from damage during construction; that access roads follow existing contours, rather than run in straight lines; that rock outcroppings be preserved; that wildlife habitats and migration patterns not be unduly disturbed; that “unnatural” lawn and irrigated areas be minimized; and that one’s desire to enhance his or her environs not adversely disturb the area’s natural surroundings.

In conformance with the “natural” concept, external materials selected for house and outbuilding construction should be of natural appearance. Buildings should modulate with the terrain and appear not to dominate or oppose natural surroundings. Extensions of your home, such as patios, terraces, decks, outdoor spas, etc., should appear to be extensions of the architecture and transition smoothly between man-made elements and the surroundings.

If more than one structure is to be built on any lot, each structure must be of compatible style and materials and must be situated in reasonably close proximity to the residence. Depending on the use of the outbuilding, additional environmental considerations may affect its location.

Because of the importance of water for the Subdivision and the constant danger of fires, water conservation and fire prevention will also be major considerations for the Committee in its decision-making process.

The Committee will apply the design philosophy outlined above when reviewing all Submittals and will use its best judgment in making a determination. The Committee shall review all applications and issues based upon the impacts on adjoining property or properties, visibility from other properties and the County roadways, and other adverse impacts on the Bellyache Ridge Subdivision or its residents, which are henceforth referred to in these Design Guidelines as the “Universal Standard of Review.” All applications and interpretations of these Design Guidelines by you and by the Committee should be made in a reasonable manner. Therefore, when you see words like “as much as possible”, or “if at all possible”, please keep in mind that they mean “as much as possible, within reason”. The decisions of the Committee shall be binding and conclusive upon you, unless and until such determination is modified or revised through the appeal process.

The Committee shall have the power to grant variances from the provisions of these guidelines,

except for any variance which would permit the violation of any governmental regulations, upon the determination by the Committee that (a) the application of such limitations to the conditions of the Lot in question would result in undue hardship, (b) the granting of such variances would have no impact on any adjacent Lot, and (c) the Owners of all adjacent Lots have approved the requested variance and evidence of such approvals is presented to the Committee with such request for variances. The decision of the Committee regarding any request for variance shall be final.



Article III: Site Planning

Because of the terrain upon which homes in the Subdivision may be built, siting is critical. Homes and other improvements should be designed and sited on your Lot, to the extent possible and practical when taking into account the resulting financial and environmental impact, so that they are tucked away in the woods and not readily seen from the County Roads and in a manner that is consistent with the Design Philosophy set forth in Article II.

Building Envelope

All buildings must be at least 50 feet from the front property line (note that the front property line is defined on the site survey drawing and is generally not at the edge of the roadway) and at least 25 feet from the side and back Lot lines. The remaining area defines the boundaries of the maximum permissible Building Envelope. Removal of vegetation, trees, and other significant landforms on a site will be limited and will not extend beyond a demarcated site disturbance area identified on the design submittal plans, and this demarcated site disturbance area defines the Building Envelope. By this definition, the footprint of the building structures and the entire Cultivated Area (see Article V, Sections A and B) constitutes the Building Envelope. Driveways and driveway support walls may be outside the Building Envelope as herein described. Building structures shall be sited so as to minimize the need for extensive site grading and shall retain the natural slopes to the maximum extent possible.

Site Preparation, Grading and Drainage

Improvements should be carefully planned to minimize alteration of the existing topography. Excessive grading of your site shall not be approved. Drainage swells or washes interrupted by site improvements or additional drainage structures created by such improvements shall be constructed or reconstructed of natural materials properly placed for positive operation of the drainage system. Structures which are artificial in appearance, such as exposed drainage pipe, may not be used. Erosion is to be controlled in all circumstances, using an approved storm water drainage control system, including, but not limited to, erosion fencing, hay bales, or a series of small dispersive retaining walls. Concrete wash-out locations must be shown on the site plan, within the Building Envelope, and approved by the Committee.

Access Drives

From the garage, drives should follow the natural contours of the site and major landscape elements as they move toward the road. Roadways should drain to ditches and culverts on the uphill side and driveway access cuts to the County road should have culverts. All disturbed soil should be replanted with native planting material.

No access drives will be permitted unless directly and timely related to the construction of your

home as determined and approved in the sole discretion of the Committee based upon the Universal Standard of Review set forth in Article II above, and such determination and approval of the Committee must be obtained by the Owner in advance of excavation of any access drive. Driveways and parking surfaces shall be surfaced with gravel, asphalt, concrete and other masonry materials as may be approved by the Committee.

The intersection of the driveway and the County Road shall be as close as possible to ninety degrees (90°) to provide good visibility and improved safety of access to the public road, although it is recognized that the slope of the terrain may require adjustments to that angle.

Driveway grades for the first 20 feet adjacent to the public road and for the first 20 feet adjacent to the garage shall not exceed four percent (4%). Grades exceeding ten percent (10%) at any other portion of the driveway shall be subject to approval by the Committee, and may be required to integrate a snowmelt system. The driveway design must be approved by the Committee and be in conformance with the Eagle County regulations.

On-Site Parking

Each site must have parking for at least two cars. This parking area must be located within the Building Envelope.

The construction of any free-standing garage or outbuilding must be in proportion to the scale of the residence and meet a level of design and quality of construction that is consistent with the Design Guidelines.

No parking on the County Road is permitted in the Subdivision.

Fences and Walls

Fencing can serve as wind barriers, privacy screens, or aids for pet control. Fencing may also be used to define outdoor living areas, but their use to delineate property lines will be discouraged by the Committee. All fences, walls and similar enclosures must be approved in advance by the Committee based upon the Universal Standard of Review set forth in Article II above. The Committee will not approve chain link fencing. Light wire fencing may be used alone or in conjunction with other fencing styles to control pets and as constructed specifically for use as dog runs not to exceed 400 square feet. Snow fencing (black, brown or green, but not orange or other bright color) may be erected in the winter on each lot as needed to assist in snow containment around a home or access drive.

Spa Equipment

Spa equipment enclosures must be architecturally related to the house and other structures through the use of walls or courtyards so that they appear to be a visual extension of the home.

Covers such as inflatable bubbles are unacceptable.

Exterior Lighting

Outdoor lighting will be reviewed to assure that neighboring properties are protected from the view of bright light sources. Illumination necessary for evening activities must be directed downward and be only bright enough to provide for the safe traverse of steps and paths. Lighting fixtures must have a seeded or frosted lens, preferably amber or any other color other than that of clear glass. There are to be no exposed bare light bulbs. Exterior lighting fixtures are to be approved by the Committee, based upon the Universal Standard of Review set forth in Article II above. No lighting fixtures will be permitted, other than the lot identification sign, within close proximity of roadways.

Outdoor Storage

Any outdoor trash containers must be built to be “bear proof” to standards. Outdoor areas housing trash containers, firewood, or maintenance or service equipment such as lawnmowers and snow blowers or overflow storage shall be screened from all adjacent properties by a wall or fence, which shall be architecturally integrated with the residence.

Antennas, Satellite Dishes, and Lightning Rods

Antennas or satellite dishes, no larger than thirty-six (36) inches in diameter (or the current size provided by satellite television providers) shall be hidden from view from the roadway or neighboring properties to the maximum extent possible. The color should be unobtrusive. Free-standing antennas may not exceed thirty-five (35) feet in height. Satellite dishes and all other antennas must be located within the Building Envelope.

Lightning rods may be a consideration if a house is sited on a ridge or upper areas of the Bellyache Ridge Subdivision. Appurtenances to buildings, to include antennas and lightning rods, may not extend more than five (5) feet above the highest point of the building.

Heating and Cooling Equipment

No roof mounted or wall mounted heating or cooling equipment will be permitted without the express approval of the Committee based upon the Universal Standard of Review set forth in Article II above. Any exterior heating and cooling system components must be ground mounted adjacent to the residence and hidden from the view of the roadway or neighboring properties. Such equipment must also be insulated for noise so as not to be heard from the Roads or neighboring properties.

Utilities

Electrical and telephone services are stubbed in the County Road to the property line of each Lot. The water line is in the road and the tap must be made according to Bellyache Ridge Metropolitan District Rules and Regulations. The extension of these services from these stub locations to the residence shall be the responsibility of each Owner. All utility extensions must be underground. As a general rule, utility trenches may not encroach into any required setback except where they cross the front setback between the service tap and the building envelope. All disturbed areas of the site must be treated as described in Article V of these Design Guidelines.

All meter panels and electrical wiring and conduits must be screened so that they are not visible.

Water and septic leach field sewage systems are the responsibility of each Owner and shall comply with all applicable governmental laws, regulations and permits.

Propane storage tanks shall be buried. Storage tanks for other fuels and hazardous materials will be prohibited unless expressly approved by the Committee as well as the appropriate Federal, State or County regulation agencies.

Solar Panel Applications

Active and passive solar power systems should be appropriately integrated into the overall design of the home. Roof, wall or remote collectors should be sited for maximum solar efficiency and minimum visual impact. Hardware for active solar applications shall be integrated into a structure or the landscaping of a Lot. Solar panel locations must be shown on the design plans and be approved by the Committee, based upon the Universal Standard of Review set forth in Article II above.

Wind Power Turbines

Wind power turbines that are visually unobtrusive while small enough to furnish a home with electrical power are becoming increasingly viable and commercially available. A site plan including such devices must consider visual impact, noise and deforestation needs, and are subject to review by the Committee. Wind power turbines will be approved if the impact on and visibility from other properties and the County roads are minimized. Wind power turbine locations must be shown on the design plans and be approved by the Committee, based upon the Universal Standard of Review set forth in Article II above.

Homesite Identification and Signage

Upon completion of construction, only address and resident identification signage for Lots and names within the Subdivision shall be permitted and the placement of such signs shall be reviewed and approved by the Committee, based upon the Universal Standard of Review set

forth in Article II above, prior to installation or replacement.

Household Pets

As stated in Article V, Subsection 8 & 9, of the Declarations, no livestock, poultry or other animals (except family pets) may be kept, raised or bred within the Subdivision. Dogs, cats and other inoffensive common domestic household pets owned by Owners or their guests must be kept on their own property, and restrained by a ground level or buried (“invisible”) electric fence, if necessary. Eagle County pet laws apply in Bellyache Ridge Subdivision.



Article IV: Architectural Design

There is not one specific architectural style that is required or desired at Bellyache. Rather, the goal of architectural harmony is to be achieved through the use of a controlled range of complimentary materials and colors. No replication or near replication of the design of any approved residence in Bellyache Ridge Subdivision will be permitted.

Size

All Primary Residences shall contain at least 1,500 square feet of gross residential floor area but no more than 7,000 square feet of gross residential floor area, unless the Committee, in its sole discretion and based upon the Universal Standard of Review set forth in Article II above, gives its prior written approval.

Duplex Design

On the few lots in the Bellyache Ridge Subdivision zoned for duplex units, every duplex structure is to be designed as a well-conceived, unified total building. It is recognized that most duplex structures do indeed have the appearance of two units within one structure. However, the Committee will not approve mirror image duplexes, nor will they approve duplexes made up of two unrelated units which collide in an unresolved fashion. Each unit of the duplex structure shall contain at least 1,500 square feet of gross residential floor area, but no more than 7,000 square feet of gross residential floor area, unless the Committee, in its sole discretion and based upon the Universal Standard of Review set forth in Article II above, gives its prior written approval.

Height of Structures

The Committee's policy for height of structures shall be the same as Eagle County's. However, the Committee will strongly consider suitability of building height to the site and its surroundings in order to minimize visibility.

Roofs

All roofing should be of fire-resistant materials, including, but not limited to, metal, slate, asphalt shingles, concrete tiles or similar materials. Colors will be limited to earth tones. The use of major rooftop elements such as dormers, chimneys, or skylights, if any, should appear to be an integral part of the roof, not an appendage.

Foundations and Retaining Walls

Visible surfaces of concrete masonry or concrete foundation walls, retaining walls, and piers may not exceed 12 inches above finished grade unless they are faced with masonry, wood, or other natural-appearing finish, or finished as an architectural feature, that is approved by the Committee, based upon the Universal Standard of Review set forth in Article II above. Surfaces not faced with such approved finishes must receive a stucco or mortar-wash finish and be painted or tinted to blend unobtrusively with adjacent materials. Masonry, wood siding or other finishes that extend from exterior walls down over foundation walls to cover foundation surfaces should smoothly follow grade lines. Finishes on foundation and retaining walls must be described on the Design Submittal and be approved by the Committee prior to the issuance of a Notice to Proceed Letter.

Exterior Materials

Exterior materials shall consist of indigenous wood species, including, but not limited to, beveled or tongue-and-groove board siding, board-on-board, board and batt, and similar siding treatments, and stucco, masonry or similar materials. Semi-transparent or solid body stains in colors which harmonize with the surrounding landscape must be used. All reflective metal must blend with surrounding materials using colors approved by the Committee.

Exterior Colors

All exterior colors are subject to prior approval by the Committee. The color of all exterior materials must be very subdued to blend with the natural landscape. Earth tones are strongly recommended, although muted accent colors, which are used judiciously and with restraint, may be permitted.

Windows and Skylights

The glass of windows and skylights must not be highly colored or highly reflective, nor may their frames consist of bright flashy colored (e.g., neon or “day-glow” shades) or reflective material.

Building Projections

All projections from a residence or other structure including, but not limited to, chimney flues, vents, flashing, louvers, gutters, downspouts, utility boxes, porches, railings and exterior stairways shall match the surface from which they project, or must be painted or stained an approved color to blend unobtrusively with adjacent materials.

Chimneys and Outdoor Fires

Due to fire danger, all chimneys must be equipped with a U.L. or I.C.B.O. approved spark arrestor. Open outdoor fire pits are allowed if they have an approved fire screen. Barbecues are permitted, provided they have lids. Exterior fireplaces are permitted only if they are in compliance with county regulations and are approved in advance by the Committee, based upon the Universal Standard of Review set forth in Article II above.

Prefabricated Buildings

Attempts to achieve appropriate innovative solutions using manufactured housing and pre-designed plans in the Bellyache Ridge Subdivision will receive special Committee scrutiny and review, and will be examined based upon the Universal Standard of Review set forth in Article II above. No structure shall be placed upon any lot which is or ever has been the subject of a specific Ownership tax as defined in the Colorado Revised Statutes.

Changes or Additional Construction

All changes or additions to approved plans before, during or after the construction must first be reviewed by the Committee, and the change(s) or addition(s) are subject to the same standards as though it (they) were part of the original design application.



Article IV: Landscaping

Cultivated Areas

Unless otherwise specifically agreed to by the Committee, cultivated areas must be entirely within the Building Envelope (except that cultivation adjacent to driveways will be permitted), shall have flowing non-linear boundaries with native areas described below, shall be designed in such a way that it enhances and works with natural surroundings and shall not exceed 10,000 square feet total land area. Homeowners may choose their own landscaping materials, but they are encouraged to plant the same native and adapted species that are indigenous to their Lot and in other areas of the Subdivision.

Native Areas

All areas of the homesite outside of the cultivated areas (i.e., the Building Envelope) should be treated as native areas. The native vegetation within a Lot's native areas may not be disturbed without prior Committee approval. If disturbed, each Owner shall revegetate using only native vegetation.

Landscape Plans

Every Lot must have a landscaping plan as part of the application for and the construction of a home on the Lot. Landscaping must be designed to incorporate water conserving materials and techniques, such as the use of low water-demanding plants and grasses and, if irrigation is desired, the use of automatic irrigation systems designed to conserve water through timers and moisture sensors. Before the installation of any landscaping or any underground sprinkler system begins, a specific plan for the landscaping and the underground sprinkler system must be submitted to and approved by the Committee. Overhead sprinkler systems will not be permitted. The plan shall identify the area of installation of the automatic irrigation system. Depending on the complexity of the landscape plan, the Committee, at its discretion, may ask for a table to be added to the landscape plan that provides the square footage of the landscape area, the square footage of the irrigated area, and how much of that irrigated area is provided by spray irrigation and by drip irrigation. Due to the forest fire hazard in the areas surrounding and including the Subdivision, it is recommended that all brush and highly-flammable ground detritus be removed from the forest floor, that dead branches be removed from the base of tree to a height of fifteen (15) feet, and that trees be thinned in the forest and cleared within thirty (30) feet of housing structures.

Completion of Landscaping

All landscaping work, in accordance with your approved Landscaping Plan, must be completed as soon as practical, but not later than within ninety (90) days of receipt of a Temporary Certificate of Occupancy (TCO) or Certificate of Occupancy (CO) for the residence, whichever occurs first. If the completion occurs during winter, i.e., when the ground is frozen or the ground is snow-covered, or is delayed because of weather conditions which prevent installation of plant materials or other landscaping improvements and for a phased landscaping plan, the deadline may be extended upon request and with the approval of the Committee.

Outdoor Recreation Equipment and Furniture

All play equipment shall be screened from adjacent view of the roads and other residences and shall be painted or constructed to blend with natural surroundings, as approved by the Committee. Outdoor furniture and accessories may not infringe on setbacks and must be properly maintained.

Outdoor Ornamentation or Statuary

Placing, erecting, constructing or allowing any permanent unnatural or man-made ornaments, signs, statuary, relics, or other such items are prohibited unless the same are included and made a part of a landscape plan submitted to and approved by the Committee or are otherwise approved by the Committee, based upon the Universal Standard of Review set forth in Article II above.



Article VI: Construction Regulations

In order to ensure that the natural landscape of each Lot is preserved and the nuisances inherent to any construction process are kept to a minimum, the following regulations will be enforced during the construction period of all improvements at the Bellyache Ridge Subdivision. Any violation of these regulations by an Owner's representative, general contractor or subcontractor will be treated as a violation by the Owner.

Building Envelope

The Building Envelope, which is the limit of development on each Lot, is also the area within which all activities related to the improvements to be constructed must be confined. At the discretion of the Committee, based upon the Universal Standard of Review set forth in Article II above, temporary staking (or roping or flagging) of the Building Envelope may be required, especially if there are concerns regarding the infringement of the setback areas, during the duration of construction. Temporary staking enclosing the Building Envelope must terminate at the property line adjacent to the entrance drive.

Construction Trailers

Upon commencement of construction, a small construction trailer or portable field office may be located on the building site within the building envelope, clear of all setbacks. The type, size and color of any portable office must be approved by the Committee during the pre-construction conference, based upon the Universal Standard of Review set forth in Article II above. The field office may not be placed on-site earlier than two weeks prior to the actual onset of continuous activity. A construction trailer must be removed from the site prior to the receipt of the Certificate of Occupancy.

Trash Receptacles and Debris Removal

Owners and general contractors shall clean up all trash and debris at the end of each day. An approved trash receptacle must remain on the site at all times for this purpose to contain all lightweight materials or packaging. The receptacle must be positioned on the site alongside the access drive, clear of side and rear setbacks, adjacent road right (s)-of-way and neighboring properties. Trash receptacles must be emptied on a timely basis to avoid overflow of refuse. Disposal shall be at a suitable off-site facility. Owners and general contractor are prohibited from dumping, burying or burning trash anywhere on the site or elsewhere in the Bellyache Ridge Subdivision. Heavy debris, such as broken stone, wood scrap, and the like, must be removed from the site immediately upon completion of the work of each trade that has generated the debris.

All concrete wash-out must occur within the Building Envelope of the Lot in a location where it

will ultimately be concealed by a structure or covered by backfill. Wash-out in road rights-of-way, setbacks or on adjacent properties is strictly prohibited. Because of various species of wildlife indigenous to this region, any edible trash and associated food wrappers and containers must be removed daily or stored temporarily in sealed bear-proof containers. Such trash shall under no circumstances be disposed of in dumpsters. During the construction period, each construction site shall be kept neat and shall be properly policed to prevent it from becoming a public eyesore or detriment to other lots or open space. The Committee may arrange for the clean-up of any site in violation of this provision. Any clean-up costs incurred by the Committee or the Association in enforcing these requirements shall be paid by and recoverable from the Owner, together with all costs of collection. The Committee may use the Compliance Deposit described in Article VII, Section D of these Design Guidelines to pay any costs it may incur in this connection.

Sanitary Facilities

Each Owner or general contractor shall be responsible for providing adequate sanitary facilities for construction workers.

Construction Access

The approved access drive will be the only construction access to any Lot.

Vehicles and Parking Areas

Construction crews may not park on, or otherwise use, undeveloped portions of Lots or open space. All vehicles shall be parked within the building envelope. During very busy construction periods involving multiple trades such that all construction vehicles cannot be confined to the site itself, the overflow vehicles may be temporarily parked along the shoulder of the Road if permission is granted by the Committee based upon considerations related to safety and impact. During these limited occurrences, vehicles must allow continual unconstrained access by normal traffic and emergency vehicles, including fire trucks. Vehicles may not be parked on neighboring Lots, in nearby driveways or on open space without the Owner's express written permission. Changing oil, other vehicle maintenance, or the depositing, intentionally or unintentionally, of any other hazardous materials by any member of any construction crew on any site is prohibited.

Conservation of Native Landscape

The Committee shall have the right to require that major terrain features or plants be fenced for protection during the construction process.

Excavation Materials and Blasting

Blasting shall be allowed only with permission of the Committee, whose review shall be based on issues related to safety and impact. If any blasting is to occur, the Committee must be notified two weeks in advance, and appropriate approvals must be obtained from appropriate governmental authorities. Blasting may only be done by licensed demolition personnel, with all requisite insurance coverage and notifications as mandated by county and state statutes specific to their blasting activity on the Bellyache Ridge Subdivision. The Committee shall have the authority to require written documentation of anticipated seismic effects, with confirmation such effects will not be injurious to other persons or properties, public or private, and that all appropriate protection measures have been utilized. Any unsightly piles of excess materials resulting from blasting, as well as all other excess excavation materials, must be removed from the Bellyache Ridge Subdivision, or be concealed or used on-site, prior to the receipt of the Certificate of Occupancy.

Dirt, Debris, Dust and Noise Control

General contractors shall be responsible for controlling dirt, debris, dust and noise from the construction site, including the removal of dirt and mud from public or private roads that is the result of construction activity on the site. The playing of radios or use of other audio equipment by construction crews during the improvement of any Lot in the Bellyache Ridge Subdivision at levels that can be heard from neighboring Lots is prohibited.

Material Deliveries

All building materials, equipment and machinery required to construct a residence on any Lot in the Bellyache Ridge Subdivision must be delivered to and remain within the building envelope of each Lot, clear of all setbacks. This includes all building materials, earth-moving equipment, trailers, generators, mixers, cranes and any other equipment or machinery that will remain in the Bellyache Ridge Subdivision overnight. Material delivery vehicles may not drive across adjacent lots or tracts to access a construction site.

Firearms

Carrying or discharging any type of firearm in the Bellyache Ridge Subdivision by anyone working on a construction project is prohibited.

Controlled Substances

The illegal use of any controlled substance on any construction site or common area within the Bellyache Ridge Subdivision by anyone working on a construction project is prohibited.

Fires and Flammable Materials

Careless disposition of cigarettes and other flammable materials, as well as the buildup of potentially flammable materials constituting a fire hazard, is prohibited. At least two 20-pound ABC-Rated Dry Chemical Fire Extinguishers shall be present in a conspicuous and clearly marked place on the construction site at all times. No on-site fires are allowed, except for small, confined, attended fires for the purposes of heating masonry water.

Pets

No pets may be brought onto the Bellyache Ridge Subdivision property by any member of any construction crew.

Preservation of Property

The use of or transit over any other Lot, common area or amenity, is prohibited. Similarly, the use of or transit over the native area or setbacks outside the building envelope of any Lot is prohibited. Construction personnel shall refrain from parking, eating, or depositing rubbish or scrap materials (including concrete washout) on any neighboring Lot, tract, open space or right-of-way.

Restoration of Property

Prior to the receipt of a Certificate of Occupancy, each Owner and general contractor shall clean the construction site and repair all property which has been damaged, including, but not limited to, restoring grades, planting shrubs and trees as approved or required by the Committee, and repair of streets, driveways, pathways, drains, culverts, ditches, signs, lighting and fencing. Owners and general contractor shall be financially responsible for site restoration and revegetation and refuse removal necessitated on any and all adjacent properties as a result of trespass or negligence by their employees or subcontracted agents.

Construction Signage

Individual signs, identifying individual contractors or subcontractors, tradesmen, or suppliers are prohibited, except as required by law. Identification of licensed tradesmen, when required by state or county statutes, shall be confined to the posting location of the building permit.

Daily Operation

Daily working hours for each construction site will be left to the discretion of Owners and

general contractors. Construction activity which generates excessive noise, such as hammering, sawing, excavation work, concrete delivery, etc., must be confined to the hours of 7:00 a.m. to 7:00 p.m., Monday through Saturday.



Article VII: Design Review Procedures

In order to establish a framework for periodic review and comment on each residence as it proceeds through the design development and review process or the appeal process, the following procedures have been established by the Committee.

Pre-Design Conference

Prior to preparing preliminary plans for any proposed improvement, the Owner or the Owner's representative should meet with the Chairman of the Committee to discuss proposed plans and to resolve any questions regarding building requirements at the Subdivision. The purpose of this informal review is to obtain guidance from the Committee concerning the possibilities and sensitivities of the site prior to initiating preliminary design. These meetings should occur on-site whenever possible.

Design Submittal

Submittals to the Committee shall be in accordance with the Bellyache Ridge Design Guidelines Appendix A: Building Process Checklist. This Design Submittal is the first step in a New Home or Home Improvement Process (the "Process") described by Appendix B. The first step is to complete and submit the Project Application, (*Form 1*).

Plans and documents listed in Appendix A - Building Process Checklist are to be submitted in duplicate to the Committee for review. The Committee will act on design approval request submissions consistent with Article IV of the Declarations. One set of the plans and documents provided shall be retained by the Committee, and one set shall be returned to the Owner.

Either at the time or any time subsequent to submission of an application, the Committee may require an advance payment of such costs as may be reasonably incurred by the Committee in engaging professional personnel to review and comment upon the proposal.

On-Site Meetings

As soon as the submission of plans is complete, the Committee will inspect the site to determine that the conditions as depicted in the Design Submittal are accurate and complete. The on-site inspection may be done concurrently with the Design Submittal. The House Square Footage Declaration, (*Form 2*), shall be completed concurrent with the Site Inspection or as soon as practicable thereafter.

On-site staking of all lot, building envelope and building corners and other improvements shall be completed if requested in writing by the Committee.

Upon receipt of a complete submittal, the Committee shall schedule an on-site meeting with the Owner or the Owner's representative, the Committee and adjacent property Owners.

Subsequent to the on-site meeting, the Committee may continue consideration of the application, consider additional submittals, make recommendations and defer action until responses are received to such recommendations, conduct follow-up on-site meetings, and either approve or deny the application, as amended from time to time, and take such other action as may be necessary or appropriate to facilitate the approval process and give effect to the Covenants of Bellyache Ridge Subdivision.

Compliance Deposit

Article IV 2. Improvements (d) (ii) of the Declarations provides the Homeowners Association - Architectural Control Committee with the following power:

“to require a deposit of up to \$1,000 per unit as a cleanup, site restoration and revegetation guarantee. The deposit is refundable upon completion of the cleanup, site restoration and revegetation to the satisfaction of the Committee. In the event a project is not cleaned up, a site is not restored and or a site is not revegetated to the reasonable satisfaction of the Committee, such deposit may be retained and applied against the cost of such clean-up, site restoration and revegetation, and the Association and the Committee, and their representatives, are hereby granted the right to enter upon any Lot for the purpose of accomplishing such clean-up, site restoration and revegetation and related activities.”

The Owner shall deliver to the Committee a Compliance Deposit in the amount shown on the Billing Statement for Compliance Deposit, (*Form 3*), that will be issued to the Owner by the Homeowners Association.

Design Review

The Committee will review the final plans and respond in writing within 14 days after a submittal is complete. If, in the opinion of the Committee, the submittal is otherwise in compliance with these Design Guidelines, approval will be granted. A Notice to Proceed Letter, (*Form 4*), will be issued by the Committee, which the Owner may submit to the County in requesting a Building Permit.

Appeal to the Board of Directors

The Committee will provide a copy of its written determination at each stage of review to the Board of Directors at the same time such determination is provided to the Owner.

After the Committee has notified an Owner of its determination, an Owner whose submittals have not been approved may choose either to appeal that decision to the Board of Directors or to

enter into a revised submittal process, as outlined in Paragraph B above, with the Committee. If an Owner does a re-submittal and is unhappy with the Committee's final determination upon re-submittal, the entire issue may be brought to the Board of Directors on appeal.

All appeals to the Board of Directors must be properly initiated by the Owner within 60 days of receipt of the Committee's determination. A properly initiated appeal shall be delivered to the President of the Board of Directors and shall contain a complete set of the plans and any other materials submitted to the Committee, a copy of the Committee's determination letter and a statement written by the Owner or his agent describing the specific item(s) the Owner wishes the Board to reconsider and the basis, both factually and technically under the Declarations and Design Guidelines, upon which the Owner believes an improper determination was made by the Committee. The Board shall notify the Committee Chair if an appeal has been received and may request additional information regarding the contested issues or items from the Committee Chair if the Board believes such information would be helpful.

The Board President, the Board and the Committee shall review the materials submitted and shall notify the Owner and the Committee Chairperson in writing within 20 days of receipt of a properly initiated appeal as to whether, based on the material received, the Board (a) upholds the Owner's appeal, or (b) upholds, in whole or in part, the Committee's determination. If the Board President and the Board determine that the material received are incomplete or not convincing and does not uphold the Owner's appeal, the Board President will set a hearing date at which the Owner or Owner's representative may present their case before a joint meeting of the Board of Directors and the Committee (the Joint Board), which shall consist as a minimum of the Board President, the Chairperson of the Committee, a quorum of the members of the Board and a quorum of the members of the Committee.

The proceedings before the Joint Board shall be informal, but shall permit the Joint Board to consider any arguments made by the Owner or Owner's representative for the purpose of reconciling conflicting information or interpretations of the Declarations or the Design Guidelines. After hearing the Owners or Owner's representative's arguments, the Joint Board may either (a) uphold the Committee's final determination or (b) reverse or modify the Committee's final determination, in whole or in part. In any case other than a total reversal of the Committee's final determination, the Board President shall direct the Owner to correct all remaining deficiencies and set a date at which the deficiencies must be cured. In addition, the Board President will notify the Owner in writing, in no more than 30 days, and as quickly as practical, of the Joint Board's decision to uphold, modify, or reverse the Committee's original final determination and of the date at which the remaining deficiencies are to be cured. All determinations by the Board of Directors shall be final, and there shall be no further right to appeal.

Commencement and Completion of Construction

Upon receipt of final approval from the Committee, payment of the Compliance Deposit, and satisfaction of all governmental review processes, the Owner shall satisfy all conditions and commence the construction of any work pursuant to the approved plans within one year from the

date of such approval. If the Owner fails to begin and diligently continue with construction within this time period, any approval given shall be deemed revoked, and the Owner must begin the Design Submittal process again.

The Owner shall complete the construction of any improvement on his or her Lot within 24 months after commencing construction thereof, except and for so long as such completion is rendered impossible or would result in great hardship to the Owner due to labor strikes, fires, national emergencies or natural calamities.

If the Owner fails to comply with this schedule the Committee shall have the right, with the Board's approval, to either have the exterior of the improvement completed in accordance with the approved plans or remove the improvement, with all expenses incurred to be paid by or recoverable from the Owner, as well as all costs of collection.

Inspections of Work in Process

The Committee may inspect all work in progress and give notice of noncompliance. Absence of such inspection or notification during the construction period does not constitute an approval by the Committee of work in progress or compliance with these Design Guidelines.

Subsequent Changes

Additional construction or other improvements to a residence or Lot, or changes during construction or after completion of an approved structure, including landscaping and color modification, must be submitted to the Committee for approval prior to making such changes or additions.

Final Release and Return of Compliance Deposit

Upon receipt of the Certificate of Occupancy for any residence or other improvement, the Owner shall give written notice to the Committee. Within 21 days of such notification, a representative of the Committee may inspect the residence or other improvements for compliance. If all improvements do not comply with these Design Guidelines, the Committee may issue a written notice of noncompliance, said notice to be issued within 30 days of the final inspection. The Owner shall have 30 days from the date of notice of noncompliance within which to remedy the non-complying portions of his improvement. If, by the end of this time period, the Owner has failed to remedy the noncompliance, the Committee may take action to remove the non-complying improvements as provided for in these Design Guidelines, including, without limitation, injunctive relief. Additionally, in the event of any such noncompliance, the Committee may refer the same to the Board of Directors of the Association, which may deem such noncompliance as a violation of the Declarations and may take any and all legal action afforded to the Board of Directors under the Declarations against the non-complying Owner that the Board of Directors deems appropriate or necessary to correct such noncompliance.

When the Committee determines that cleanup, site restoration and revegetation has been completed consistent with the Design Submittal and these Design Guidelines, the Committee will submit and the Homeowners Association will approve a completed Compliance Deposit Release, (*Form 5*) for the return of the Compliance Deposit, less any amount that the Committee or Association actually spent in regard to correcting cleanup, site restoration and revegetation issues.

Relationship with Association

The Committee shall serve as an agent of the Association concerning the review, enforcement, and other matters described in these Design Guidelines. All funds held or disbursed as or from Design Review fees, Compliance Deposits, payments of fines, and payment or reimbursements of expenses of enforcing compliance with these Design Guidelines will be held or paid for the account of the Association and will in all instances be the property of the Association.

The provisions of these Design Guidelines shall become effective as of the date shown below (the “Effective Date”), provided, however, these Design Guidelines shall not be applicable to existing homes and improvements on Lots within the Subdivision with regard to the construction thereof which was substantially completed prior to the Effective Date, nor shall they be applicable to proposed homes and improvements on Lots within the Subdivision which have not yet been constructed but which have received final approval for proposed construction from the Committee prior to the Effective Date, as long as such construction commences no later than one year of the approval date (see Article VII, Paragraph G). Nevertheless, these Design Guidelines shall be applicable to any future additions, modifications, remodeling or any other improvements to any such existing homes and improvements or approved proposed construction which occurs after the Effective Date.

These Bellyache Ridge Design Guidelines were voted on, unanimously approved and adopted by the Board of the Bellyache Ridge Homeowners Association at its regular meeting held by teleconference on the 16th day of December, 2020.

Laura Waniuk, President, Bellyache Ridge Homeowners Association
Zach Locke, Vice President, Bellyache Ridge Homeowners Association
Mary Pierce, Board Member, Bellyache Ridge Homeowners Association

Appendix A: Building Process Checklist

Submittals to the Bellyache Ridge Architectural Control Committee requesting architectural approval shall include the following plans and documents:

1. Completed Project Application, (*Form 1*) and the House Square Footage Declaration, (*Form 2*).
2. Site plan, showing the entire property; and location of the building envelope, the residence and all buildings and the driveway, parking areas, all utility sources and connections, and all site walls, fences or similar structures.
3. Floor plan showing finished floor elevations.
4. Roof plan showing all roof pitches.
5. Building sections, indicating existing and proposed grade lines.
6. All exterior elevations showing both existing and proposed grade lines, plate heights, roof pitch and indications of exterior materials and colors.
7. Landscape plan showing location, size and type of all existing and proposed plants, irrigation systems, materials, paving or other impervious surfaces, walls, steps, fences, or borders within the Cultivated Area.
8. Exterior finish samples including paint chits and photographs or illustrations depicting or describing all exterior materials, finishes, and colors.

Upon receipt of a complete submittal, the Committee shall schedule an on-site meeting with the Owner or Owner's representative, and shall notify adjacent property Owners of the meeting.

When advised of approval, but prior to the issuance of a letter or certificate establishing approval, there shall be submitted a Compliance Deposit in the amount shown on the Billing Statement for Compliance Deposit, (*Form 3*), which shall be held by the Homeowners Association

Upon satisfaction of all requirements, the Committee shall issue a Notice to Proceed Letter, (*Form 4*), upon the issuance of which a building permit may be issued by Eagle County.

Appendix B: New Home or Home Improvement Coordination and Approval Process

1. Owner or Owner's representative meets with the Architectural Control Committee (HOA) to approve house plans, finishes, and landscaping.
2. Owner provides the Committee with a completed Project Application, (*Form 1*) and House Square Footage Declaration, (*Form 2*) that is to be built or improved. The Committee will provide copies of the submitted forms to the HOA President, Metropolitan Board President, and to the accountant for the HOA.
3. HOA provides the Owner with a Billing Statement for Compliance Deposit, (*Form 3*).
4. Upon receipt of the compliance deposit the Committee provides the Owner with a Notice to Proceed Letter, (*Form 4*) which may be used to obtain a building permit from the county.
5. Owner completes and submits an Application and Permit for Water Tap that is located in the Bellyache Metropolitan District Rules and Regulations that may be found at bellyachesubdivision.com.
6. Upon receipt of Water Tap Application and Permit form and applicable payment in full, consistent with the square foot finished living area provided in step 2, House Square Footage Declaration, (*Form 2*), the Bellyache Ridge Metropolitan District will act to approve the water tap application in accordance with Bellyache Metropolitan District Rules and Regulations. Upon approval, the Bellyache Metropolitan District will communicate directly with their supplier of the district water system operational services to authorize and allow construction and installation of water tap, curb stop, pipeline to house, water meter, remote sensor and any other associated structures.

Under no circumstances shall water tap and all associated structures be undertaken and installed without receipt of completed Water Tap Application and Permit form, and applicable fees.

7. After receiving a certificate of occupancy from the county, the Owner will notify the Committee in writing of having received it.
8. When the Committee is satisfied that the finished project is in compliance with the Design Guidelines, and any observed items having lack of compliance are remedied, the Committee will request that the HOA Board of Directors return the Compliance Deposit by completing Compliance Deposit Release, (*Form 5*) and return the Compliance Deposit, less any amounts that the HOA may have spent in regard to correcting any non-compliance issues.

Form 1: Project Application

Application Type (Please check one)

New Construction	Construction of new structures on a lot or complete replacement. Deposit required upon project approval. See Form 3
Major Modification	Examples: additions, exterior renovations, new dormers, etc. Deposit required upon project approval. See Form 3
Minor Modification	Examples: landscaping, color change, new roof, fencing, etc.
Changes to Approved Plans	Changes to plans previously approved by the Committee.

Project and Owner Information

Lot Number:	Filing:	Date:
Project Street Address:		Project Description:
Owner Name:		Owner Email:
Owner Mailing Address:		Owner Telephone:

Owner's Representative: (e.g., General Contractor or House Designer)

Name:	Email:
Mailing Address:	Telephone:

Project applications shall meet the requirements of the Bellyache Ridge Declarations and the Design Guidelines and shall include the submittal plans and documents identified in Appendix A: Building Process Checklist.

Time requirements for project commencement and for project completion may be found in the Commencement and Completion of Construction section of the Design Guidelines.

Email or mail this completed form to:

bellyachesubdivision@gmail.com

or

Bellyache Ridge Homeowners Association
PO Box 40, Wolcott, Colorado 81655

Form 2: House Square Footage Declaration

Project and Owner Information

Lot Number:	Filing:	Date:
Project Street Address:		Project Description:
Owner Name:		Owner Email:
Owner Mailing Address:		Owner Telephone:

House Square Footage

Total Finished Living Area (square feet):	
Total Unfinished Living Area (square feet):	
Total Garage Area (square feet):	
All Other Area (square feet):	
Total Area – Sum of the Above (square feet):	

Note: Total Finished Living Area (square feet) is used to determine water tap and plant investment fees.

Applicant (e.g., Owner or Owner's Representative)

Name:	Email:
Mailing Address:	Telephone:
I hereby declare that the house square footage information provided above is a true and accurate recording of the house plans as provided by the house designer and architectural drawings and as submitted (or to be submitted) to the Eagle County Planning Commission.	
Applicant Signature:	Date:

The Notice to Proceed Letter, will not be issued until this form has been received by the Homeowners Association and the Compliance Deposit has been paid.

Email or mail this completed form to:

bellyachesubdivision@gmail.com or Bellyache Ridge Homeowners Association
 PO Box 40, Wolcott, Colorado 81655

Form 3: Billing Statement for Compliance Deposit

Project and Owner Information

Lot Number:	Filing:	Date:
Project Street Address:		Project Description:
Owner Name:		Owner Email:
Owner Mailing Address:		Owner Telephone:

Owner's Representative: (e.g., General Contractor or House Designer)

Name:	Email:
Mailing Address:	Telephone:

Having met before the Bellyache Ridge Architectural Control Committee seeking approval of your home building plans, and having deemed your plans to be satisfactory, we now require from you a Compliance Deposit in the amount of \$1,000, payable to the Bellyache Ridge Homeowners Association, as a cleanup, site restoration and revegetation guarantee per the Declarations.

The deposit is refundable upon completion of the cleanup, site restoration and revegetation to the satisfaction of the Committee.

Upon receipt of the Compliance Deposit, the Committee shall issue a Notice to Proceed Letter, (*Form 4*), after which Eagle County may issue a valid building permit for your project.

Please submit payment of the Compliance Deposit to:

Bellyache Ridge Homeowners Association
 PO Box 40, Wolcott, Colorado 81655

Form 4: Notice to Proceed Letter

Project and Owner Information

Lot Number:	Filing:	Date:
Project Street Address:		Project Description:
Owner Name:		Owner Email:
Owner Mailing Address:		Owner Telephone:

Bellyache Ridge Homeowners Association
PO Box 40, Wolcott, Colorado 81655

This letter will serve as a notice to proceed for construction of the proposed new home on the lot, and address cited above in the Bellyache Ridge Subdivision.

The Architectural Control Committee has reviewed the preliminary drawings and has determined that they are generally in accordance with the Design Guidelines for Bellyache Ridge. This letter has been issued as a result of the construction design review and pursuant to your having paid the required Compliance Deposit in accordance with the Bellyache Ridge HOA procedures.

A building permit from the County of Eagle will be required prior to initiating any construction. Please present this letter to the Eagle County Building Department when requesting a building permit.

Sincerely,

Bellyache Ridge Architectural Control Committee

Form 5: Compliance Deposit Release

Project and Owner Information

Lot Number:	Filing:	Date:
Project Street Address:		Project Description:
Owner Name:		Owner Email:
Owner Mailing Address:		Owner Telephone:

Request for Return of Compliance Deposit

This project has passed the final site inspection and the Committee has approved refund of the compliance deposit as shown below. Please issue a Homeowners Association check to the payee and address shown below.

Payee Name:	Compliance Deposit Amount:	
Payee Address:	Compliance Retained Amount:	
	Compliance Release Amount:	

Approved by Homeowners Association Board Member:		Date:
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**Minutes of the Annual Meeting
of the Bellyache Ridge
Homeowners Association**

September 19th, 2021

The Annual Meeting of the Bellyache Ridge Homeowners Association was held on September 19th, 2021 at 4:00 p.m. via a Conference Call in Wolcott, Eagle County, Colorado, in accordance with the applicable statutes of the State of Colorado.

Attendance The following directors and chair were present and acting:

- Laura Waniuk, President
- Zach Locke, Vice-President
- Mary Pierce, Director

The following residents were also in attendance:

- Ray Selvy – Bellyache Ridge Metro Board President
- Keith Ruebsam – Bellyache Metro Board Director
- Tom McCalden – Bellyache Metro Board Director
- Mark Bradford – Resident
- Bill Willins – ACC Director
- Helen Ward – Resident
- Jane Lowery – Resident
- Eric Pepper – Resident
- Scott White – Resident

**Call To
Order**

The Annual Meeting of the Bellyache Ridge Homeowners Association was called to order by President Laura Waniuk on September 19th, 2021 at 4:00 p.m. welcoming everyone to the meeting via a Conference Call. President Waniuk reviewed the agenda and asked that all homeowners hold their questions until the end of the meeting. She also highlighted that in 2022 the board is in the hopes that this meeting can finally return to an in-person meeting within the subdivision.

Board

Appointment President Laura Waniuk gave thanks and praise to Mary Anne Metternick for acting as the President of the Bellyache Ridge HOA for the past several decades. President Waniuk then asked if there were any board nominations from the floor. There being no nominations she then asked for the homeowners to formally elect her, Zach Locke, and Mary Pierce back to the board. Having met the qualifications to be eligible for the board, it was seconded, and unanimously:

RESOLVED to reelect the acting board as is.

Minutes The Board reviewed the minutes from the last Annual Board meeting on June 28th, 2020. A motion to accept the minutes as presented was made; it was seconded, and by motion duly made and seconded, it was unanimously:

RESOLVED to approve the June 28th, 2020 Bellyache Ridge Annual Meeting minutes as presented.

Financial Annual Revenue from Homeowner's dues and assessments remain around \$13.5K. In terms of expenditures the HOA is a little bit over budget in the Landscaping line due to the Fire mitigation projects that's been going on all summer. Accounting and Administration line has gone down since the board is taking on more work from Marchetti & Weaver in order to save on funds. The fund balance over the last couple of years has remained at \$90K-\$100K and the board has been asked what is being done with these funds. The board at this time is looking at various ideas and opportunities to begin using that balance on projects that will benefit the community whether its internet speed, fire mitigation, etc. or any new ideas and projects presented.

Fire Mitigation Vice President Zach Locke reviewed that 2 years ago the County started a new program where the county would partner and contribute towards the HOA any fire mitigation work. The annual wood chipping project where homeowner's can bring deadfall and slash that is a fire hazard to the roadside and the HOA and county have paid for the chipping. The HOA has worked with Donnie McCracken, who's also a local Bellyache Ridge homeowner, to do the work and the results have been positive throughout the community.

Ray Selvy reported on the BRMD work where the Metro Board also worked with the Eagle County and hired Donnie McCracken to clear deadfall that was within 40 ft. of the roadways on Metro lands. This will also remain an ongoing effort from the Metro Board in 2022.

Mary Pierce thanked all homeowner's for their participation in this important community project. She explained that BLM is also interested in doing a Tree Harvesting project on their land beyond Big Dipper road in 2022. The trees have been marked and the clearing will also enhance the fire mitigation efforts surrounding the property lines of the subdivision. Half of them will be taken mechanically and half by hand so we're fortunate to have the BLM working on this project pulling out 10-20 loads of trees. They will be working regular work hours of 8am – 5pm and will notify homeowner's when the project will officially begin in the spring. Please be aware that trucks will be present on Big Dipper road transporting the loads throughout the project.

The other project is the BLM will also be working with the HOA on the BLM land behind Mary Ann Metternick's old home and they're working with Diamond Star Ranch to open up a secondary access road so that residents have an alternative way for homeowner's to vacate in the event of a forest fire.

The fourth project is the HOA is trying to work with James Jouflas on clearing out deadfall on his lands which are adjacent to the subdivision. The proposal is that the County, the HOA, and Mr. Jouflas will make equal \$5K monetary contributions in order to clear lands. It's the HOA's hopes that he will consider it over the winter and the project can commence in the spring. If this does move forward it would enhance the ability to get fire suppression equipment on the lands should a forest fire start.

Architecture Control

Committee Mary Pierce explained that in December the board revised and updated the ACC Design Guidelines. These can be found on the Bellyache Website. You want to look at these newest Design Guidelines before you begin your projects. You will also want to ensure that you are filing the proper paperwork prior to commencing any projects.

There are 3 projects in the neighborhood now and 2 are garages. The third project is still in the planning phase as it would not begin until the spring of 2022.

Bellyache Ridge Communi- cation

The board does highly encourage homeowner's to sign up and regularly update their contact info to receive the board's newsletters. Another good resource is the www.bellyachesubdivision.com website. Mary Pierce reiterated the importance of ensuring that you are getting the email communications from both the HOA and the Metro board. Also, the address with the water billing company needs to be your PO Box and not your street address so you're also getting the snail mail communications.

Bellyache Ridge Metro District Water Report

President Ray Selvy of the Bellyache Ridge Metro District updated the attendees on the Bellyache Ridge Metro Water District.

- Sadly, water supply status is at a near historic low level currently. The Metro Board has sent out communication to homeowner's on the importance of trying to conserve water this year via email, mail, and on the FaceBook group page.

- All 3 wells are producing water but they're producing at a slower rate than in years past. There are a handful of residences that are using 10K gallons or more a month and the board will be contacting them individually over the phone to discuss conservation.
- Financially the Metro Board remains in good shape. The Enterprise and General Fund combined on page 8 shows an ending fund balance \$261,699. The board is predicting to end at \$281K in 2022.
- The Metro Board improvement projects completed included some repairs to the exterior wood staining and roof on Pumphouse 1R/2. Replaced the variable frequency drive on 1R and a pending replacement for a submersible pump that is expected to be installed before winter which would pump from a lower level of the well and maximize all 3 wells. Replaced a door and some hardware at Pumphouse 3, in addition to repairing the floor.
- Director Keith Ruebsam put together a Reserve study on the assets of the Metro Board. It shows the board how much additional funds and reserves will be needed to replace equipment over the next 30 years. It's a work in progress as the equipment for the Metro board matures.
- The Metro District will be considering some water rate changes at the October meeting due to the current water shortage and whether a water emergency will necessarily be declared.

Homeowner Comments & Questions

Jane Lowery explained that she tried to sign on to the FaceBook page today and had difficulty. President Laura Waniuk said that she would look into it so that she could join the FB group.

Jane Lowery also asked how she would know when the HOA dues are being billed. Mary Pierce explained that she needs to have a separate account set up with AmCoBi in order to pay the HOA bills and to email Mary Pierce if there's still challenges with this process. Zach Locke had a similar issue and highlighted that he had to set up two separate accounts with his bank in order to pay both his water bill and his HOA Dues from his Bill Pay Platform.

Bill Willins thanked Ray for all his work on the water board and felt that it was useful information to know that 3-5K gallons per month per household is a standard amount. He also wanted to know if there is any legal recourse should James Jouflas refuse to cooperate with any fire mitigation. Mary Pierce explained that the board has looked into this and unfortunately there is no legal recourse to force him to clean up his property.

Tom McCalden said that as a resident they're in full support of investing in the Jouflas joint project in fire mitigation.

Roy Sante said that he too is in full support of the Jouflas joint project as well for fire mitigation.

Keith Ruebsam asked if Mary Pierce could share more details on the legal recourse conversation, which the conversation was with resident Jack Affleck and a lawyer. Per Mr. Affleck the lawyer said that really all we could do is send him a letter putting him on notice which would create liability on him because it would prove that he is aware that it's a danger and yet he did not act. Jane Lawery also supported paying \$10K for Jouflas since we have the funds.

Scott White said that he's in support of this and asked if we could get an official report on this to go along with the letter to Jouflas. He thanked the board for their work.

Helen Ward asked what the issue is with all the dead trees at the end of Big Dipper. Mary Pierce explained that there are a lot of dead trees that have never been cleared out that BLM will pull out in the spring of 2022. She agreed that we should try to contribute where we can for any and all deadfall.

Roy Sante asked Ray Selvy what it would cost the Metro Board to haul water if the wells don't produce on the Reserve Study? The board didn't recognize the water well levels as being critical until the last 60 days so hauling costs is not currently included. The Reserve Study of the assets is on the website and it's a document used for assets over a useful lifetime. Water hauling would come out of a separate expenditure line. Last time we bought water from Red Sky Ranch but they are declining at this time and our second option is the Lake Creek Metro Board to purchase water from them if necessary. The business that hauled our water last time is out of business so the board is working to find an alternative vendor for that. Keith Ruebsam further explained that the Reserve Study is a document that is used as a guidance tool to replace our existing assets and that the water hauling is a very high priority for the board.

Helen Ward asked whether the board has any control over the water rate changes or if we have to accept what is being advised? Keith Ruebsam explained that the board has the power to raise rates and that this will be considered at the October meeting, which has been publicized. The board is looking at an inflationary rate increase and then tightening up the incremental rates so that households using excessive amounts will be required to pay more. Upon research from the board 87% of the homes in Bellyache would be a 2% increase. The additional homes would notice a moderate to significant increase. She also asked if it's feasible to put another well in. Ray Selvy explained that the board has tried additional wells in the past and it was unsuccessful. What the subdivision has to work with is an unconfined aquifer where water flows through it at an angle down to the Eagle River and we try to capture what we can.

**Adjournment
and Notice of**

Next Meeting The next meeting, which is the Board of Directors HOA Meeting, will be held on Wednesday, October 20th, 2021 at 6:00pm via a Conference Call. A motion was brought forth by President Laura Waniuk and Director Mary Pierce seconded the meeting date and time. There being no further business to come before the Board and by motion duly made and seconded, it was unanimously:

RESOLVED to adjourn the Annual HOA Meeting of the Bellyache Ridge Homeowners Association this 19th day of September, 2021, at 5:14 p.m.

Respectfully submitted,

Shannon Patterson

Acting Recording Secretary for the Meeting

Subject to Approval

**Minutes of the Regular Meeting
of the Bellyache Ridge
Homeowners Association
Board of Directors
February 17th, 2021**

A Regular Meeting of the Board of Directors of the Bellyache Ridge Homeowners Association was held on February 17th, 2021 at 6:00 p.m. via a Conference Call due to the COVID Pandemic in Wolcott, Eagle County, Colorado, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors and/or Chairs were present and acting:

- Laura Waniuk - President
- Zach Locke – Vice President
- Mary Pierce - Director
- Roy Sante- Chair of the Architecture Control Committee

Also in attendance was:

- Shannon Patterson, Recording Secretary for the Meeting
- Keith Ruebsam, Homeowner
- Casey McDaniel – Homeowner

**Call To
Order**

The Regular Meeting of the Board of Directors of Bellyache Ridge Homeowners Association was called to order by President Laura Waniuk on February 17th, 2021 at 6:04 p.m. noting that a quorum was present.

Board

Appointments The board reviewed the current positions and opted after further thought to keep the board size and positions as is.

**Treasurer's
Report**

The board reviewed the year end statement of 2020. The BRHOA Statement of Net Position dated December 31st, 2020 Actuals was reviewed, as prepared by Marchetti & Weaver, LLC. The report shows at the end of 2020 Current Revenues of \$14,491. Expenditures totaled \$11,192 and at year end the BRHOA was \$676 under budget. Overall, the BRMD remains in sound financial position, able to meet the estimated operating costs and continuing to contribute to the BRHOA Fund in 2021.

In review of the year Keith Ruebsam highlighted the following: The Landscaping & Forest Stewardship line will need to be looked at in 2021 if the board opts to consider some type of Healthy Forest initiative in conjunction with the BRMD board. Mostly likely the Annual HOA meeting which was formerly a picnic, will

again this year need to be held via a conference call due to Covid. Accounting & Administrations costs have gone down and this is in large part due to the board trying to do more themselves and not relying on Marchetti & Weaver as much. The board again discussed the growing BRHOA fund overage and how best to use the monies moving forward whether it's a rebate to Homeowner's or future projects.

**Accounts
Payables**

A motion was brought forth to pay American Conservation & Billing Title Request invoice in the amount of \$418.40.

A motion was brought forth to pay the Marchetti & Weaver in the amount of \$1,193.80 for a Title Request Fee.

A motion was brought forth to pay Vail Valley Bookeeping December 2020 Meeting Minutes invoice in the amount of \$110.00.

RESOLVED To pay the February 17th, 2021 accounts payable of \$1,772.20.

**Board
Insurance**

The board reviewed and discussed the GIG Insurance Group, Inc. 2021 new insurance policy proposal. The new proposal included general liability, which is required, and also the Directors & Officers Liability. President Laura Waniuk volunteered to call the insurance company to see if the Cyber Liability Coverage of \$50 could be removed and also question why the company was submitting a new policy with a slightly higher rate vs. renewing the old policy. A motion was made to pay for the 2021 GIG Insurance Group, Inc. pending President Laura Waniuk's findings and revised total due; it was seconded, and by motion duly made and seconded, it was unanimously:

RESOLVED to approve the payment of the 2021 GIG Insurance Group, Inc. Liability Insurance policy pending research.

Minutes

The Board reviewed the minutes from the last Special Board meeting on December 2nd, 2020. A motion to accept the minutes as presented was made; it was seconded, and by motion duly made and seconded, it was unanimously:

RESOLVED to approve the December 2nd, 2020 Regular Meeting minutes as presented.

The Board reviewed the minutes from the regular Board meeting on December 16th, 2020. A motion to accept the minutes as presented was made; it was seconded, and by motion duly made and seconded, it was unanimously:

RESOLVED to approve the December 16th, 2020 Regular Meeting minutes as presented.

Architecture

Control

Committee Chairman Roy Sante had to leave the meeting due to time constraints. He did however text and say that there is no new news from the ACC. There is a potential new build on a lot, but an application is yet to be received.

New

Business President Laura Waniuk presented the draft of a new Homeowner “Bellyache Ridge Welcome Letter” to our newest homeowner’s that provides more key information and drives people to the website. There was discussion whether it should be one page or two pages and it was agreed after various comments and input on the content and how to structure to proceed forward and review a second draft.

The was additional discussion in adding a Directory of Bellyacher’s that would be voluntary for homeowner’s to be added to. The board decided to start with the letter and then see if this is a project of future interest to homeowners.

President Laura Waniuk brought forth some information in regards to internet speed for Bellyache Ridge research project. Keith Ruebsam explained to the board what role the BRMD can play in this project and that CenturyLink currently owns the internet cabling that runs up to Bellyache Ridge. Casey brought up to address the funding issue and also partnering with Wolcott Springs and the entire hillside in order to get more power in numbers. Laura agreed to run with this and find more information for the next meeting and will report back on County and funding opportunities. The board did recognize that this will be a long-term opportunity for the board to address. It was also brought forth whether a community directory may also be an opportunity to use with the internet project as well and see if any homeowners would be interested in joining this task force to help the BR community with this initiative.

Director Mary Pierce brought forth the subject of using some of the HOA funds to partner with the BRMD and keep working on the deadfall on common lands so as to mitigate future wild fire danger. Director Zach Locke updated the board that he is still working Eric Lovgren for hopefully another partnership with Eagle County in 2021 and that he will keep everyone updated as we get closer to the spring. Keith Ruebsam offered that the BRMD would be open to partnering with the HOA and would require that the transfer funds via a check would allow for the HOA to work with the homeowners and the BRMD to work with the deadfall on the BRMD lands that remain wild forest.

Adjournment and Notice of

Next Meeting The next meeting will be held on April 21st 2021 at 6:00 pm via a Conference Call. A motion was brought forth by President Laura Waniuk to adjourn, it was approved by all board members present. There being no further business to come before the Board and by motion duly made and seconded, it was unanimously:

RESOLVED to adjourn the Regular Meeting of the Bellyache Ridge Homeowners Association Board of Directors this 17th day of February 2021, at 7:38 p.m.

Respectfully submitted,

Shannon Patterson

Acting Recording Secretary for the Meeting

**Minutes of the Regular Meeting
of the Bellyache Ridge
Homeowners Association
Board of Directors
April 21st, 2021**

A Regular Meeting of the Board of Directors of the Bellyache Ridge Homeowners Association was held on April 21st, 2021 at 6:00 p.m. via a Conference Call due to the COVID Pandemic in Wolcott, Eagle County, Colorado, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors and/or Chairs were present and acting:

- Laura Waniuk - President
- Mary Pierce - Director
- Roy Sante- Chair of the Architecture Control Committee

Not in attendance was:

- Zach Locke – Vice President

Also in attendance was:

- Shannon Patterson, Recording Secretary for the Meeting
- Keith Ruebsam, Homeowner

**Call To
Order**

The Regular Meeting of the Board of Directors of Bellyache Ridge Homeowners Association was called to order by President Laura Waniuk on April 21st, 2021 at 6:00 p.m. noting that a quorum was present.

**Treasurer's
Report**

The BRHOA Statement of Net Position dated March 31st, 2021 Actuals was reviewed, as prepared by Marchetti & Weaver, LLC. The report shows at the end of Q1 Current Revenues of \$13,535. Expenditures totaled \$2,055 and at the end of Q1 the BRHOA was \$12,980 under budget. Overall, the BRMD remains in sound financial position, able to meet the estimated operating costs and continuing to contribute to the BRHOA Fund in 2021.

**Accounts
Payables**

A motion was brought forth to pay AmCoBi 2021 Title Request in the amount of \$13.50.

Also, to pay the Canyon Insurance invoice for \$995 for the 2021/2022 D&O Insurance.

And to pay the Philadelphia Insurance Co. invoice for \$647 for 2021/2022 General Liability Insurance. It was seconded, and by motion duly made and seconded, it was unanimously:

RESOLVED To pay the March 17th, 2021 accounts payable of \$1,655.50.

A motion was brought forth to pay the Marchetti & Weaver 2020 Tax Prep invoice in the amount of \$410.00. It was seconded, and by motion duly made and seconded, it was unanimously:

RESOLVED To pay the April 21st, 2021 accounts payable of \$410.00.

**Meeting
Minutes**

The Board reviewed the minutes from the last Regular Board meeting on February 17th, 2021. A motion to accept the minutes as presented with two minor word changes was made; it was seconded, and by motion duly made and seconded, it was unanimously:

RESOLVED to approve the February 17th, 2021 Regular Meeting minutes as presented.

**Architecture
Control
Committee**

Chairman Roy Sante brought forth a question to the board in regards to 5213 Bellyache Ridge Rd. redoing the roof on the house. The homeowner asked if the ACC required an additional application since the original application was submitted when the roof was originally redone a couple of years ago. However, due to poor construction the roof has developed some issues and that they're getting it redone. After discussion in regards to the guidelines, the board agreed that the homeowner would not be required to submit a new application since this is a repair to an existing project.

It was also brought forth that a current homeowner still has a snow fence up from this past winter. Per the HOA guidelines there is no verbiage currently in regard to snow fences, although there is verbiage in regards to fences. It was agreed that President Laura Waniuk would reach out to the homeowner to request that it be removed in a timely manner as we near spring.

It was also agreed that President Laura Waniuk would highlight the Eagle Community Cleanup Day on May 1st and gently remind BR Homeowners that May is a great time to clean up their yards and pick up any trash along their property lines.

Old

Business

President Laura Waniuk presented the draft of a new Homeowner “Bellyache Ridge Welcome Letter” to our newest homeowner’s that provides more key information and drives people to the website. The latest draft was sent out in March to the other board members was shortened to two pages. Laura will send it out again for a third review. There was discussion in how to best and fairly highlight vendors and service providers who are available and willing to do work up in the subdivision. It was agreed that it’s not an HOA function to give recommendations to homeowners, even though it is with good intentions, so as not create any conflict of interest. It was agreed that there is value to having a welcome letter and to keep it, however to refrain from recommending particular vendors and service providers as it is an individual homeowner choice. The board praised Laura for her efforts in tackling this project.

President Laura Waniuk brought forth some information in regards to internet speed for Bellyache Ridge research project. She called the head of IT for Eagle County and the bottom line is we would have to cover the cost of laying the fiber up from I-70. Laura is trying to schedule a meeting with the State to see if there is any grant money on the Rural Broadcast Initiative. Laura is going to keep working on this project as it is going to be a long term board initiative.

New

Business

Director Mary Pierce forth some resources that she’d found. Some grants are available and there are also opportunities for some grants where the HOA and the Metro Board could work in conjunction to also clear some of our open space of deadfall. If the board is interested in applying for the grant the application is due in late May. Eric Lovgren did reply and said that he would be happy to do a conference call with the board and a representative from the Fire Station. Roy Sante also mentioned a third project of roadside deadfall and had been in touch Eagle County Road & Bridge who are responsible for the deadfall that resides within 20ft of the roadside. The board agreed that the HOA would like to partner again with Eric Lovgren on the Wood Chipping project this June for homeowners to bring deadfall and slash from their personal lots to the roadside. Chairman Roy Sante agreed reach out to Eagle County Road & Bridge in regards to the roadside deadfall.

**Adjournment
and Notice of**

Next Meeting

The next meeting will be held on June 16th 2021 at 6:00 pm via a Conference Call. A motion was brought forth by President Laura Waniuk to adjourn, it was approved by all board members present. There being no further business to come before the Board and by motion duly made and seconded, it was unanimously:

RESOLVED to adjourn the Regular Meeting of the Bellyache Ridge Homeowners Association Board of Directors this 21st day of April 2021, at 7:04 p.m.

Respectfully submitted,

Shannon Patterson

Acting Recording Secretary for the Meeting

Meeting Minutes are contracted through Vail Valley Bookkeeping, the Contract for the compensation of these minutes can be found on www.bellyachesubdivision.com

**Minutes of the Regular Meeting
of the Bellyache Ridge
Homeowners Association
Board of Directors
June 16th, 2021**

A Regular Meeting of the Board of Directors of the Bellyache Ridge Homeowners Association was held on June 16th, 2021 at 6:00 p.m. via a Conference Call due to the COVID Pandemic, in Wolcott, Eagle County, Colorado, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors and/or Chairs were present and acting:

- Zach Locke – Vice President
- Mary Pierce
- Laura Waniuk - President

Also in attendance was:

- Shannon Patterson, Recording Secretary for the Meeting
- Keith Ruebsam, Homeowner

**Call To
Order**

The Regular Meeting of the Board of Directors of Bellyache Ridge Homeowners Association was called to order by President Laura Waniuk on June 16th, 2021 at 6:00 p.m. noting that a quorum was present.

Minutes

The Board reviewed the minutes from the last Board meeting on April 21st, 2021. A motion to accept the minutes as presented was made; it was seconded, and by motion duly made and seconded, it was unanimously:

RESOLVED to approve the April 21st, 2021 Regular Meeting minutes as presented.

**Architecture
Control**

Committee The HOA Board reviewed the current ACC Applications:

- Lot 15 Garage Design Review Request – Approved, foundation walls are in.
- Lot 57 Trampoline Design Review Request – Verbally approved.
- Lot 11 Solar Panels Design Review Request – Verbally approved.

ACC Chairman, Mr. Roy Sante formally resigned from his position and his position is currently open. The board was thankful for the many years of devoted service that Mr. Sante gave to all the Bellyache Ridge Boards.

The HOA discussed the ACC current process and the history of not following it. The ACC is meeting to review the new process laid out by the latest guidelines and working out the responsibility of duties. The board also discussed the application for the ACC which is also to be reviewed at the ACC Meeting to see the current members want to update the application.

Director Mary Pierce also brought forth the concern of the legal scope of the ACC and what the committee's options are in case someone opts not to apply with the rules and regulations. Zach brought forth that the guidelines outline all the legalities, and the process is outlined. Currently, it's more important to learn the process as a board and equitably divide and define the job responsibilities.

Treasurer's Report

The BRHOA Statement of Revenues Expenditures and Changes in Fund Balance dated May 31st, 2021 Actuals was reviewed, as prepared by Marchetti & Weaver, LLC. The report shows a Beginning Fund Balance of \$91,369 with current Revenues of \$13,535. Expenditures totaled (\$3,795) with an Ending Fund Balance of \$101,110. YTD the BRHOA is \$3,029 under budget. Overall, the BRMD remains in sound financial position, able to meet the estimated operating costs and continuing to contribute to the BRHOA Fund in 2021.

Homeowner, Keith Ruebsam, proposed to the HOA board again a "Distribution to Property Owners". Mr. Ruebsam feels that the BRHOA fund is currently overfunded and \$600 could be given back to the current homeowners to right size the fund. After discussion and consideration, the board agreed that there needed to be more in-depth discussion on how best to handle the fund as some board members agreed that it there are many community improvements that the funds could be used for such as Fire Mitigation, Internet Speed improvement, and rural space enhancements. The board will look at the proposal again at the August meeting.

Accounts Payables

A motion was brought forth to pay American Conservation & Billing Title Request invoice in the amount of \$25.00.

A motion was brought forth to pay the Marchetti & Weaver in the amount of \$990.62 for Q1 2021 Accounting & Admin work.

A motion was brought forth to pay Vail Valley Bookkeeping for the February 2021 Meeting Minutes and the 2020 Annual Meeting Minutes invoice in the amount of \$160.00.

RESOLVED To pay the May 14th, 2021 accounts payable of \$1,175.62.

A motion was brought forth to pay American Conservation & Billing Title Request invoice in the amount of \$50.00.

A motion was brought forth to pay Vail Valley Bookeeping for the April 2021 Meeting Minutes invoice in the amount of \$100.00.

RESOLVED To pay the June 16th, 2021 accounts payable of \$150.00.

**Accounts
Receivable
Report**

The Accounts Receivable Aging Report showed that 5 Homeowners 2021 HOA Dues are now 120+ days overdue. President Laura Waniuk volunteered to reach out to each homeowner individually to remind them that their dues are late.

**Old
Business**

The Groundskeeping Tree Service has started wood chipping the deadfall piles and will hopefully be finishing some of the bigger stuff this week. The Metro Board will be doing an additional \$7800 in fire mitigation within 40' of the road starting next. Overall, many homeowners and the County are engaged in this project.

President Laura Waniuk presented the final draft of a new Homeowner letter welcome letter to our newest homeowner's that provides more key information and drives people to the website. The board thanked President Waniuk for all of her hard work on getting the letter completed.

**New
Business**

The Board discussed when to schedule the 2021 Annual BRHOA Meeting. Due to Covid it was discussed in depth how best to get our community engaged, educated, and introducing the new Board, while honoring social distancing. After further debate it was agreed that the board would continue to monitor Eagle County Health standards with Covid and to decide whether to hold the meeting via teleconference and an in-person picnic by the August meeting. A motion was made to hold the 2021 BRHOA Annual Meeting via Teleconference on September 19th, 2021 at 4pm, it was seconded, and by motion duly made it was unanimously:

RESOLVED To hold the 2021 BRHOA Annual Meeting via Teleconference on September 19th, 2021 at 4pm.

Director Mary Pierce asked that in the next email to the HOA include a friendly reminder on 3 things: 1) Fire Mitigation and open fire rules. 2) ACC Chairman Application is open. And 3) To please not feed the wildlife.

**Adjournment
and Notice of**

Next Meeting The next meeting will be held on August 18th 2021 at 6:00 pm via a Conference Call. A motion was brought forth by President Laura Waniuk it was approved by all

board members present. There being no further business to come before the Board and by motion duly made and seconded, it was unanimously:

RESOLVED to adjourn the Regular Meeting of the Bellyache Ridge Homeowners Association Board of Directors this 16th day of June 2021, at 7:12 p.m.

Respectfully submitted,

Shannon Patterson

Acting Recording Secretary for the Meeting

Meeting Minutes are contracted through Vail Valley Bookkeeping, the Contract for the compensation of these minutes can be found on www.bellyachesubdivision.com

**Minutes of the Regular Meeting
of the Bellyache Ridge
Homeowners Association
Board of Directors
August 18th, 2021**

A Regular Meeting of the Board of Directors of the Bellyache Ridge Homeowners Association was held on August 18th, 2021 at 6:00 p.m. via a Conference Call due to the COVID Pandemic, in Wolcott, Eagle County, Colorado, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors and/or Chairs were present and acting:

- Zach Locke – Vice President
- Mary Pierce
- Laura Waniuk - President

Also in attendance was:

- Shannon Patterson, Recording Secretary for the Meeting
- Keith Ruebsam, Homeowner

**Call To
Order**

The Regular Meeting of the Board of Directors of Bellyache Ridge Homeowners Association was called to order by President Laura Waniuk on August 18th, 2021 at 6:01 p.m. noting that a quorum was present.

Minutes

The Board reviewed the minutes from the last Board meeting on June 16th, 2021. A motion to accept the minutes as presented was made; it was seconded, and by motion duly made and seconded, it was unanimously:

RESOLVED to approve the June 16th, 2021 Regular Meeting minutes as presented.

**Architecture
Control**

Committee The HOA Board reviewed the current ACC Applications:

- Lot 21 (Aldrich) – Project is closed and the deposit refund has been requested at this time. The seeding is done and the ACC Board went over to the property inspect it and it all met ACC requirements.
- Lot 11 (Fletcher Harrison) – an application has been submitted for a New Garage and an Exterior material update; at this time the homeowners are still

trying to determine exactly what they want to do; so, they don't plan on starting this project until the Spring of 2022.

- Lot 15 (Margie Ripmaster) – An application has been submitted for a Yoga Studio/Deck Addition. The committee is awaiting a preliminary review of the architectural drawings.

In other news, Kevin French has officially joined the ACC and the committee is still in need of another member. The ACC Committee is currently looking at eliminating the ACC Chair position in order to mainstream the processes and allocate the ACC work load more evenly amongst all the committee members. Homeowner Keith Ruebsam, offered to revise the ACC Amendments to strike the word "Chair" from the documents and replace it with "the Committee".

Treasurer's Report

The BRHOA Statement of Revenues Expenditures and Changes in Fund Balance dated July 31st, 2021 Actuals was reviewed, as prepared by Marchetti & Weaver, LLC. The report shows a Beginning Fund Balance of \$91,369 with current Revenues of \$13,685. Expenditures totaled (\$8,824) with an Ending Fund Balance of \$96,231. YTD the BRHOA is \$6,361 under budget. Overall, the BRMD remains in sound financial position, able to meet the estimated operating costs and continuing to contribute to the BRHOA Fund in 2021.

A preliminary 2022 Budget was reviewed and a formal vote will be held at the October meeting.

It was agreed that there was one small mistake on the Financials showing an incorrect Beginning Fund Balance and that the board would work with Meghan to get it amended to the correct number.

The Board readdressed Keith Ruebsam's proposal to give a refund of the portion of the reserve funds to each homeowner. After discussion and further input the board agreed that more research is needed on what to do with the Reserves of the HOA in the 2023 Budget. Keith Ruebsam recommended that the board look at a Reserve Study and then come up with a proposal of what that can be used towards based on what the covenants say. The board thanked both Keith Ruebsam and Zach Locke for bringing the opportunity forth for consideration. All were opposed to reducing the HOA dues and felt it's better to use those funds on the betterment of the community and to define future community enhancement projects for 2022.

Accounts Payables

A motion was brought forth to pay the Groundskeeper invoice in the amount of \$7,350 for the 2021 Wood Chipping & Hauling Project.

RESOLVED To pay the July 15th, 2021 accounts payable of \$7,350.

A motion was brought forth to pay American Conservation & Billing Title Request invoice in the amount of \$25.00.

A motion was brought forth to pay Vail Valley Bookkeeping for the June 2021 Meeting Minutes invoice in the amount of \$150.00.

RESOLVED To pay the August 18th, 2021 accounts payable of \$175.00.

**Accounts
Receivable
Report**

The Accounts Receivable Aging Report was not presented at the meeting, as it seems all accounts are caught up.

**Fire
Mitigation**

The Grounds Keeping Tree Service was paid for their work on the Wood Chipping HOA Project. Director Zach Locke was going to check and see if we've gotten reimbursed by the County yet as the invoice to the County was submitted on June 19th. The board decided to reach out to The Grounds keeping Tree Service Company to see if they could give generalized feedback on Homeowner participation. Metro Board Member Keith Ruebsam gave an update on the Metro Board tree removal of \$7800 that The Grounds keeping Tree Service was able to remove some deadfall on the Metro land within 40' of the road. The Metro Board will be pursuing this annually as well moving forward. Both boards are continuing to pursue more grants.

The board was approached by a member, Mr. Matthew Schlitz, of the Forest Service who are looking at doing a "Timber Harvesting Program" off of Big Dipper Road that would run on BLM land cutting down live and deadfall Pines and taking 4" in diameter to 25 ft. tall trees. Half of it will be done mechanically and the other by hand. They're looking to pull 10-20 loads and they'll only use the first 500-600 ft. of HOA Lands and the route would be restored back to its original conditions upon completion of the project. They would work the regular work hours of 8am-5pm. The four Homeowners at the end Big Dipper would see most of the work and the logging trucks. All homeowners along Big Dipper would see the logging trucks as well. The Forest Service is asking for permission to access the BLM land via the HOA land. The project would last about 4 weeks in the Spring/Summer of 2022. If this goes well then, they could do a Phase 2 up over by the Microwave Tower. After discussion the HOA Board Members agreed that granting access to the Forest Service for their Timber Harvesting Program was in the best interest and the greater good for additional fire mitigation surrounding the Bellyache Subdivision. A motion was brought forth to approve the LICENSE TO ENTER UPON LAND AND RELEASE OF LIABILITY form for the Forest Service, it was seconded and unanimously:

RESOLVED to approve the License to Enter Upon Land and Release of Liability form for the Forest Service and their Timber Harvesting Program.

A small group of homeowners are concerned about the amount of deadfall on the Jouflas property that is below and adjacent to the homeowners. Homeowner, Mr. Jack Affleck gave Mr. Jouflas a neighborly call, however Mr. Jouflas stated that he has problems with “Bellyache Ridge homeowners going onto his land and stealing his wood.” The group of homeowners then approached an attorney about what could be done and the advice was that he could draft a letter putting him on “notice”. It was agreed that incorporating an Attorney was in neither party’s best interest at this time. The board agreed to some more investigation work on how much it would cost to have the acreage tended to either via removal or controlled burn. Homeowner Keith Ruebsam, suggested addressing it more as a Targeted Program with a partnership between the HOA, Jouflas, and the County. Mary Pierce agreed to continue to work on this and looking into grant monies and if it could be used on other property other than ours. Zach Locke agreed he would research with Eric Lovgren from Eagle County and more cost input from Donnie with The Grounds Keeping Tree Service.

**Old
Business**

The Board then addressed the Annual Meeting Agenda. The Annual BR HOA Meeting is being held Sunday, September 19th, at 4pm. Since former President Mary Anne Metternick has run the meetings for more than the past two decades it was agreed that now is the time to revamp the meeting to a more modern structure. It was agreed to make this more of a State of the Union and to formulate an agenda addressing the formality of re-electing the board as well as reinforcing with homeowners that the board has heard the issues from homeowners, their feedback has been taken into heavy consideration, and what work is being done to address them. All agreed that it should start with HOA, ACC, and then end with the Metro Board leaving room at the end for final homeowner feedback and comments. A first draft of the agenda will be sent out via email to the Board Members for final review prior to it being sent out formally via email and traditional.

**New
Business**

The board did discuss the Weed Spraying work by Mr. Kevin French and his Landscaping Company. It was approved up to \$600 worth of work. A motion was made to approve the payment of \$600 for Weed Mitigation, it was seconded and:

RESOLVED to pay the expenditure of \$600 for Weed Mitigation.

Meghan with Marchetti & Weaver cited that our Article V of the Board Terms are somewhat vague. The board reviewed whether to rewrite a by-law where the terms of service of the members would be more defined and longer. At this time the HOA Member Terms are for one year and the board is reelected annually. It was agreed to table to the discussion at this time as it required more legwork as to what it would entail. President Laura Waniuk will follow up with Meghan that the board agreed to leave the By-Laws as written at this time.

**Adjournment
and notice of**

Next Meeting The next meeting will be held on October 20th 2021 at 6:00 pm via a Conference Call. A motion was brought forth by President Laura Waniuk it was approved by all board members present. There being no further business to come before the Board and by motion duly made and seconded, it was unanimously:

RESOLVED to adjourn the Regular Meeting of the Bellyache Ridge Homeowners Association Board of Directors this 18th day of August 2021, at 7:37 p.m.

Respectfully submitted,

Shannon Patterson

Acting Recording Secretary for the Meeting

Meeting Minutes are contracted through Vail Valley Bookkeeping, the Contract for the compensation of these minutes can be found on www.bellyachesubdivision.com

**Minutes of the Regular Meeting
of the Bellyache Ridge
Homeowners Association
Board of Directors
October 20th, 2021**

A Regular Meeting of the Board of Directors of the Bellyache Ridge Homeowners Association was held on October 20th, 2021 at 6:00 p.m. via a Conference Call due to the COVID Pandemic, in Wolcott, Eagle County, Colorado, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors and/or Chairs were present and acting:

- Mary Pierce
- Laura Waniuk - President

Also, in attendance was:

- Shannon Patterson, Recording Secretary for the Meeting
- Keith Ruebsam, Homeowner

Not in attendance was:

- Zach Locke – Vice President

**Call To
Order**

The Regular Meeting of the Board of Directors of Bellyache Ridge Homeowners Association was called to order by President Laura Waniuk on October 20th, 2021 at 5:59 p.m. noting that a quorum was present.

Minutes

The Board reviewed the minutes from the last Board meeting on August 18th, 2021. A motion to accept the minutes as presented was made; it was seconded, and by motion duly made and seconded, it was unanimously:

RESOLVED to approve the August 18th, 2021 Regular Meeting minutes as presented.

**Architecture
Control
Committee**

The HOA Board reviewed the current ACC Applications:

- Lot 60 (Schneider's) – A new project has been submitted to the ACC which is a new build. The ACC has asked Millie Aldrich as an independent consultant to look at the lot complexities in regards to the grading of the

lands as the committee prefers to meet in person since many of them were out of town. The ACC will reschedule the meeting with the Schneider's soon.

- Lot 38 (McClure) – The HOA is still holding their \$1K deposit in regards to his Deck project. There is a punch list of items to be completed but his builder left the Valley and he's trying to find someone to finish the punch list so that he can close the project.
- Lot 11 (Fletcher Harrison) – The garage project remains ongoing at this time and the homeowners are still trying to determine exactly what they want to do; so, they don't plan on starting this project until the Spring of 2022.
- Lot 15 (Margie Ripmaster) – An application has been submitted for a Yoga Studio/Deck Addition. The committee is awaiting a preliminary review of the architecture drawings and the project is ongoing.

Treasurer's Report

The BRHOA Statement of Revenues Expenditures and Changes in Fund Balance dated September 30th, 2021 Actuals was reviewed, as prepared by Marchetti & Weaver, LLC. The report shows a Beginning Fund Balance of \$91,369 with current Revenues of \$13,685. Expenditures totaled (\$10,687) with an Ending Fund Balance of \$94,367. YTD the BRHOA is \$4,498 under budget. Overall, the BRMD remains in sound financial position, able to meet the estimated operating costs and continuing to contribute to the BRHOA Fund in 2021.

A preliminary 2022 Budget was reviewed again and voted on by the Board as presented by Keith Ruebsam. Highlights of this year's changes included 1 additional built dwelling bringing the subdivision total to 68 homes and 8 vacant lots remaining. The contingency line increased by roughly \$200 based off of a net zero budget. Accounting and Admin fees were lowered by around -\$300 as we're utilizing our own people and resources more. Roadway entrance signage was lowered as work was done in 2021 that should carry over. A typical 3% increase in the Annual Assessment Billings and Insurance lines were made and a small increase in Office/Misc. of \$60. A motion was made to approve the 2022 Bellyache Ridge HOA Budget, it was seconded, and:

RESOLVED: To approve the 2022 Bellyache Ridge HOA budget.

Accounts Payables

A motion was brought forth to pay the Marchetti & Weaver Q2 invoice in the amount of \$839.36.

A motion was brought forth to pay Vail Valley Bookkeeping for the August 2021 Meeting Minutes invoice in the amount of \$170.00.

RESOLVED To pay the October 20th, 2021 accounts payable of \$1,009.36.

**Accounts
Receivable**

Report The Accounts Receivable Aging Report was reviewed and two accounts are past due 60 + days. Upon review the board is having a hard time connecting with them at this time based on the contact info provided.

**Fire
Mitigation**

The HOA is expecting to receive another grant from Erick Lovgren and Eagle County in 2022.

The BLM Tree Harvesting has done some tree tagging but they are not expecting to start cutting until Spring of 2022.

A proposal was made to James Jouflas where Eagle County would contribute \$5K along with the Bellyache Ridge HOA would also contribute \$5K if he would add in \$5K as well. At this time, it is on hold but the hopes are that he'll consider by 2022 he may be willing to take the contributions and start on some fire mitigation on his lands.

**Old
Business**

President Laura Waniuk updated the board on the Internet Speed project and after speaking with Eagle County it is still difficult to get a meeting with the right person at this time. The project is still stagnant at this time. Some residents are changing to alternative vendors at this time due to the slow speeds with CenturyLink.

The board then reviewed the feedback from the Annual Bellyache Ridge HOA meeting. The board was pleased that there were more people in attendance this year than in 2020. Some people joined late were unable to attend the call so that may have hindered attendance as well. The board remains hopeful that the 2022 meeting will be in person again so as to gain more attendance. The board discussed the continual challenge of what is effective communication with our homeowner's.

**New
Business**

After a recent car wreck on Bellyache Ridge Road the board agreed to add into the next email to homeowners to include a gentle reminder to slow down and not speed. Also, that off-roading is not permitted on private lands.

**Adjournment
and notice of**

Next Meeting The next meeting will be held tentatively on December 1st, 2021 at 6:00 pm via a Conference Call. A motion was brought forth by President Laura Waniuk it was approved by all board members present. There being no further business to come before the Board and by motion duly made and seconded, it was unanimously:

RESOLVED to adjourn the Regular Meeting of the Bellyache Ridge Homeowners Association Board of Directors this 20th day of October 2021, at 7:04 p.m.

Respectfully submitted,

Shannon Patterson

Acting Recording Secretary for the Meeting