

**SAVOY VILLAS CONDOMINIUM ASSOCIATION  
RULES AND REGULATIONS**

Authority. Pursuant to Article II, Section 2.3(a), and Article V, Sections 5.1 and 5.2, of the Savoy Villas Condominium Association (the "Association") Bylaws ("Bylaws"), and Article 5, paragraphs 5.03, 5.04, and 5.05, and Article 7, paragraph 7.02(b), of the Association Declaration ("Declaration"), the Executive Board (sometimes referred to herein as the "Board") hereby exercises its right to establish the following Rules and Regulations this 1<sup>st</sup> day of December 1998 as Amended and Restated as indicated in the bottom footnotes.

Definitions. Unless otherwise defined in these Rules and Regulations, initially capitalized terms defined in the Declaration shall have the same meaning herein.

Supplement to Law. The provisions of these Rules and Regulations shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the community.

Deviations. The Board may deviate from the procedures set forth in these Rules and Regulations if in its sole discretion such deviation is reasonable under the circumstances.

Enforcement. These Rules and Regulations shall be enforceable by the Executive Board of the Association, or its managing agent. The Association reserves the right to amend, modify, or add to these Rules and Regulations at any time, and each Owner will receive a written copy of the amended Rules and Regulations within 30 days of such changes. Said changes will become effective on the date referenced on any revised copies. These Rules and Regulations are in addition to the above-referenced paragraphs in the Bylaws and Declaration.

I.  
RESTRICTIONS ON ANIMALS.

In addition to Article 5, paragraph 5.03 of the Declaration, it shall hereby be prohibited for any tenant of a Savoy Villas Condominium Owner, leasing said unit either annually, monthly, or nightly to keep or house any pets within the condominium Unit, or the Limited Common Element.

II.  
PARKING.

In addition to Article 5, paragraph 5.04 of the Declaration, Owners and tenants of Owners shall have the right to park one vehicle in the Unit covered garage, and one vehicle in the space provided directly in front of the Owner's Unit garage. There shall be no overnight parking permitted along the front berm of the project which parallels Lionsridge Loop. There shall be no parking in the parking spaces adjacent to Building 5 except as so designated for those building Owners and/or guests. Vehicles may not be larger than what could fit inside of a garage space whether parked inside or outside of the garage. No "oversized" vehicles may be parked inside or outside, including, but not limited to, large work or utility vehicles, and full-sized Hummers. Any vehicles violating this parking regulation shall be towed at owner's expense. As outlined in paragraph 5.04 of the Declaration, there shall be no parking for recreational vehicles, campers, trailers, etc., nor shall there be any balcony, common area, yard or deck storage for bicycles, motorcycles, or similar items. If any vehicle violating this parking regulation is towed, the Unit Owner, whether occupying or renting his/her Unit, shall be levied a fine in the amount of \$150.00 per occurrence. Said fine shall be due within 15 days of receipt in writing, and any unpaid fines shall become interest-bearing at a rate of 18% per annum if unpaid after 30 days from the date of the written

notice. Notwithstanding the foregoing, to the extent of any conflict between the provisions of this section II and those of section VII, the provisions of section VII shall govern.

III.  
TRASH AND UNSIGHTLY USES.

In addition to Article 5, paragraph 5.05 of the Declaration, it shall be strictly prohibited to store any unsightly objects on the Common Elements, on the Unit balconies and/or decks such as, but not limited to, canoes, kayaks, bicycles, skis, trash, clothing articles, boxes, etcetera. Owners shall receive one written notice to remove such items, and if such items are not subsequently removed within 10 days, the Association shall have the right to enter any Common Element and remove such items at the Owner's expense and levy a fine of \$100.00 to the Owner. The fine may be assessed daily until the item(s) is removed. Determination of whether an object is unsightly shall rest solely with the Association through the Executive Board. Notwithstanding the foregoing, to the extent of any conflict between the provisions of this section III and those of section VII, the provisions of section VII shall govern.

IV.  
RENTERS.

Owners shall be responsible for the actions of their renters and tenants. The Association hereby instructs all Owners to communicate these Rules and Regulations to their renters and tenants. Fines for violations of the Rules and Regulations will be imposed on the Owner, and as referenced herein, shall become interest bearing at a rate of 18% per annum if unpaid after 30 days from the date of the written notice. Notwithstanding the foregoing, to the extent of any conflict between the provisions of this section IV and those of section VII, the provisions of section VII shall govern.

V.  
INSURANCE POLICY AND PROCEDURES

1. Deductibles. From time to time, the Board, in its reasonable discretion, may set, increase, or decrease the amount of the deductibles for the Association's insurance policies.
2. Responsibility for Association's Property Insurance Deductible. Whether or not the Board, in its discretion, chooses to submit a claim under the Association's property insurance policy, the payment of the deductible amount for claims that the Association is responsible for insuring under the Declaration shall be as follows:
  - (a) Areas/Items for Which Association has Maintenance Responsibility. The Association shall pay or absorb the deductible for any work, repairs, or reconstruction for damage to Common Elements or to any part of a Unit for which the Association has maintenance responsibility under the Declaration in the absence of insurance. However, if the damage is caused by the negligent or willful act or omission of an Owner, his/her family, Guests, or invitees, then, in that case, such Owner shall be responsible for the deductible and the Association shall collect the deductible from such Owner as an assessment under the Declaration.
  - (b) Areas/Items for Which the Owner has Maintenance Responsibility. The Owner shall pay or absorb the deductible for any work, repairs, reconstruction, or replacement for damage to those parts of his/her Condominium Unit for which the

Owner has maintenance responsibility under the Declaration in the absence of insurance, unless the loss is caused by the negligent or willful act or omission of the Association or another Owner or such other Owner's family, Guests, or invitees, in which case the negligent/willful party shall be responsible for the deductible.

- (c) Damage to Multiple Condominium Units or Common Elements and Condominium Unit(s). Where there is damage to more than one Condominium Unit, or to Common Elements and portions of a Condominium Unit or Units for which both Owners and the Association have maintenance responsibilities under the Declaration, the Association shall allocate the deductible between Owners or between the Association and Owner(s) in proportion to their respective damages for the areas/items for which they have the maintenance responsibility under the Declaration in the absence of insurance. The Executive Board shall have the sole discretion to determine such allocation. However, if the loss is caused by the negligent or willful act or omission of an Owner or such Owner's family, Guests, or invitees, then such Owner shall be responsible for the deductible and the Association shall collect the deductible from such Owner as an assessment under the Declaration.

3. Owner Insurance. The Executive Board recommends that Owners review Article 8.03(c) of the Declaration, as amended, and the deductible provisions above with their individual insurers to determine their personal insurance needs.

4. Insurance Claim Procedures.

- (a) If an Owner has a claim that the Owner believes is covered by the Association's insurance policy, the Owner shall immediately notify the Association in writing of the subject matter and details of the claim and shall provide such further information as the Association requests. The Association shall be given a reasonable opportunity to inspect the damage. Within twenty (20) business days of receipt of the Owner's written notice, the Association shall inform the Owner whether the Association will submit a claim to the Association's insurer. However, the Association may extend this period if the Owner fails to provide information the Association needs to evaluate the claim or reasonable/timely access to inspect the damage.
- (b) If the Association files the requested claim with its insurer, the Owner shall not also submit a claim with the Association's insurer. If the Association decides not to file the requested claim, and the damages fall within the Association's insurance responsibility under the Declaration, the Owner may file a claim directly with the Association's insurance carrier as permitted under Colorado law.
- (c) If the Association decides not to file the requested claim but the Declaration requires the Association to insure against such damage or loss, the Association shall repair the damage as if a claim had been made and shall allocate and assess the deductible in accordance with Paragraph 2 of this Section.

5. Executive Board Authority.

- (a) The Executive Board, on behalf of the Association, may adjust losses or insurance claims to the fullest extent permitted by law.

(b) The Board may deviate from the procedures set forth in this Section if in its sole discretion such deviation is reasonable under the circumstances.

6. Arbitration. Notwithstanding anything to the contrary contained in this section V, any controversy, action, or claim arising out of this Section brought by an Owner that cannot be settled, shall be submitted to binding arbitration pursuant to the Colorado Uniform Arbitration Act, §§ 13-22- 201, C.R.S., et seq., as it may be amended, and judgment on such arbitration award may be entered in any court having jurisdiction. Any such arbitration shall take place within Eagle County, Colorado unless otherwise agreed by the parties. The arbitrator shall award the prevailing party its reasonable fees, costs, and expenses, including reasonable attorney and arbitration fees.

## VI.

### MEETINGS POLICIES AND PROCEDURES

1. Owner Meetings. Meetings of the Owners of the Association shall be called pursuant to the Bylaws of the Association.
- (a) Notice.
- (1) In addition to any notice required in the Bylaws, notice of any meeting of the Owners shall be conspicuously posted within the community (if feasible and practicable) at least three (3) days prior to each such meeting, or as may otherwise be required by Colorado law.
  - (2) The Association shall also post notice on its website of all Owner meetings. Such notice shall be posted ten (10) days prior to such meeting.
  - (3) If any Owner has requested the Association provide notice via email and has provided the Association with an email address, the Association shall send notice for all Owner meetings to such Owner at the email address provided at least 24 hours prior to any such meeting.
- (b) Conduct.
- (1) All Owner meetings shall be governed by the following rules of conduct and order:
    - (A) The president of the Association or designee shall chair all Owner meetings;
    - (B) All Owners and persons who attend a meeting of the Owners will sign in, present any proxies, and receive ballots as appropriate (See Paragraph 1.(c) below regarding voting);
    - (C) Any person desiring to speak shall sign up on the list provided at check-in and indicate if they are for or against an agenda item;
    - (D) Anyone wishing to speak must first be recognized by the chair;
    - (E) Only one person may speak at a time;
    - (F) Each person who speaks shall first state their name and address;

- (G) Any person who is represented at the meeting by another person, as indicated by a written instrument, will be permitted to have such person speak for them;
  - (H) Those addressing the meeting shall be permitted to speak without interruption from anyone as long as these rules are followed;
  - (I) Comments are to be offered in a civilized manner and without profanity, personal attacks or shouting. Comments are to be relevant to the purpose of the meeting;
  - (J) Each person shall be given up to a maximum of three minutes to make a statement or to ask questions. The Board may decide whether or not to answer questions during the meeting. Each person may only speak once. Yielding of time by a speaker to another individual shall not be permitted. Such time limit may be increased or decreased by the chair, but shall be uniform for all persons addressing the meeting;
  - (K) All actions and/or decisions will require a first and second motion;
  - (L) Once a vote has been taken, there will be no further discussion regarding that topic;
  - (M) So as to allow for and encourage full discussion by Owners, no meeting may be audio, video, or otherwise recorded. Minutes of actions taken shall be kept by the Association;
  - (N) Anyone disrupting the meeting, as determined by the chair, shall be asked to "come to order." Anyone who does not come to order will be requested to immediately leave the meeting; and
  - (O) The chair may establish such additional rules of order as may be necessary from time to time.
- (c) Voting. All votes taken at Owner meetings shall be taken as follows:
- (1) Contested elections of Board members, defined as elections in which there are more candidates than positions to be filled, shall be conducted by secret ballot. Each Owner entitled to vote pursuant to the Bylaws shall receive a ballot. The ballot shall contain no identifying information concerning the ballot holder. In the event an Owner holds a proxy for another Owner, upon presentation of such proxy to the secretary of the Association or the secretary's designee, the Owner shall receive a secret ballot to cast the vote of the Owner who provided the proxy. The proxy shall be kept and retained by the Association.
  - (2) Uncontested elections of Board members, defined as elections in which the number of candidates is equal to or less than the positions to be filled, and all other votes taken at a meeting of the Owners shall be conducted by ballot, pursuant to Article III, Section 3.1 of the Bylaws. Notwithstanding the above, uncontested elections of Board members

shall be by secret ballot at the discretion of the Board or upon the request of 20% of the Owners who are present at the meeting or represented by proxy.

- (3) All other votes taken at a meeting of the Owners shall be taken in such method as determined by the Executive Board including acclamation, by hand, by voice, or by ballot. Notwithstanding the above, other votes on matters affecting the community shall be by secret ballot at the discretion of the Board or upon the request of 20% of the Owners who are present at the meeting or represented by proxy.
- (4) Written ballots shall be counted by a neutral third party, excluding the Association's managing agent or legal counsel, or a committee of volunteers who are not Board members, and in the case of a contested election, are not candidates. The committee shall be selected or appointed at an open meeting, in a fair manner, by the chair or another person presiding during that portion of the meeting.
- (5) The individual(s) counting the ballots shall report the results of the vote to the chair by indicating how many votes were cast for each individual or how many votes were cast in favor and against any issue.

(d) Proxies. Proxies may be given by any Owner as allowed by C.R.S. 7-127-203.

- (1) All proxies shall be reviewed by the Association's secretary or designee as to the following:
  - (A) Validity of the signature;
  - (B) Signatory's authority to sign for the Owner;
  - (C) Authority of the Owner to vote;
  - (D) Conflicting proxies; and
  - (E) Expiration of the proxy.

2. Board Meetings. Meetings of the Executive Board of the Association shall be called pursuant to the Bylaws of the Association.

(a) Conduct.

- (1) All Board meetings shall be governed by the following rules of conduct and order:
  - (A) The president of the Association, or designee, shall chair all Board meetings;
  - (B) All persons who attend a meeting of the Board shall be required to sign in, listing their name and Unit address;
  - (C) All Owners will be given an opportunity to speak as to any matter or ask questions of the Board during the Owner forum at the beginning

of the meeting. Any Owner wishing to speak during the Owner forum shall so indicate at the time of sign in;

- (D) Anyone desiring to speak shall first be recognized by the chair;
- (E) Only one person may speak at a time;
- (F) Each person speaking shall first state their name and address;
- (G) Any person who is represented by another person as indicated by a written instrument at the meeting shall be permitted to have such person speak for them;
- (H) Those addressing the Board shall be permitted to speak without interruption from anyone as long as these rules are followed;
- (I) Comments are to be offered in a civilized manner and without profanity, personal attacks, or shouting. Comments are to be relevant to the purpose of the meeting or issue at hand;
- (J) Each person shall be given up to a maximum of three minutes to speak or to ask questions, although questions may not be answered until a later date. Each person may only speak once during the Owner forum and once on any other issue prior to a vote by the Board on such issue. Yielding of time by a speaker to another individual shall not be permitted. Such time limit may be increased or decreased by the chair but shall be uniform for all persons addressing the meeting;
- (K) No meeting of the Board may be audio, video, or otherwise recorded except by the Board to aid in the preparation of minutes; and
- (L) Anyone disrupting the meeting, as determined by the chair, shall be asked to "come to order." Anyone who does not come to order shall be requested to immediately leave the meeting.

(b) Owner Input. After a motion and second has been made on any matter to be discussed, at a time determined by the Executive Board, but prior to a vote by the Directors, Owners, or their designated representatives, present at such time shall be afforded an opportunity to speak on the motion as follows:

- (1) The chair will ask those Owners present to indicate by a show of hands who wishes to speak in favor or against the motion. The chair will then determine a reasonable number of persons who will be permitted to speak in favor of and against the motion and for how long each person will be permitted to speak. The chair shall also announce the procedure for who shall be permitted to speak if not everyone desiring to speak will be permitted to speak.

- (2) Following Owner input, the chair will declare Owner input closed and there shall be no further Owner participation on the motion at hand unless a majority of the Executive Board votes to open the discussion to further Owner participation.
- (c) Board Action 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 pursuant to the process set forth in Article II, Section 2.15 of the Bylaws. Any action so approved shall have the same effect as though taken at a meeting of the Directors. If action is taken pursuant to the above procedures, such action(s) shall be noted in the minutes of the next meeting of the Board and ratified at that time.
  - (d) Executive Sessions.
    - (1) The members of the Board may hold a closed door, executive session and may restrict attendance to Board members and such other persons requested by the Board during a regular or specially announced meeting for discussion of the following:
      - (A) Matters pertaining to employees of the Association or the manager's contract or involving the employment, discipline, or dismissal of an officer, agent, or employee of the Association;
      - (B) Consultation with legal counsel concerning disputes that are the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client;
      - (C) Investigative proceedings concerning possible or actual criminal misconduct;
      - (D) Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy, including a disciplinary hearing regarding an Owner and any referral of delinquency;
      - (E) Review of or discussion relating to any written or oral communication from legal counsel;
      - (F) Matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosure.
    - (2) Prior to holding a closed-door session, the president of the Board, or other person designated to preside over the meeting, shall announce the general matter of discussion as stated above;
    - (3) No rule or regulation or amendment to the Bylaws or the Articles of Incorporation shall be adopted during a closed session. The foregoing documents may be validly adopted only during a regular or special meeting or after the Board goes back into regular session following a closed session; and
    - (4) The minutes of all meetings at which an executive session was held shall indicate that an executive session was held and the general subject matter



of the executive session. Minutes of executive sessions may be kept but are not subject to disclosure pursuant to the Association's policy regarding inspection of records.

## VII ENFORCEMENT POLICY AND PROCEDURES

1. Reporting Violations. Complaints regarding alleged violations may be reported by an Owner or resident within the community, a group of Owners or residents, the Association's management company, if any, or Board member(s) or committee member(s) by submission of a written complaint.
2. Complaints. Complaints by Owners or residents, member of the Executive Board, a committee member, or the manager shall be in writing and submitted to the Executive Board. The complaining Owner or resident shall have observed the alleged violation and shall identify the complainant ("Complainant"), the alleged violator ("Violator"), if known, and set forth a statement describing the alleged violation, referencing the specific provisions which are alleged to have been violated, when the violation was observed and any other pertinent information. Non-written complaints or written complaints failing to include any information required by this provision may not be investigated or prosecuted at the discretion of the Association.
3. Investigation. Upon receipt of a complaint by the Association, if additional information is needed, the complaint may be returned to the Complainant or may be investigated further by a Board designated individual or committee. The Board shall have sole discretion in appointing an individual or committee to investigate the matter.
4. Violation That Threatens Public Safety or Health. With respect to any violation of the Declaration, Bylaws, covenants, Rules and Regulations, or other governing documents of the Association that the Executive Board reasonably determines threatens the public safety or health, the Association shall provide the Owner an initial letter (see Paragraph 7 below) concerning the violation, informing the Owner that the Owner has seventy-two (72) hours to cure the violation or the Association may fine the Owner.
  - (a) If, after an inspection of the Unit, the Association determines that the Owner has not cured the violation within seventy-two (72) hours after receiving the notice, the Association may impose a one hundred dollar (\$100.00) fine on the Owner every other day and may take legal action against the Owner for the violation.
  - (b) Violation Cured by Owner. Once the Association determines that an Owner has cured a violation, the Association shall notify the Owner, in English and in any other language that the Owner has indicated a preference for correspondence and notices pursuant to C.R.S. 38-33.3-209.5 (1.7)(a)(I).
    - i. That the Owner will not be further fined with regard to the violation; and
    - ii. Of any outstanding fine balance that the Owner still owes the Association.
5. Violation That Does Not Threaten Public Safety or Health. If an Association reasonably determines that there is a violation of the Declaration, Bylaws, covenants, Rules and Regulations, or other governing documents of the Association that does not threaten public safety or health, the Association shall provide a warning letter (see Paragraph 6)

regarding the violation to the Owner and providing up to 10 days to cure the violation. Upon expiration of the initial 10-day period, if the violation continues to exist, the Association shall provide an initial letter (see Paragraph 7 below) regarding the violation and informing the Owner that the Owner has thirty (30) days to cure the violation. Upon expiration of the initial thirty (30) days, the Association, after conducting an inspection and determining that the Owner has not cured the violation, may fine the Owner.

- (a) Process to Cure Violation. If an Owner cures the violation within the cure period afforded the Owner, the Owner may notify the Association of the cure. If the Owner sends notice to the Association with visual evidence that the violation has been cured, the violation is deemed cured on the date that the Owner sends the notice. If the Owner's notice does not include visual evidence that the violation has been cured, the Association shall inspect the Unit as soon as practicable to determine if the violation has been cured.
  - (b) Violation Cured by Owner. Once the Association determines that an Owner has cured a violation, the Association shall notify the Owner, in English and in any other language that the Owner has indicated a preference for:
    - (i) That the Owner will not be fined further for the violation; and
    - (ii) Of any outstanding fine balance that the Owner still owes the Association.
  - (c) Failure to Cure Violation by Owner. If the Association does not receive notice from the Owner that the violation has been cured, the Association shall inspect the Unit within seven (7) days after the expiration of the initial thirty (30) day cure period to determine if the violation has been cured. If, after the inspection, the Association determines that the violation has not been cured, the Association may impose a fine, not to exceed five hundred dollars (\$500.00) per violation, pursuant to Paragraph 9 below. A second letter pursuant to Paragraph 8 shall provide an additional thirty (30) day period to cure.
  - (d) The Association may take legal action pursuant to this Paragraph if the two (2) thirty (30) day periods described above have elapsed and the violation remains uncured.
6. Warning Letter. If a violation is found to exist, a warning letter shall be sent to the Owner. The letter must explain the nature of the violation, and the action or actions required to cure the alleged violation. The written notice shall be in English and in any language that the Owner has indicated a preference for correspondence. The letter must be sent via certified mail, return receipt requested and by first-class mail.
7. Initial Letter. If the violation has not been cured following the warning letter, an initial letter shall be sent to the Owner. The letter must explain the nature of the violation, and the action or actions required to cure the alleged violation. The written notice shall be in English and in any language that the Owner has indicated a preference for correspondence. The letter shall provide a Fine Notice as set forth in Paragraph 9. The letter must be sent via certified mail, return receipt requested and by first-class mail.
8. Second Letter. If the alleged violation is not resolved within thirty (30) days of the initial letter, this will be considered a second violation for which a fine or legal action may be imposed following notice and opportunity for a hearing. A second letter shall then be

sent to the Owner and shall include a Fine Notice as set forth in Paragraph 9. The letter must be sent via certified mail, return receipt requested and by first-class mail.

9. Fine Notice. The letter(s) shall further state that the Owner is entitled to a hearing on the merits of the matter in front of an impartial decision maker provided that such hearing is requested in writing within thirty (30) days of the date on the initial or second letter pursuant to Paragraph 7 and Paragraph 8. On a violation that is a safety/health violation since the letter only provides seventy-two (72) hours to cure, any request for a hearing will be after that period runs, but the hearing must be prior to any fines being applied.
10. Notice of Hearing. If a hearing is requested by the Owner, the Board, committee, or other person conducting such hearing as may be determined in the sole discretion of the Board, may serve a written notice of the hearing to all parties involved at least ten (10) days prior to the hearing date.
11. Impartial Decision Maker. Pursuant to Colorado law, the alleged Violator has the right to be heard before an “Impartial Decision Maker.” An Impartial Decision Maker is defined under Colorado law as “a person or group of persons who have the authority to make a decision regarding the enforcement of the Association's covenants, conditions, and restrictions, including architectural requirements, and other rules and regulations of the Association and do not have any direct personal or financial interest in the outcome. A decision maker shall not be deemed to have a direct personal or financial interest in the outcome if the decision maker will not, as a result of the outcome, receive any greater benefit or detriment than will the general membership of the Association.” Unless otherwise disqualified pursuant to the definition of Impartial Decision Maker, the Board may appoint to act as the Impartial Decision Maker the entire Board, specified members of the Board, any other individual or group of individuals.
12. Hearing. At the beginning of each hearing, the presiding officer, shall introduce the case by describing the alleged violation and the procedure to be followed during the hearing. Neither the Complainant nor the Owner or alleged Violator are required to attend the hearing. The Impartial Decision Maker shall base its decision solely on the matters set forth in the Complaint, results of the investigation and such other credible evidence as may be presented at the hearing. Hearings will be held in executive session pursuant to C.R.S. 38-33.3-308(4)(e). The Impartial Decision Maker shall, within a reasonable time, not to exceed thirty (30) days, render its written findings and decision, and impose a fine, if applicable.
13. Failure to Timely Request Hearing. If the Owner fails to request a hearing pursuant to Paragraph 9, or fails to appear at any hearing, the Impartial Decision Maker may make a decision with respect to the alleged violation based on the Complaint, results of the investigation, and any other available information without the necessity of holding a formal hearing. If a violation is found to exist, the Owner may be assessed a fine pursuant to these policies and procedures.
14. Notification of Decision. The decision of the Impartial Decision Maker shall be in writing and provided to the Owner within thirty (30) days of the hearing, or if no hearing is requested, within thirty (30) days of the final decision.

15. Fine Schedule for Violations that do Threaten Public Safety or Health. The following fine schedule has been adopted for all covenant violations that do threaten public safety or health:

First Notice	Initial Letter (¶7)
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After an Owner has failed to cure a violation which threatens public safety or health within seventy-two (72) hours of being provided written notice of such violation, the Association may fine the Owner one hundred dollars (\$100.00) every other day until the violation is cured and may turn the matter over to an attorney to file suit. Any fine notice shall notify the Owner that failure to cure may result in a fine every other day and only one hearing shall be held.

16. Fine Schedule for Violations that do not Threaten Public Safety or Health. The following fine schedule has been adopted for all covenant violations that do not threaten public safety or health. The total amount of fines imposed per violation may not exceed five hundred dollars (\$500.00).

First notice of violation Up to ten (10) days to comply	Warning Letter (¶6) No fine
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Second notice of violation (of same covenant or rule) Thirty (30) days to comply	Initial Letter (¶7) \$200.00
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Third notice of violation (of same covenant or rule) Additional thirty (30) days to comply	Second Letter (¶8) \$300.00
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The Association may turn over any violation to the Association's attorney to take appropriate legal action once the two (2) thirty (30) day periods described above have expired.

17. Waiver of Fines. The Board may waive all, or any portion, of the fines if, in its sole discretion, such waiver is appropriate under the circumstances. Additionally, the Board may condition waiver of the entire fine, or any portion thereof, upon the violation being resolved and staying in compliance with the Articles, Declaration, Bylaws or Rules and Regulations.
18. Other Enforcement Means. This fine schedule and enforcement process is adopted in addition to all other enforcement means that are available to the Association through its Declaration, Bylaws, Articles of Incorporation and Colorado law. The use of this process does not preclude the Association from using any other enforcement means.

## VIII.

### ALTERNATIVE DISPUTE RESOLUTION POLICY AND PROCEDURES

1. No lawsuit between an Owner(s) and the Association, its Directors and officers, or another Owner(s) regarding a violation of a provision of the Association's governing documents, including without limitation its Declaration, Articles of Incorporation, Bylaws, and Rules and Regulations, or applicable law may be commenced and maintained until such matter has been submitted to non-binding mediation to be held within Eagle County, Colorado.

2. Mediation is an attempt to bring about a peaceful settlement or compromise between disputants through the objective intervention of a neutral party. The mediator shall be mutually selected by the parties. If the parties cannot within 30 days agree to a mediator, a mediator shall be selected by and from Judicial Arbitrator Group. The parties shall share equally the cost of such mediation.
3. Notwithstanding the foregoing, the parties involved do not waive their rights to seek and obtain extraordinary judicial relief, including a temporary restraining order or temporary injunction, if such relief is necessary before a mediation may be held to protect or preserve a party's legal rights, or for the Association to protect or preserve the health, welfare or safety of the Association, the Common Elements, Units, or Owners.
4. This policy does not apply to the collection of assessments by the Association.

#### IX.

#### ADOPTION OF POLICIES AND PROCEDURES

The Board may from time to time adopt, amend, and repeal policies, procedures, and rules as it deems necessary or advisable in its discretion; provided such policies and procedures do not conflict with any provision of the Declaration, or the Association's Articles of Incorporation or Bylaws (collectively, "Governing Documents") or applicable law. The Board may adopt, repeal, and amend such policies, procedures, and rules by majority vote at a meeting at which a quorum is present in person or by proxy, unless otherwise provided by the Governing Documents or by law.

#### IX.

#### EXAMINATION, INSPECTION, AND COPYING OF ASSOCIATION RECORDS

1. The following procedures apply to any Owner who requests in writing to inspect/copy Association records:
  - (a) Except as otherwise provided in this policy, all financial and other records shall be made reasonably available for examination and copying by any Owner and such Owner's authorized agents.
  - (b) Notwithstanding the foregoing, a membership list or any part thereof may not be obtained or used by any person for any purpose unrelated to an Owner's interest as an Owner without consent of the Executive Board. Without limiting the generality of this subparagraph (2), without the consent of the Executive Board, a membership list or any part thereof may not be:
    - (i) Used to solicit money or property unless such money or property will be used solely to solicit the votes of the Owners in an election to be held by the Association;
    - (ii) Used for any commercial purpose; or
    - (iii) Sold to or purchased by any person.
  - (c) The Association may charge a fee, which may be collected in advance, but which shall not exceed the Association's actual cost per page, for copies of Association records.

- (d) As used in this policy, “reasonably available” means available during normal business hours upon notice of five business days, or at the next regularly scheduled meeting if such meeting occurs within thirty days after the request, to the extent that:
    - (i) The request is made in good faith and for a proper purpose;
    - (ii) The request describes with reasonable particularity the records sought and the purpose of the request; and
    - (iii) The records are relevant to the purpose of the request.
  - (e) This policy shall not be construed to invalidate any provision of the Declaration, Bylaws, the corporate law under which the Association is organized, or other documents that more broadly define records of the Association that are subject to inspection and copying by Owners, or that grants Owners freer access to such records; except that the privacy protections contained in subparagraph (b) above shall supersede any such provision.
2. The Association shall keep a copy of each of the following records at its principal office:
- (a) Articles of Incorporation
  - (b) The Declaration
  - (c) The Covenants, if applicable
  - (d) Bylaws
  - (e) Resolutions adopted by its Board relating to the characteristics, qualifications, rights, limitations, and obligations of Owners.
  - (f) Minutes of all Owners' meetings, and records of all actions taken by Owners without a meeting, for the past three years.
  - (g) All written communications within the past three years to Owners generally as Owners.
  - (h) A list of the names and business or home addresses of its current Directors and officers.
  - (i) All financial audits or reviews conducted during the immediately preceding three years.
3. Records pertaining to any of the following matters are considered confidential and/or privileged and are not available for inspection or copying by Owners unless otherwise determined by the Board:
- (a) Matters pertaining to employees of the Association or the managing agent's contract or involving the employment, promotion, discipline, or dismissal of an officer, agent, or employee of the Association;

- (b) Consultation with legal counsel concerning disputes that are the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client;
- (c) Investigative proceedings concerning possible or actual criminal misconduct;
- (d) Matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosure;
- (e) Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy; or
- (f) Review of or discussion relating to or constituting any written or oral communication from legal counsel.

X.

COLLECTION POLICY AND PROCEDURES

1. Due Dates. Installments of the annual assessment as determined by the Association and as allowed for in the Declaration shall be due and payable on the 1st day of each quarter (January 1st, April 1st, July 1st, and October 1st). Assessments or other charges not paid in full to the Association within thirty (30) days of the due date shall incur late fees and interest as provided below.
2. Receipt Date. The Association shall post payments on the day that the payment is received in the Association's office.
3. Late Charges on Delinquent Installments. The Association shall impose a \$25.00 late charge for each Owner who fails to timely pay any assessment within thirty (30) days of the due date. This late charge shall be a "common expense" for each delinquent Owner. The Association shall impose interest from the date due at the rate of 8% per annum on the amount owed for each Owner who fails to timely pay any assessment within thirty (30) days of the due date.
4. Personal Obligation for Assessments and other Charges, Fees, and Costs. The assessments and other charges, fees, and costs shall be the personal obligation of the Owner(s) of the Unit for which such assessment or installment is unpaid. All assessments and other charges, fees, and costs shall be due and payable immediately, without notice, in the manner provided by the Declaration (and as set forth herein) for payment of assessments.
5. Returned Check Charges. In addition to any and all charges imposed under the Declaration, Articles of Incorporation, Bylaws, or other aspects of these Rules and Regulations, a returned check fee, not to exceed \$20.00, shall be assessed against an Owner in the event any check or other instrument attributable to or payable for the benefit of such Owner is not honored by the bank or is returned by the bank for any reason whatsoever, including, but not limited to, insufficient funds. This returned check charge shall be a "common expense" for each Owner who tenders payment by check or other instrument which is not honored by the bank upon which it is drawn. Such returned check charge shall be due and payable immediately, upon demand. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law. Returned check charges shall be the

obligation of the Owner(s) of the Unit for which payment was tendered to the Association. Returned check charges shall become effective on any instrument tendered to the Association for payment of sums due under the Declaration, Articles, Bylaws, or Rules and Regulations after the date this section is adopted. If two or more of an Owner's checks are returned unpaid by the bank within any fiscal year, the Association may require that all of the Owner's future payments, for a period of one (1) year, be made by certified check or money order. This returned check charge shall be in addition to any late fees or interest incurred by an Owner. Any returned check shall cause an account to be past due if full payment of any assessment is not timely made within thirty (30) days of the due date.

6. Service Fees. In the event the Association incurs any type of service fee, regardless of what it is called, for the handling and processing of delinquent accounts on a per account basis, such fees will be the responsibility of the Owner, as such fees would not be incurred but for the delinquency of the Owner.
7. Repayment Plan. Any Owner who becomes delinquent in payment of assessments may enter into a repayment plan with the Association, which plan shall be for a term of 18 months or such other longer term as may be approved by the Executive Board.

Such repayment plan shall be offered to each Owner prior to the Association referring any account to an attorney or collection agency for collection action. Under the repayment plan, the Owner may choose the amount to be paid each month, so long as each payment is at least twenty-five dollars (\$25.00) until the balance of the amount owed is less than twenty-five dollars (\$25.00). Notwithstanding the foregoing, an Owner shall not be entitled to a repayment term longer than 18 months.

The Owner shall be deemed to be in default of the repayment plan and the repayment plan with the Association shall be null and void if within thirty (30) days after the Association has provided the Owner with a written offer to enter into a repayment plan, the Owner either declined the repayment plan; or after accepting the repayment plan, failed to pay at least three (3) of the monthly installments within fifteen (15) days after the monthly installments were due.

If the Owner does not confirm written acceptance of the repayment plan within thirty (30) days after the Association has provided the Owner with a written offer to enter into a repayment plan, the offer shall be deemed to be declined.

In the event the Owner defaults or otherwise does not comply with the terms and conditions of the repayment plan, including the payment of ongoing assessments of the Association, the Association may, without additional notice, refer the delinquent account to an attorney or collection agency for collection action or may take such other action as it deems appropriate in relation to the delinquency.

An Owner who has entered into a repayment plan may elect to pay the remaining balance owed under the repayment plan at any time during the duration of the repayment plan.

8. Attorney Fees on Delinquent Accounts. As an additional expense permitted under the Declaration and by Colorado law, the Association shall be entitled to recover its reasonable attorney fees and collection costs incurred in the collection of assessments or other charges due the Association from a delinquent Owner. The reasonable attorney fees incurred by the Association shall be due and payable immediately when incurred, upon demand.



9. Application of Payments. Once an account is referred to the Association's attorney, all sums collected on a delinquent account shall be remitted to the Association's attorney until the account is brought current. The Association may prohibit the Owner from accessing any online payment portal until the account is brought current. All payments received on account of any Owner or the Owner's property (hereinafter collectively "Owner"), shall be applied in the following manner: first to the payment of any assessments owed, then to any and all legal fees and costs (including attorney fees), then to expenses of enforcement and collection, late charges, interest, returned check charges, lien fees, and other costs owing or incurred with respect to such Owner pursuant to the Declaration, Articles, Bylaws, or these Rules and Regulations.
10. Collection Process.
- (a) After an installment of an annual assessment or other charges due to the Association becomes more than thirty (30) days delinquent, the Association shall send a written notice ("First Notice") of non-payment, amount past due, notice that interest and late fees have accrued, and request for immediate payment. This First Notice shall be sent Certified Mail, return receipt requested.
  - (b) After an installment of an annual assessment or other charges due to the Association becomes more than sixty (60) days delinquent, the Association shall send a second written notice ("Second Notice") of non-payment, amount past due, notice that interest and late fees have accrued, notice of intent to file a lien, and request for immediate payment. The Association's notice, at a minimum shall include the following:
    - (i) The total amount due to the Association along with an accounting of how the total amount was determined.
    - (ii) Whether the Owner may enter into a payment plan and instructions for contacting the Association to arrange for and enter into a plan.
    - (iii) A name and contact information for an individual the Owner may contact to request a copy of the Owner's ledger in order to verify the amount of the debt.
    - (iv) A statement indicating that action is required to cure the delinquency and that failure to do so within thirty days may result in the Owner's delinquency account being turned over to an attorney, a collection agency, the filing of a lawsuit against the Owner, appointment of a receiver, the filing and foreclosure of a lien against the Owner's property, or other remedies available under Colorado law including revoking the Owner's right to vote if permitted in the Bylaws or Declaration.
    - (v) Specify whether the delinquency concerns unpaid assessments; unpaid fines, fees, or charges; or both unpaid assessments and unpaid fines, fees, or charges, and, if the notice of delinquency concerns unpaid assessments, the notice of delinquency must notify the Owner that unpaid assessments may lead to foreclosure.

- (vi) Include a description of the steps the Association must take before the Association may take legal action against the Owner, including a description of the Association's covenant violation cure process as laid out in the Section VII of these Rules and Regulations, "Enforcement Policy and Procedures."
  - (vii) Include a description of what legal action the Association may take against the Owner, including a description of the types of matters that the Association or Owner may take to Small Claims Court, including injunctive matters for which the Association seeks an order requiring the Owner to comply with the Declaration, Bylaws, Covenants, these Rules and Regulations, or other governing documents of the Association.
- (c) This Second Notice will be provided to the Owner in the following manners:
- (i) Certified mail, return receipt requested; and
  - (ii) Physically posted on the Owner's Unit at the Association; and
  - (iii) By one of the following manners:
    - (1) First-class mail;
    - (2) Text message to a cellular number that the Association has on file because the Owner has provided the cellular number to the Association; or
    - (3) Email to an email address that the Association has on file because the Owner has provided the email address to the Association.
- (d) After an installment of an annual assessment or other charges due to the Association becomes more than ninety (90) days delinquent, the Association shall turn the account over to the Association's attorney or a collection agency for collection.

Any collection account referred to an attorney for collections shall first be approved by the Executive Board via resolution or a vote of the Board recorded in the minutes of the meeting at which the vote was taken, pursuant to Section VI of these Rules and Regulations, "Meetings Policies And Procedures."

Upon receiving the delinquent account, legal counsel may file a lien and send a letter to the delinquent Owner demanding immediate payment for past due assessments or other charges due. Upon further review, legal counsel may file a lawsuit or further collection action. If a judgment or decree is obtained, including without limitation a foreclosure action, such judgment or decree shall include reasonable attorney fees together with the cost of the action and any applicable interest and late fees.

In addition to the steps outlined above, even after the Owner has been sent to the attorney for collections, on a monthly basis, the Association shall send any Owner with an outstanding balance due an itemized list of all assessments, fines,

fees, and charges that the Owner owes the Association. A ledger going back to the last zero balance can satisfy this requirement.

This monthly notice shall be sent by first-class mail. The monthly notice shall also be sent by email if the Association has an email address for the Owner. This monthly notice shall be sent in English unless the Owner has indicated a preference for notices to be sent in another language.

If the Owner has identified a designated contact, this notice shall be sent to both the Owner and a copy sent to the designated contact.

This notice may not contain additional legal fees and legal costs that have been incurred by the Association but have not yet been posted to the ledger. As such, the Owner is required to communicate with the collection attorney to obtain the most up to date balance.

11. Collection Procedures/Time Frames. The following time frames shall be followed for use in the collection of assessments and other charges.

Due Date (date payment due)	1st day of each quarter (January 1st, April 1st, July 1st, and October 1st)
First Notice (notice that late charges and interest have accrued)	Any time after thirty (30) days after due date
Second Notice (notice that late charges and interest have accrued, notice of intent to file lien, required disclosures of the Association and the availability of a payment plan if applicable)	Any time after sixty (60) days after due date
Delinquent account turned over to Association's attorney; lien filed; Demand Letter sent to Owner.	Any time after ninety (90) days after due date

The attorney may consult with the Association as necessary to determine if payment has been arranged or what collection procedures are appropriate.

12. Certificate of Status of Assessment. The Association shall furnish to an Owner or such Owner's designee upon the Owner or designee's written request to the Association, made via first class postage prepaid, return receipt requested mail, a written statement from the Association, setting forth the amount of unpaid assessments currently levied against such Owner's property at no charge and delivered personally or by certified mail, first class-postage prepaid, return receipt requested. However, if the account has been turned over to the Association's attorney, such request may be handled through the attorney.

A status letter provided to a title company or mortgage company in anticipation of a sale of the property or a refinance of the mortgage provides additional information beyond a statement of the total amount due, and, as such, any charges incurred by the Association for providing a status letter shall be charged back to the Owner.

13. Bankruptcies and Foreclosures. Upon receipt of any notice of a bankruptcy filing by an Owner, or upon receipt of a notice of a foreclosure by any holder of an encumbrance against any Unit within the Association, the Association shall notify the Association's attorney of the same and turn the account over to the Association's attorney, if appropriate.
14. Referral of Delinquent Accounts to Attorneys. Upon referral to the Association's attorney, the attorney shall take all appropriate action to collect the accounts referred. After an account has been referred to an attorney, the account shall remain with the attorney until the account is settled, has a zero balance or is written off. The attorney, in consultation with Association, is authorized to take whatever action is necessary and determined to be in the best interests of the Association, including, but not limited to:
  - (a) Filing of a suit against the delinquent Owner for a money judgment;
  - (b) Instituting a judicial foreclosure action of the Association's lien, upon approval by the Association's Executive Board;
  - (c) Filing necessary claims, documents, and motions in bankruptcy court in order to protect the Association's interests; and
  - (d) Filing a court action seeking appointment of a receiver.

All payment plans involving accounts referred to an attorney for collection shall be set up and monitored through the attorney.

15. Appointment of a Receiver. The Association may seek the appointment of a receiver if an Owner becomes delinquent in the payment of assessments pursuant to the Declaration and Colorado law. A receiver is a disinterested person, appointed by the court, who manages the rental of the property, collects the rent, and disburses the rents according to the court's order. The purpose of a receivership for the Association is to obtain payment of current assessments, reduce past due assessments and prevent the waste and deterioration of the property.
16. Judicial Foreclosure. The Association may choose to foreclose on its lien in lieu of or in addition to suing an Owner for a money judgment. The purpose of foreclosing is to obtain payment of all assessments owing in situations where either a money judgment lawsuit has been or is likely to be unsuccessful or other circumstances favor such action. The Association shall consider individually each recommendation for a foreclosure. Such foreclosure shall be approved by the Executive Board via resolution or a vote of the Board recorded in the minutes of the meeting at which the vote was taken.

The Association may only approve a foreclosure action after the delinquency equals or exceeds six months of common expenses assessments based on a periodic budget adopted by the Association.

The Association may not foreclose on an Owner's Unit if the debt securing the lien consists only of one or both of the following:

- (a) Fines that the Association has assessed against the Owner as a result of covenant violations; or

- (b) Collection costs or attorney fees that the Association has incurred and that are only associated with assessed fines as a result of covenant violations.

If a Unit has been foreclosed on by the Association, the Unit shall not be purchased by a member of the Executive Board, an employee of the Association's management company representing the Association, an employee of the law firm representing the Association, or an immediate family member of any of these individuals.

17. Waivers. The Association is hereby authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the Association shall determine appropriate under the circumstances.
18. Communication with Owners. As to any communication sent by the Association or the management company on behalf of the Association pursuant to Paragraph 10 of this policy, the Association or management company on its behalf, shall maintain a record of any contacts, including information regarding the type of communication used to contact the Owner and the date and time that the contact was made.

An Owner may identify another person to serve as a designated contact for the Owner to be contacted on the Owner's behalf. If the Owner identifies a designated contact, the Association shall send any collection correspondence and notices to both the Owner and the Owner's designated contact. However, once an Owner is sent to the attorney for collections, all communication will be directly with the Owner until or unless the Owner provides permission directly to the Association's attorney to discuss the matter with the designated contact.

An Owner may notify the Association if the Owner prefers that correspondence and notices from the Association be made in a language other than English. If a preference is not indicated, the Association shall send the correspondence and notices in English. If the Owner has notified the Association of a preference other than English, any notices or letters sent pursuant to this policy shall be sent both in English and in the preferred language.

If an Owner has identified both a designated contact and a preference for a different language, the Association shall send the Owner the correspondence or notice in the preferred language and in English and the designated contact the correspondence or notice in English. All communication with a delinquent Owner shall be handled through the Association's attorney once a matter has been referred to the attorney. No member of the Executive Board shall discuss the collection of the account directly with an Owner after it has been turned over to the Association's attorney unless the attorney is present or has consented to the contact.

19. Communication by Owners. Owners may communicate with the Association in any manner they choose including email, text, fax, phone, or in writing, when available. However, in doing so, the Owner acknowledges that the Association and/or its agents may communicate via the same method unless otherwise advised.
20. Defenses. Failure of the Association to comply with any provision in these Rules and Regulations shall not be deemed a defense to payment of assessment fees or other charges, late charges, return check charges, attorney fees and/or costs as described and imposed by these Rules and Regulations.

XI.  
POLICY FOR CONFLICTS OF INTEREST

1. As used in this policy, "conflicting interest transaction" means: A contract, transaction, or other financial relationship between the Association and a Director of the Association, or between the Association and a party related to a Director, or between the Association and an entity in which a Director of the Association is a director, owner, or officer or has a financial interest.
2. No loans shall be made by the Association to its Directors or officers. Any Director or officer who assents to or participates in the making of any such loan shall be liable to the Association for the amount of such loan until the repayment thereof.
3. No conflicting interest transaction shall be void or voidable or be enjoined, set aside, or give rise to an award of damages or other sanctions in a proceeding by an Owner or by or in the right of the Association, solely because the conflicting interest transaction involves a Director of the Association or a party related to a Director or an entity in which a Director of the Association is a director, owner or officer or has a financial interest or solely because the Director is present at or participates in the meeting of the Association's Executive Board or of the committee of the Executive Board that authorizes, approves, or ratifies the conflicting interest transaction or solely because the Director's vote is counted for such purpose if:
  - (a) The material facts as to the Director's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the Executive Board or the committee, and the Executive Board or committee in good faith authorizes, approves, or ratifies the conflicting interest transaction by the affirmative vote of a majority of the disinterested Directors, even though the disinterested Directors are less than a quorum; or
  - (b) The material facts as to the Director's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the members entitled to vote thereon, and the conflicting interest transaction is specifically authorized, approved, or ratified in good faith by a vote of the members entitled to vote thereon; or
  - (c) The conflicting interest transaction is fair as to the Association.
4. Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Executive Board or of a committee which authorizes, approves, or ratifies the conflicting interest transaction.
5. As used in this policy, "officer" of the Association means any person designated as an officer of the Association and any person to whom the board delegates responsibilities, including without limitation, a managing agent, attorney, or accountant employed by the board.
6. For purposes of this policy, a "party related to a Director" shall mean a spouse, a descendent, an ancestor, a sibling, the spouse or descendent of a sibling, an estate or trust in which the Director or a party related to a Director has a beneficial interest, or an entity in which a party related to a Director is a director, officer, owner, or has a financial interest.

XII.

POLICY AND PROCEDURE FOR  
INVESTMENT OF RESERVE  
FUNDS

1. Purpose. To ensure that available funds of the Association are invested in securities that preserve principal and liquidity while achieving appropriate returns with appropriate levels of credit risk at appropriate interest rates.
2. Policy. All cash and investments owned by the Association must be invested in Permitted Investments, as defined below, at all times. All Permitted Investments owned by the Association must have a maturity date not more than 12 months from the date of purchase by the Association. This policy has been established by the Executive Board, and there shall be no exceptions without the written approval of the Executive Board.
3. Procedure.
  - (a) The Association President with the assistance of the Manager shall make all investments consistent with this policy. The investments permitted (the "Permitted Investments") shall consist only of the following:
    - (i) Checking accounts at banks domiciled in the United States and with branch offices in Eagle County, Colorado, at amounts which are FDIC insured.
    - (ii) Savings accounts at banks domiciled in the United States and with branch offices located in Eagle County, Colorado, at amounts which are FDIC insured.
    - (iii) Certificates of deposit at banks domiciled in the United States and with branch offices located in Eagle County, Colorado, at amounts which are FDIC insured.
    - (iv) Securities issued by the United States Treasury or any agency of the United States government.
    - (v) Investments in Money Market Funds rated AAA by Moody's or AAA by Standard & Poor's, utilizing a reputable bank, brokerage company or mutual fund firm.
4. A summary of all investments and investing activity will be presented at the annual Owners' meeting.

XIII.  
HOT TUBS AND OTHER OUTDOOR INSTALLATIONS

1. Any owner proposing to install a hot tub or other outdoor installations must obtain approval of the Executive Board and must obtain a building permit. A request to the Executive Board must include:
  - (a) A detailed description of the tub or outdoor installation, size, color, and design;

- (b) An accurate drawing or schematic illustrating and describing the engineering aspects of the tub installation (or outdoor installation), water and power access, landscaping, drainage, and any other technical and or aesthetic considerations;
  - (c) A signed written statement that the Owner, including subsequent Owners, if the hot tub is ever sold with the property, assumes all responsibility for all installation costs (including drainage, restoration, and landscaping, all utility costs, and all liability related to the tub or other outdoor installation).
2. Hot tub noise shall not be loud and disruptive to neighboring units. If a unit is found to be disrupting neighboring units, hours of use may be set by the Executive Board as well as noise standards.

### **RULES AND REGULATIONS AMENDMENT HISTORY**

- **July 18, 2006** - Amended (re: "unsightly objects" in common area and parking regulation clarifications) by Unanimous Consent of the Board.
- **August 29, 2006** - Insurance policies and procedures were added by unanimous consent of the Board.
- **January 31, 2008** - Amended and Restated on by Unanimous Consent of the Board (Sections V-XIII were added)
- **January 25, 2023** – Amended and Restated by unanimous consent of the Board (Various Sections amended to comply with Colorado HB22-1137; Section V, Insurance Policies and Procedures, amended).