

	Policy Title		
	GOVERNANCE POLICIES		
	Adopted/Amended Date	Effective Date	Policy No.
	October 22, 2020	November 1, 2020	
Administered By			
Board of Directors			

1. GENERAL

1.1 Purpose. The purpose of these Governance Policies is to ensure effective and efficient governance of the business and activities of the Association. These Governance Policies are adopted pursuant to, and are intended to comply with, C.R.S. § 38-33.3-209.5 and other relevant provisions of the *Colorado Common Interest Ownership Act*, C.R.S. § 38-33.3-101, *et seq.*, and the *Colorado Revised Nonprofit Corporation Act*, C.R.S. § 7-121-101, *et seq.*

1.2 Governance Policies. The following policies are included in these Governance Policies.

- Section 2: Records Retention and Copying Policy
- Section 3: Enforcement Policy
- Section 4: Collections Policy
- Section 5: Dispute Resolution Policy
- Section 6: Conflicts of Interest and Ethical Conduct Policy
- Section 7: Meeting Conduct Policy
- Section 8: Investment Policy
- Section 9: Amendments Policy

1.3 Definitions. Unless otherwise defined below or elsewhere in these Governance Policies, capitalized terms used in these Governance Policies are as defined in the Declaration.

1.3.1 “Association” means the Castle Pines Homes Association, Inc., a Colorado nonprofit corporation.

1.3.2 “Board” means the Board of Directors of the Association.

1.3.3 “Declaration” means the Amended and Restated Castle Pines Declaration and Agreement Creating Covenants, Conditions, Restrictions and Easements recorded May 2, 1989, at Book 852, Page 981, of the deed records of Douglas County, Colorado, as amended from time to time.

1.3.4 “Director” means a member of the Board.

1.3.5 “DRC” means the Association’s Design Review Committee established pursuant to Paragraph 25 of the Declaration.

1.3.6 “Emergency Services” means the Association’s Emergency Services Division established by the Board pursuant to Paragraph 5(g) of the Declaration. References to the Director of Emergency Services include his or her designee as applicable.

1.3.7 “Enforcement Committee” means the Association’s Enforcement Committee established by the Board pursuant to Article VIII of the Association’s Bylaws.

1.3.8 “General Manager” means the General Manager retained by the Association from time to time to manage the business and affairs of the Association. References to the General Manager include his or her designee as applicable.

1.3.9 “Governing Documents” means these Governance Policies, the Declaration the Rules, the Association’s Articles of Incorporation, Bylaws, Planned Unit Development Guide, Architectural Design Guide, Builder’s Information Outline, and other policies and procedures adopted by the Association from time to time, each as amended from time to time.

1.3.10 “Rules” mean the Rules and Regulations adopted by the Association, as amended from time to time.

1.3.11 “Village” means the real property and improvements covered by the Declaration, other than Commercial Lots, the Country Club Parcel and the Golf Course Parcel.

1.3.12 “Violation” means a violation of a Governing Document.

1.4 Interpretation and Conflicts. When used in these Governance Policies, the word “including” means including without limitation and the singular includes the plural and *vice versa*. Section references are to sections in these Governance Policies unless otherwise indicated. These Governance Policies supersede and replace all governance policies and procedures previously adopted by the Association. These Governance Policies operate in conjunction with the other Governing Documents. If a conflict arises between these Governance Policies and another Governing Document that the Board has authority to amend without additional approvals, the most recently adopted Governing Document will control. If a conflict arises between these Governance Policies and another Governing Document that the Board does not have authority to amend or has authority to amend only with additional approvals, the other Governing Document will control. If a conflict arises between these Governing Policies and applicable law, applicable law will control.

1.5 Committees and Administrative Offices. Except as otherwise provided in the Declaration, the Board may from time to time create or disband a committee or administrative office as it may deem appropriate to aid the Board in exercising its powers and performing its duties. Each committee or administrative office will adopt a charter or other governing document establishing its purpose, duties, powers, and rules of governance, consistent with the Governing Documents and subject to approval by the Board. No committee or administrative office will have or may exercise any power to act on behalf of the Association other than as and to the extent authorized in the Declaration or other Governing

Documents, in its charter, or as otherwise specifically authorized by the Board. Unless otherwise indicated in the Declaration or other Governing Documents or in its charter, the duration of a committee or administrative office will be indefinite.

1.6 Committee Members and Administrative Officers. Except as otherwise provided in the Governing Documents, the Board will appoint the members of each committee, committee chairs, and the holders of administrative offices created by the Board, each of whom will serve at the pleasure of the Board and may be removed or replaced by the Board at any time, with or without cause.

2. RECORDS RETENTION AND COPYING POLICY

2.1 Scope. This Records Retention and Copying Policy applies to the Association records described in Section 2.2 ("**Records**"), which will be available for inspection and copying as described in this Section 2.

2.2 Records. The Association will maintain at its principal office the following Records:

- (1) Detailed records of receipts and expenditures affecting the operation and administration of the Association;
- (2) Records of claims for construction defects and amounts received pursuant to settlement of those claims;
- (3) Minutes of Board and Member meetings;
- (4) Actions taken by the Board or Members by written ballot or by written consent in lieu of a meeting;
- (5) Actions taken by a committee acting on the behalf of the Board;
- (6) Written communications among, and the votes cast by, Board members that are directly related to an action taken by the Board without a meeting pursuant to the Association's Bylaws or Colorado law;
- (7) Waivers of the notice requirements for Member meetings, Board meetings or committee meetings;
- (8) The names of Members in a form that permits preparation of a list of names and physical mailing addresses of all Members, showing the number of votes each Member is entitled to vote;
- (9) The current Governing Documents and responsible governance policies required pursuant to Colorado law, and any other policies adopted by the Board;
- (10) Financial statements, to the extent available, showing in reasonable detail the Association's assets and liabilities and results of its operations for the past three years;
- (11) Tax returns for the past seven years, to the extent available;
- (12) A list of the names, email addresses and physical mailing address of the Association's current Directors and officers;
- (13) The Association's most recent annual report delivered to the Secretary of State;

- (14) Financial records sufficiently detailed to enable the Association to provide statements of unpaid assessments in accordance with the *Colorado Common Interest Ownership Act*, C.R.S. § 38-33.3-101, *et seq.*;
- (15) The Association's most recent reserve study, if any;
- (16) Current written contracts to which the Association is a party;
- (17) Written contracts for work performed for the Association within the immediately preceding two years;
- (18) Records of Board or committee actions to approve or deny design or architectural approval requests from Owners;
- (19) Ballots, proxies, and other records related to voting by Members for one year after the election, action, or vote to which they relate (any identifying information on ballots may be redacted prior to inspection by a Member);
- (20) Resolutions adopted by the Board relating the characteristics, qualifications, rights, limitations and obligations of Members or any class of Members;
- (21) Written communications within the past three years to Owners generally; and
- (22) The following additional information as required by C.R.S. § 38-33.3-209.4 as part of the Association's annual disclosures:
 - The date on which the fiscal year commences;
 - The operating budget for the current fiscal year;
 - A list, by Lot type, of the Association's current assessments (regular and special);
 - The financial statements, including any amounts held in reserve, for the fiscal year immediately preceding the current annual disclosure;
 - The results of the most recent available financial audit or review, if any; and
 - A list of all Association insurance policies, including company names, policy limits, policy deductibles, additional named insureds, and expiration dates.

2.3 Permissive Exclusions. Pursuant to Colorado law, the Association may withhold from inspection and copying the following Records, to the extent that they are or concern:

- (1) Architectural drawings, plans and designs, unless the legal owner of the drawings, plans or designs provides written consent to their release;
- (2) Contracts, leases, bids or records related to transactions that are currently under negotiation;
- (3) Confidential files and communications with legal counsel that are otherwise protected by the attorney-client privilege or the attorney work-product doctrine;
- (4) Files dealing with investigative proceedings concerning possible criminal conduct;
- (5) Disclosure of information in violation of law or a contractual commitment;
- (6) Records of an executive session of the Board; or
- (7) Records related to an individual Lot other than the requesting Owner's Lot.

2.4 Mandatory Exclusions. Pursuant to Colorado law, the following Records are not subject to inspection or copying and the Association will withhold from inspection and copying:

- (1) Personnel, salary or medical records related to specific individuals; and
- (2) Personal identification and account information of Owners, including social security numbers, dates of birth, personal bank account information, driver's license numbers, telephone numbers, and email addresses.

Notwithstanding the foregoing, if an Owner or Village resident provides to the Association an express written authorization to disclose his or her telephone number or email address, the Association may publish that information to other Owners and Village residents. If the Owner or Village resident delivers to the Association a written revocation of a prior authorization to disclose, the Association will cease making the information available and the Association may, but need not, change, retrieve or destroy any document or record published by the Association prior to the Association's receipt of the revocation.

2.5 Inspecting and Copying of Records. An Owner or his or her authorized agent may inspect and copy Association Records. Upon request, the Association may, but is not required to, allow an Owner or his or her authorized agent to inspect or copy Other Records. Records made available for inspection and copying will be subject to the following conditions, as well as the exclusions, conditions and requirements of this Section 2:

- (1) The inspection and copying will be at the Owner's expense;
- (2) The inspection and copying will be conducted during regular business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday (excluding holidays), at the Association's office or other location designated by the Association; and
- (3) Prior to inspecting and copying a Record, the Owner must complete and sign an Owner Request for Records in substantially the form attached as Exhibit A to these Governance Policies. Failure to properly complete or sign the request form will be valid grounds for denying an Owner or agent the right to inspect or copy Records.

2.6 Limitations on Use. Unless otherwise specifically approved by the Board in writing, Records, including ownership lists, may not be used by an Owner for:

- (1) A purpose unrelated to an Owner's interest as an Owner;
- (2) Soliciting money or property, unless the money or property will be used solely to solicit the votes of Owners in an election to be held by the Association;
- (3) A commercial purpose; or
- (4) Giving, selling, or distributing Association records to any person or entity.

2.7 Costs. If the Association so requires, an Owner requesting copies of Records will be responsible for reimbursement of actual costs incurred by the Association, including actual costs and labor to search, retrieve, and copy the Records requested. A minimum cost of 25 cents per page will be assessed for paper or electronic copies of Records unless waived by the General Manager. The Association may require a deposit equal to the anticipated actual cost of the requested Records, and failure to pay the deposit will be valid grounds for denying an Owner copies of the requested Records. If after payment of

the deposit it is determined that the actual cost was more or less than the deposit, the Owner will pay or the Association will refund the difference, as applicable.

2.8 Inspection. The Association reserves the right to have a representative present to observe any inspection and copying of Records by an Owner or the Owner's representative. No Owner or Owner's agent may remove any Record from the place of inspection without written permission from the General Manager, nor may an Owner or Owner's agent mark in any manner, alter, or destroy any Record.

2.9 Creation of Records. Nothing in these Governance Policies will be construed to require the Association to create Records that do not exist or to compile existing Records in any particular format or order.

3 ENFORCEMENT POLICY

3.1 Definitions. The following additional defined terms apply to this Section 3.

3.1.1 *"Complainant"* means an Owner, Village resident, or Village official who submits a Complaint.

3.1.2 *"Complaint"* means a document asserting a Violation that meets the requirements of Section 3.3.1.

3.1.3 *"NOV"* means a Notice of Violation issued by Emergency Services or the Association.

3.1.4 *"Violator"* means the person alleged to have committed a Violation.

3.2 NOV Issued by Emergency Services. An Emergency Services officer may issue an NOV directly to the Violator for a Violation observed by that officer pursuant to Section 9 of the Rules. Emergency Services will forward a copy of the NOV to the Enforcement Committee for further action unless the Violator is entitled to, and does, resolve the Violation by payment of a fine.

3.3 Complaints. A Complainant may submit a Complaint to the General Manager for further action on behalf of the Association.

3.3.1 Contents. The Complaint must (a) verify that the Complainant personally observed the alleged Violation, (b) identify the Violator, if known, (c) describe the alleged Violation, citing the specific provisions of the Governing Documents that are alleged to have been violated, (d) state when the alleged Violation was observed, (e) include any other pertinent information, and (f) be signed by the Complainant. Complaints that do not comply with this Section 3.3.1 may be returned to the Complainant for correction or completion or may be dismissed without further action at the discretion of the General Manager.

3.3.2 Initial Evaluation. Upon receipt of a Complaint, the General Manager will conduct an initial evaluation based on the information in the Complaint and other relevant information available to the General Manager. If the General Manager determines that further investigation or verification is

required or appropriate, the General Manager will investigate and attempt to verify the Complaint or may, in his or her discretion, delegate the investigation and verification to one or more Association employees. If the General Manager determines that additional information is needed from the Complainant to investigate or verify a Complaint, the General Manager may return the Complaint to the Complainant with a request for the additional information needed and may dismiss the Complaint if the requested information is not timely provided. The General Manager will dismiss the Complaint if he or she finds that no Violation has occurred and may at his or her discretion so notify the Complainant.

3.3.3 NOV Issued by the Association. If the General Manager determines that probable cause exists to believe the alleged Violation described in a Complaint has occurred, the General Manager may attempt to secure voluntary compliance from the alleged Violator or may issue an NOV to the Violator on behalf of the Association. The NOV will (1) describe the alleged Violation, (2) provide the date, time, and place of the hearing before the Enforcement Committee, (3) if applicable, identify the amount of the presumptive fine for the alleged Violation shown in the Enforcement Policy, and (4) advise whether a presumptive fine may be paid in lieu of a hearing pursuant to the Enforcement Policy. The Association will mail a copy of the NOV to the Complainant and to the Violator at least 10 days prior to the hearing date.

3.4 Hearings.

3.4.1 Right to a Hearing. A Violator has a right to a hearing on an NOV before the Enforcement Committee if the Violator has not already resolved the Violation by payment of a fine where permitted. If a hearing on the NOV has not already been scheduled by the Enforcement Committee, the Violator may request a hearing by written request to the General Manager, and the General Manager will schedule the hearing and advise the Violator of the date, time and place of the hearing at least 10 days prior to the hearing date. A Violator may also request in writing before the date of a scheduled hearing a reasonable postponement of the hearing to the next scheduled Enforcement Committee hearing date and one such postponement will be automatically granted by the General Manager.

3.4.2 Hearing Procedures. The Enforcement Committee will establish general rules of procedure for all hearings. Hearings will be open to all Owners, the Complainant or Emergency Services officer (as applicable), as well as representatives of the Violator and the Complainant. The Enforcement Committee may, at its discretion, allow others to attend or participate in the hearing. The Complainant or the Emergency Services officer (as applicable) must attend the hearing. Unless the Governing Documents or the Enforcement Committee requires otherwise, the Violator may, but need not, attend the hearing. If present at the hearing, either the Complainant or the Violator may be represented by legal counsel (at their expense), may present witnesses and evidence, and may cross-examine opposing witnesses. The Enforcement Committee reserves the right to adjourn or terminate any hearing if it determines that one or more participants has become unruly or threatening.

3.4.3 Committee Decision. At the conclusion of the hearing, the Enforcement Committee will consider the evidence presented and determine by majority vote of the members present at the hearing at which a quorum is present whether the alleged Violation occurred and, if so, whether the Violator is responsible for the Violation and, if so, the appropriate sanctions to be imposed, if any. Either the Complainant or the Violator may request that the vote be by secret ballot. Deliberations by the Enforcement Committee will be conducted in executive session (except to the extent otherwise required

by applicable law). The Enforcement Committee will prepare a report of its decision and provide a copy to the Violator. A copy of the report of decision will also be filed with the records of the Enforcement Committee and the Board.

3.5 Sanctions.

3.5.1 Sanctions Available to the Enforcement Committee. If the Enforcement Committee finds that a Violation has occurred, the Enforcement Committee may at its sole discretion take one or more of the following actions with respect to the Violator:

- (1) Assess a fine in accordance with Section 3.6;
- (2) Assess a fine in accordance with Section 3.6, but require payment only if the Violator fails to meet conditions established by the Enforcement Committee;
- (3) Order the Violator to cease or correct the Violation, including the necessary actions and the time limit for compliance;
- (4) Issue a warning;
- (5) Refer the Violation to the Board for further action under Section 3.5.2; or
- (6) Take no action.

3.5.2 Additional Sanctions Available to the Board. Upon a referral to the Board pursuant to Section 3.5.1 or upon an appeal to the Board pursuant to Section 3.8 that results in a finding by the Board that a Violation has occurred, the Board may in its sole discretion take one or more of the actions described in Section 3.5.1 and one or more of the following actions with respect to the Violator:

- (1) Cause the Violation to be corrected in accordance with the Governing Documents and applicable law and assess the resulting costs (including reasonable legal fees) against the Violator;
- (2) Repair any damage, and take appropriate action to prevent future injury or damage to persons, to real or personal property, or to the environment resulting from the Violation and assess the resulting costs (including reasonable legal fees) against the Violator;
- (3) Seek injunctive relief to enforce the Governing Documents or damages or both, and assess the resulting costs (including reasonable legal fees) against the Violator;
- (4) Suspend the Violator's right to use Association facilities and property, including Common Areas;
- (5) Suspend the Violator's RFID sticker or card that allows access to the Village through resident gates;
- (6) Suspend a guest's or contractor's right to access the Village;
- (7) Take any other action or pursue any other remedy available to the Association under the Governing Documents or applicable law.

3.6 Fines.

3.6.1 Generally. The Association has established presumptive fines for many common Violations, described in Section 3.6.3. The Enforcement Committee (or the Board on appeal) may levy the presumptive fine amount, if applicable, or a higher or lower amount that is reasonable under the circumstances. In determining whether a fine is reasonable, the Enforcement Committee (or the Board on appeal) will consider all relevant facts then known, including (a) the severity of the Violation, (b) any resulting injury or damage and its impact on the Village or its reputation, (c) whether the Violation was intentional or inadvertent, (d) whether the Violator was cooperative during the enforcement process, (e) the Violator's history of prior Violations, and (f) the need to deter similar Violations in the future.

3.6.2 Election to Pay a Presumptive Fine and Forego a Hearing. Unless the NOV or the Rules mandate a hearing, a Violator may elect not to contest the NOV by paying to the Association prior to the hearing the presumptive fine in Section 3.6.3 and referenced in the NOV. Timely payment will constitute final disposition of the Violation cited in the NOV and the Violator's waiver of a hearing on the Violation. A Violation not listed in Section 3.6.3 will be adjudicated in a hearing before the Enforcement Committee.

3.6.3 Presumptive Fines. The following presumptive fines have been established for the following Violations of the Declaration, the Rules, or both:

Dec. §	Rule §	Violation	Fine
13(u)	3.1	Offensive condition or activity	\$200
	3.2	Increased insurance risk	\$200
	3.3	Littering	\$100
	3.4	Hunting or interference with wildlife	\$200
13(e)	3.5	Signs	\$100
13(i)	3.6	Outside storage	\$100
	3.8	Temporary structures	\$200
13(n)	3.9	Antennae	\$200
13(m)	3.10	Automobile repair	\$100
13(x)	3.11	Camping and picnicking	\$100
	3.12	Open garage door	\$100
	3.13	Outdoor sales	\$200
13(n)	3.14	Interference with electrical devices	\$200
13(l)	3.15	Outside laundry	\$100
13(j)	3.16	Recreational equipment	\$200
13(h)	3.17	Trash and recycling storage and disposal	\$100
	4.2	Speeding – see schedule of fines in Section 4.2 of the Rules	
	4.3	No driver's license	\$100
	4.4	Failure to license vehicle	\$200
	4.4	Failure to maintain automobile liability insurance	\$200
	4.5	Excessive vehicle noise	\$100
	4.6	Unsafe vehicle operation	\$200

Dec. §	Rule §	Violation	Fine
	4.6	Off-road use of vehicles	\$200
	4.6	Use of motorized recreational equipment	\$200
	4.8	Operation of bicycle off established roadways or paved trails	\$100
13(b) 13(m)	4.10	Vehicle parking	\$100
13(b)	4.10	Vehicle parking that causes damage to Association or other private property	\$200
13(t)	5.1	Failure to maintain property perils insurance	\$200
	5.2	Failure to test alarm system	\$100
13(p)	5.3	Creation of fire hazard	\$200
	5.4	Use of prohibited substance	\$200
	5.4	Storage of propane or other fuels	\$200
	5.5	Failure to clean and service fireplace	\$100
13(p)	5.6	Outside burning	\$200
13(p) 13(s)	5.7	Fire hazard prevention	\$200
	5.8.1	Possession of firearms	\$200
	5.8.2	Discharge of weapons	\$300
11	6.1	Misuse of Common Area	\$200
13(i)	6.1	Storage on Common Area	\$100
13(w)	6.2	Obstruction of walkways	\$100
13(f)	6.3	Trail animals	\$200
	6.4	Community ponds	\$100
	6.5	Unapproved recreational activities	\$100
13(r)	7.1	Failure to maintain improvements	\$100
13(r)	7.1	Failure to remove trash or debris from Lot	\$100
13(s)	7.2	Failure to maintain landscaping	\$200
	7.2	Failure to timely submit landscape plans	\$500
	7.2	Failure to timely install landscaping	\$1,000
13(q)	7.4	Damage to or unauthorized removal of tree, per inch of diameter of the main trunk, measured four inches above ground level	\$100
		Minimum fine	\$200
13(f)	8.1	Unapproved pet	\$100
	8.2	Number of pets	\$100
	8.3	Uncontrolled animal	\$100
	8.3	Animal creating nuisance	\$100
	8.3	Animal running loose	\$100
	8.4	Failure to dispose of pet waste	\$200
	8.5	Failure to control dog in heat	\$100

Dec. §	Rule §	Violation	Fine
12 13(c)	10.1	Construction of improvements without DRC approval	\$200
13(v)	10.1	Exterior lighting	\$100
13(g) 13(o)	10.1 10.4	Other exterior changes without DRC approval	\$200
13(s)	10.3	Failure to screen gardens	\$100
	10.5	Failure to store awnings	\$100
	11.2	Working during non-designated hours	\$200
	11.3	Unauthorized persons or animals on the worksite	\$200
13(i)	11.4	Unauthorized parking	\$200
13(h)	11.5	Failure to keep worksite and adjacent property clean	\$200
	11.6	Improper use of utilities	\$200
	11.6	Failure to immediately report damaged utility line	\$200
	11.7	Failure to report hazardous material discharge	\$500
13(u)	11.8	Loud noise	\$100
	11.9	Failure to repair damage to adjacent property	\$200
	11.9	Failure to maintain required insurance	\$200
	11.10	Improper stockpiling or import of dirt	\$200
	11.11	Unauthorized access to the worksite	\$200
	11.12	Unauthorized vehicle washing	\$200
	11.13	Failure to maintain erosion controls	\$200
13 (a)		Commercial enterprise, noxious or offensive trade	\$100

3.7 Payment of Fines and Costs. Fines and costs imposed on a Violator in connection with a Violation, together with associated reasonable legal fees and other costs incurred by the Association, are due and payable immediately upon demand by the Association. If the Violator is an Owner or a person for whom the Owner is responsible, the amount due is an Assessment against the Owner's Lot for which the Association will have the remedies for late payment or non-payment specified in the Declaration and in Section 4, including the filing of a claim of lien against the Owner's Lot.

3.8 Appeals.

3.8.1 Right to Request an Appeal. A person negatively impacted by a decision of the Enforcement Committee or another committee established by the Board may appeal the adverse decision to the Board by submitting a written request to the General Manager within 10 business days after receiving the adverse decision, setting forth the specific grounds for the appeal. This Section 3.8 does not apply to the DRC, which is established by the Declaration and whose decisions are not subject to Board review. Upon the General Manager's receipt of a timely appeal request, the committee issuing the adverse decision will stay further action pending resolution of the appeal unless the committee finds that irreparable damage would occur because of the stay, in which event the committee may act as necessary to prevent irreparable damage. If a timely appeal request is not received by the General Manager, the decision of the committee will be final and binding on all parties involved.

3.8.2 Board's Acceptance of Appeal. The Board may, but is not required to, accept an appeal. The General Manager will promptly notify the Board of the appeal request and If a majority of the Board agrees in writing to accept the appeal request within 30 days after being notified of the appeal by the General Manager, the stay of further action will continue upon such terms and conditions as the Board may from time to time prescribe. If a majority of the Board does not agree in writing to accept the appeal within 30 days after being notified of the appeal by the General Manager, the appeal will be deemed rejected, the decision of the committee will be final and binding on all parties involved, and the stay of further action will be lifted.

3.8.3 Standard of Review. If the Board accepts an appeal pursuant to Section 3.8.2 and unless the Board determines that a broader review is warranted due to bias or other extraordinary circumstances, the Board will limit its review to determining the following to the extent raised in the appeal: (1) whether a procedural error prejudicial to the appellant occurred, (2) whether the committee correctly applied the applicable provisions of the Governing Documents to the facts and circumstances as determined by the committee, and (3) whether any discretion exercised by the committee was exercised in a reasonable manner. The Board will then render its decision on the appeal or return the matter to the committee for further consideration. If an appellant presents new evidence to the Board that was not presented to the committee, the Board may in its discretion disregard the new evidence and render its decision based on the evidence presented to the committee, return the matter to the committee for consideration of the new evidence, or consider the new evidence and render its decision accordingly.

3.8.4 Appeal Procedures. An appeal will be conducted in an open meeting of the Board and the appellant, the committee, and other interested parties will be offered an opportunity to be heard. Deliberations by the Board may be conducted in the open meeting or (to the extent permitted by applicable law) in executive session. The Board may establish additional procedures for handling appeals as needed in accordance with the Association's Bylaws. The decision of the Board on an appeal will be final and binding on all parties involved.

3.9 Limitation on Liability. Except as otherwise provided in these Governance Policies, neither the Association nor any person acting in good faith on behalf of the Association as a Director, officer, committee member, employee, agent, or volunteer may be held personally liable for an act or omission on behalf of the Association absent gross negligence or willful misconduct. Neither the Association nor any Association Director, officer, committee member, employee, agent, or volunteer will be liable for his, her or its failure or inability to prevent, detect, or cure a Violation.

4. COLLECTIONS POLICY

4.1 Purpose. The purpose of this Collections Policy is to establish a uniform and systematic procedure for collecting assessments and other charges due to the Association to ensure the financial well-being of the Association.

4.2 Due Dates. Monthly Assessments are due in advance on or before the first day of each calendar month. Special Assessments or other charges may be assessed by the Association from time to time in accordance with the Governing Documents and, unless otherwise determined by the Board or stated in the Governing Documents, are due and payable when assessed. Assessments or other charges

not paid to the Association when due will be considered past due and delinquent as of the next business day.

4.3 Invoices. The Association is not required to invoice Owners for amounts due, and the obligation to pay an amount due by the due date applies regardless of whether an invoice is issued or received.

4.4 Late Fees and Interest. The Association may impose a late fee of \$25.00 on any Assessment or other charge not paid within 15 days after its due date. Additionally, the Association may charge simple interest from the due date at the rate of 2% per month (or if less, the highest rate permitted by law) on any Assessment or other charge not paid by its due date. Late fees and interest are due and payable immediately, without notice, in the manner provided for payment of Assessments.

4.5 Return Check Charges. The Association may impose a \$20.00 fee if a payment by an Owner is not honored by the financial institution or returned by the financial institution for any reason, including insufficient funds, in addition to any charge imposed against the Association by the financial institution. If two or more payments are dishonored or returned within any 12-month period, the Association may require that the Owner's future payments be made by certified check, money order, ACH withholding, or other means acceptable to the Association.

4.6 Attorneys' Fees on Delinquent Accounts. The Association may recover its reasonable attorneys' fees and collection costs incurred in the collection of assessments or other charges due from a delinquent Owner, together with post-judgment interest and appellate attorneys' fees and costs incurred.

4.7 Application of Payments Made to the Association. The Association may apply payments received on account of an Owner first to payment of any costs, fees and expenses of enforcement and collection (including reasonable attorneys' fees), late charges, interest, returned check charges, lien fees, and other costs owing or incurred with respect to that Owner, with any remaining amounts applied to the Assessments or other charges due from that Owner. For purposes of collecting an outstanding judgment, the Association may first apply payments received following entry of a judgment towards post-judgment interest, attorneys' fees and costs, assessments and other charges coming due following the entry of the judgment.

4.8 Offer of Payment Plan. Subject to the following requirements and conditions and before commencing legal action to collect amounts due by a delinquent Owner to the Association, the Association will offer a payment plan to the Owner and make a good faith effort to coordinate a payment plan with the Owner:

- (1) A payment plan will be offered when the account becomes equal to at least three months of delinquent Assessments.
- (2) The payment plan must allow the delinquent Owner to pay the delinquency in equal installments over a period of least six months.
- (3) No payment plan need be offered if the Owner does not occupy the Dwelling Unit and has acquired the Dwelling Unit as a result of a default of a security interest encumbering the unit or foreclosure of the Association's lien.

- (4) The Association is not required to offer or negotiate a payment plan with an Owner who has previously entered into a payment plan with the Association.
- (5) The Owner's failure to remit payment of an agreed-upon installment, or to remain current with regular Assessments as they come due during the term of the payment plan, constitutes a failure to comply with the payment plan.
- (6) The Association may pursue legal action against the Owner if the Owner fails to comply with the payment plan.

4.9 Notice of Delinquency. Before the Association turns the delinquent account over to a collection agency or refers it to the Association's attorney for legal action, the Association must send a notice of delinquency ("**Notice of Delinquency**") to the delinquent Owner. The Notice of Delinquency will specify the following:

- (1) The total amount due, with an accounting of how the amount was determined;
- (2) That a notice of assessment lien (in addition to the lien established by the Declaration and recognized by Colorado law) may be recorded against the Owner's Lot;
- (3) Whether a payment plan is available under Section 4.8, and if so the instructions for contacting the Association to enter into the payment plan;
- (4) The name and contact information for the person the Owner may contact to request a copy of the Owner's ledger in order to verify the amount owed;
- (5) That action is required to cure the delinquency and the specific action required to cure the delinquency; and
- (6) That failure to cure the delinquency within 30 days may result in the delinquent account being turned over to a collection agency or the Association's attorney, a lawsuit being filed against the Owner, the filing and foreclosure of a lien against the Owner's Lot, or other remedies available under Colorado law.

The Notice of Delinquency will be mailed to the Owner at the Owner's address in the Village or, if applicable, to an alternate address provided in writing by the Owner to the Association. The Association may send periodic follow-up notices to the Owner for as long as the Owner's account remains delinquent.

4.10 Liens. if payment in full of any Assessment or other charge is not received by the deadline stated in the Notice of Delinquency, the Association may cause a notice of lien to be filed against the property of the delinquent Owner for Assessments, fees, charges, late charges, attorneys' fees, fines and interest owed by the delinquent Owner.

4.11 Referral of Delinquent Accounts. After the deadline stated in the Notice of Delinquency has expired, the Association may refer the delinquent account to a collection agency or its attorney for collection. Unless otherwise directed by the Board, after an account has been referred to an attorney, the account will remain with the attorney until the account is settled, has a zero balance, or is written off by the Association. Payment plans involving accounts referred to an attorney for collection will be set up and monitored through the attorney. After consultation with and approval by the Board or the General

Manager, the attorney may exercise all available remedies to recover the amounts due, including judicial foreclosure and appointment of a receiver of the delinquent Owner's property.

4.12 Foreclosure of Lien. Notwithstanding any provision of this Collections Policy to the contrary, the Association may only foreclose a lien if (a) the balance of the Assessments and charges secured by the lien equals or exceeds six months of regular Assessments based on the budget adopted by the Association, and (b) the Board has authorized filing of a legal action against the Owner and the Owner's Lot by a resolution adopted by a recorded vote.

4.13 Waivers. The Association may evaluate each delinquency on a case-by-case basis. Consistent with Colorado law, the Association may grant a waiver of any provision or requirement of this Collections Policy (including the time for filing lawsuits and liens) upon written petition by an Owner showing a personal hardship. Any waiver granted by the Association must be in writing, and waiver of a particular provision or requirement of this Collections Policy granted by the Association on a particular occasion will not be deemed a waiver of that provision or requirement on a different occasion or a waiver of any other provision of this Collections Policy.

4.14 Order of Remedies. Subject to Section 4.12, the Association may pursue any action or remedy, including actions for personal judgment, foreclosure or receivership, to collect amounts owed in any order or contemporaneously, and cumulatively, and in the case of a foreclosure by the holder of another security interest in the Owner's property, may immediately proceed to file for personal judgment, foreclosure or receivership (on an *ex parte* basis or otherwise) without the necessity of following the procedures elsewhere in this Section 4.

4.15 Delinquencies Constitute Violations. Failure to pay Assessments or other charges when due constitutes a Violation for which the Association may pursue the sanctions described in Section 3.5. In addition, the Board may take one or more of the following actions against the delinquent Owner: (a) deny Board or committee membership to the Owner (or remove the Owner from the Board or a committee if already a member), (b) deny the Owner access to building inspections and/or issuance of a certificate of occupancy, and (c) deny the Owner access to the design review process or postpone review of plans or proposals by the DRC.

5. DISPUTE RESOLUTION POLICY

5.1 Purpose and Scope. The purpose of this Dispute Resolution Policy is to provide an efficient and cost-effective means of resolving Claims. This Dispute Resolution Policy applies only to Claims. This Dispute Resolution Policy does not:

- (1) Preclude, limit or delay the ability of the Association to exercise its right to enforce Violations or its right to collect monies owed to the Association, even if a Claim has been asserted that relates to the actions the Association has taken, is attempting to take, or could take to enforce Violations or collect monies owed to the Association;
- (2) Preclude either party from pursuing an injunction or other emergency equitable relief necessary to prevent immediate and irreparable harm to persons, animals or property; or

- (3) Preclude either party from pursuing litigation or other adversary proceedings to enforce a settlement of a Claim.

5.2 Definitions. The following additional defined terms apply to this Section 5.

5.2.1 “Claim” means claim for monetary or other relief asserted against one or more of (a) the Association, (b) the Board, or (c) an individual Association Director, officer, committee member, employee, agent or volunteer acting in their capacity as such.

5.2.2 “Claimant” means a person or entity asserting a Claim against one or more Respondents.

5.2.3 “Respondent” means a person or entity against whom a Claim is asserted.

5.3 Mandatory Procedures. Except as provided in Section 5.7, a Claimant must first comply with this Section 5 before commencing litigation or other adversary proceedings against a Respondent to resolve a Claim, regardless of whether the Claim also potentially involves other parties. No Claim may be asserted after the date that litigation based on the Claim would be barred by the applicable statute of limitations or statute of repose.

5.4 Notice of Claim. The Claimant must provide to the Respondent (with a copy to the Association’s president and the General Manager) a detailed written description of the Claim, including (1) the nature of the Claim, the individuals involved and the Respondent’s role, (2) the legal or contractual basis for the Claim, and (3) the specific remedy or relief sought by the Claimant. The Claimant and Respondent may each request additional information and documents from the other that are reasonably necessary to substantiate or dispute the Claim, and the party to whom the request is directed will promptly provide the information and documents so requested to the extent available and not subject to privilege.

5.5 Good Faith Negotiation. The Claimant and Respondent must cooperate in good faith negotiations to attempt to resolve the Claim, including meetings in person and site visits as appropriate. Either party may be represented by an attorney, consultant or other representative at the negotiations, but if either party wishes to be represented in negotiations by an attorney, it must first so notify the other party.

5.6 Mediation.

5.6.1 Request for Mediation. If the parties are unable to resolve the Claim pursuant to Section 5.5 within 60 days after the Respondent’s receipt of the Claim, the Claimant will have an additional 60 days in which to submit to the Respondent (with a copy to the Association’s president and the General Manager) a written request for mediation. If the Claimant does not so request mediation within the time specified or if, having requested mediation, if the Claimant fails to attend or participate in good faith in the mediation, the Claimant will be deemed to have waived the Claim with respect to the Respondent and will be barred from pursuing the Claim further pursuant to this Dispute Resolution Policy or in litigation or other adversary proceedings.

5.6.2 Mediation Procedures. If the Claimant timely requests mediation, the parties will within 15 days after the request for mediation jointly agree on a mediator and, if they fail to agree within that time, either party may apply to the District Court in Douglas County, Colorado, to appoint the

mediator. Each party will attend the mediation and work in good faith to resolve the Claim as expeditiously as possible. The role of the mediator is to facilitate further negotiation between the parties. The mediator will not have power to resolve the Claim but will use recognized, accepted mediation techniques to assist the parties in making that decision. Costs of the mediator will be shared equally between the parties unless they and the mediator agree otherwise. If either party fails to attend or participate in the mediation, costs of the mediation resulting from the failure will be borne solely by the party failing to attend or participate.

5.7 Litigation. A Claimant may commence litigation or other adversary proceedings to resolve the Claim (1) at any time after the Claimant has complied in good faith with Sections 5.4, 5.5 and 5.6 and the Claim has not been resolved to the Claimant's reasonable satisfaction within 60 days after the mediator has been selected pursuant to Section 5.6.2, or (2) not more than five business days before litigation based on the Claim would be barred by the applicable statute of limitations or statute of repose, but only if the Claimant has followed in good faith the procedures in this Dispute Resolutions Policy up to that time. Any litigation or other adversary proceedings to resolve a Claim must be brought in Douglas County, Colorado, either in a court having jurisdiction or (if the parties so agree in writing) before an arbitration panel or other tribunal. In any litigation or other adversary proceedings to pursue a Claim, the prevailing party may recover its reasonable legal fees and other reasonable costs of litigation or resolution.

5.8 Settlement. Settlement or other consensual resolution of a Claim must be documented in writing and signed by the parties (and by the mediator, if a mediator has been appointed). If litigation has been commenced to enforce the Claim, the settlement document will be presented to the court with a motion for judgment based on the settlement. Unless and to the extent otherwise stated in the settlement document, all issues related to the Claim will be deemed settled, waived and released by the settlement.

6. CONFLICTS OF INTEREST AND ETHICAL CONDUCT POLICY

6.1 Purpose and Application. The purpose of this Conflicts of Interest and Ethical Conduct Policy is to assure that decisions made, and actions taken, on behalf of the Association are free from Conflicts and in accordance with the highest ethical standards. This Conflicts of Interest and Ethical Conduct Policy applies to all Representatives and will be administered by the Board.

6.2 Definitions. The following additional defined terms apply to this Section 6.

6.2.1 "Conflict" means a conflict of interest that occurs when a contract, decision or other action taken or proposed to be taken by or on behalf of the Association would financially benefit (a) a Representative, (b) a parent, grandparent, spouse, child, or sibling of that Representative, (c) a parent, child or spouse of any of the persons in subsection (b), or (d) an entity in which that Representative is a director or officer or has more than an immaterial financial interest.

6.2.2 "Gift" means a gift, gratuity, favor, entertainment, loan, or other benefit with a monetary value of more than \$100.00.

6.2.3 "Representative" means a Director, officer, committee member, or employee of the Association or a person representing or acting on behalf of the Association.

6.3 General Duty. Each Representative and the Board must use its and their best efforts to make decisions that are consistent with high ethical principles, and to protect and enhance the value of properties of the Association, Owners and Village residents. Representatives must exercise their power and duties in good faith and in the best interest of, and with utmost loyalty to, the Association. Representatives must comply with all lawful provisions of the Governing Documents and applicable laws.

6.4 Conflicts. As soon as a Representative learns that he or she has an actual or potential Conflict as a member of a committee, the Representative must disclose the Conflict to the committee in writing or verbally at an open meeting of the committee prior to further participation in the relationship. As soon as a Representative learns that he or she has an actual or potential Conflict other than as a member of a committee, the Representative must disclose the Conflict to the Board in writing or verbally at an open meeting of the Board prior to further participation in the relationship. After disclosure, the Representative may participate in discussions concerning the proposed action subject to the Conflict but may not participate further in that action unless and to the extent (1) further participation by the Representative is approved by the committee or the Board (as applicable) by a majority vote of the committee members or Directors present at a meeting at which a quorum is present (if applicable, excluding the vote of the committee member or Director subject to the Conflict), and (2) the proposed action is fair to the Association, as allowed by Colorado law. The minutes of the Board or committee meeting will reflect the disclosure made and if a vote is taken on further participation, any abstention from voting, the composition of the quorum, and the Directors or committee members voting for and against further participation. The committee chair must report to the Board any Conflict raised by a committee member and the action taken by the Committee with respect to the Conflict.

6.5 Gifts. A Representative may not solicit or accept, directly or indirectly, a Gift from a person or entity seeking to obtain or maintain a contractual or other business or financial relationship with the Association, if the Representative is involved or will be involved in the negotiation, approval, or management of the relationship, unless: (1) the Representative discloses the nature and amount of the Gift to the Board in writing or verbally at an open meeting of the Board, and (2) the Board approves the Gift by a majority vote of the Directors present at a meeting at which a quorum is present (if applicable, excluding the vote of the Director wishing to receive the Gift). The minutes of the Board meeting will reflect the disclosure made, any abstention from voting, the composition of the quorum and the Directors voting for and against acceptance of the Gift. If the Board approves acceptance of a Gift, it may condition its approval on limiting the Representative's further participation in relationships between the Association and the person or entity making the Gift. No Representative may offer a Gift with the intent of influencing the decision or action on any Association matter.

6.6 Code of Ethics. Each Representative and the Board must adhere to the following code of ethics:

- (1) No Representative may use his or her position for private gain, including for enhancement of his or her financial status by using certain contractors or suppliers.
- (2) No Representative may knowingly misrepresent facts to anyone involved with the Association that would financially benefit the Representative.

- (3) No Representative may knowingly misrepresent facts to Village owners or residents for the purpose of advancing a personal cause or influencing Owners or Village residents to place pressure on the Board to advance a personal cause.
- (4) No Representative may harass, threaten, or attempt through any means to control or instill fear in any other Representative or any Owner or Village resident.
- (5) No promise or commitment by a Representative may be made on behalf of the Association to any contractor or supplier during negotiations unless in accordance with Association policies or as otherwise approved by the Board.
- (6) A Director convicted of, or who pleads guilty or no contest to, a felony after being elected or appointed as a Director must voluntarily resign from his or her position on the Board, and in the absence of a voluntary resignation the remaining members of the Board may remove that Director.

6.7 Periodic Review. The Board shall periodically review this Conflicts of Interest and Ethical Conduct Policy and other procedures related to conflicts of interest involving Directors.

7. MEETING CONDUCT POLICY

7.1 Member Meetings. Member meetings will be called pursuant to the Bylaws of the Association. Member meetings are open to Members and their representatives.

7.1.1 Voting.

(a) **Election of Directors.** Election of Directors will be conducted by secret ballot for elections where more candidates are running than there are positions available. Where secret balloting is used, each Member entitled to vote pursuant to the Bylaws will receive a ballot. The ballot will contain no identifying information concerning the ballot holder. If a Member holds a proxy for another Member, upon presentation of the proxy to the Association's secretary or his or her designee, the Member will receive a secret ballot to cast the vote of the Member who provided the proxy. If specific voting instructions are included in the proxy, the proxy holder must vote in accordance with those instructions. The proxy will be retained by the Association.

(b) **Other Votes.** All other votes taken at a meeting of the Members will be taken in such method as determined by the Board or chair of the meeting, including by acclamation, by hand, by voice or by ballot, unless otherwise required by Colorado law.

(c) **Counting Ballots.** Written ballots will be counted by a neutral third party (excluding the General Manager or legal counsel), or by a Member who is not a candidate or a Director. The chair may specify the procedure for selecting these volunteers. The individuals counting the ballots will report the results of the vote to the chair by indicating how many votes were cast for each individual candidate or how many votes were cast in favor and against the issue.

7.1.2 Proxies. Proxies may be given by any Member as allowed by C.R.S. § 7-127-203. All proxies will be reviewed by the Association's Secretary or his or her designee as to the following:

- Validity of the signature
- The signatory's authority to sign for the Member
- Authority of the Member to vote
- Conflicting proxies
- Expiration of the proxy

7.2 Board Meetings. Board meetings will be called pursuant to the Bylaws of the Association. Board meetings are open to Members and their representatives, except for executive sessions. The Board may from time to time adjourn to executive session, during which only Board members and their invitees may be present and participate. Matters considered in an executive session are limited to those permitted by Colorado law.

7.3 Member Input. The agenda for Member and Board meetings will include an open forum during which a Member or his or her representative may speak, subject to Section 7.4. In addition, after a motion and second has been made on any matter before the meeting, but prior to a vote by the Members or Directors, Members or their representatives present at that time will be afforded an opportunity to speak (subject to Section 7.4) on the motion as follows:

- (1) The chair will ask those Members present to indicate on a sign-up sheet or 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 will also announce the procedure for who will be permitted to speak if not everyone desiring to speak will be permitted to speak.
- (2) Following Member input, the chair will declare Member input closed and there will be no further Member participation on the motion at hand unless a majority of the Board votes to open the discussion to further Member participation.

7.4 Rules of Conduct. Member and Board meetings will be governed by the following rules of conduct:

- (1) The Association president or in his or her absence the Association vice president will chair Member and Board meetings.
- (2) Owners who attend a Member meeting must sign in, present any proxies, and receive ballots as appropriate. Owners who attend a Board meeting may be required to sign in, listing their name and Lot address or other affiliation.
- (3) Any person desiring to speak during an open forum must sign up on the list provided at check in and indicate if he or she is speaking for or against an agenda item.
- (4) Anyone wishing to speak must first be recognized by the chair.
- (5) Only one person may speak at a time.
- (6) Each person who speaks must first state his or her name and Lot address.

- (7) Any person who is represented at the meeting by another person, as indicated by a written instrument, will be permitted to have that person speak for him or her.
- (8) Those addressing the meeting will be permitted to speak without interruption from anyone so long as the rules in this Section 7.4 are followed.
- (9) Comments must be offered in a civilized manner and without profanity, personal attacks or shouting. Comments must be relevant to the purpose of the meeting.
- (10) Except as allowed by the chair pursuant to Section 7.3, each person will be given up to a maximum of three minutes to make a statement or to ask questions, or such longer or shorter time period as the chair may establish for the orderly conduct of the meeting. Time limits may be increased or decreased by the chair but must be uniform for all persons addressing the meeting.
- (11) Each person may only speak once unless otherwise permitted by the chair.
- (12) The Board may decide whether to answer questions during the meeting.
- (13) Yielding of time by a speaker to another individual will not be permitted.
- (14) All actions and decisions of record require a motion and a second.
- (15) Once a vote has been taken, the chair may close further discussion regarding that topic.
- (16) Written notes may be taken during a meeting, but unless the Board approves otherwise, no audio, video or other recording of the meeting may be made.
- (17) The Association will keep minutes of actions taken at the meeting.
- (18) Anyone disrupting the meeting or violating the rules in this Section 7.4, as determined by the chair, will be asked to immediately cease the disruption or violation. If that person fails or refuses to do so, he or she will be required to leave the meeting immediately.
- (19) The chair may adjourn the meeting as necessary to maintain order or complete the business of the meeting.
- (20) The chair may from time to time establish such additional rules of order as may be necessary or appropriate for the orderly and efficient conduct of the business of the Association.

8. INVESTMENT POLICY

8.1 Definitions. The following additional defined terms apply to this Section 8.

8.1.1 “Operating Funds” mean funds held for the day-to-day operation of the Association.

8.1.2 “Permitted Investments” mean (a) money market accounts and certificates of deposit issued by a Qualified Bank or a Qualified Credit Union, and (b) obligations backed by the full faith and credit of the United States.

8.1.3 “Qualified Bank” means a bank chartered by a state or the federal government, domiciled in the United States, and a member of the Federal Deposit Insurance Corporation (FDIC), or a bank chartered in a foreign country having one or more physical branches located in the contiguous United States and a member of the FDIC.

8.1.4 “Qualified Credit Union” means a nonprofit, cooperative financial institution, organized under the laws of a state or the federal government, domiciled in the United States, and a member of or insured by National Credit Union Administration (NCUA).

8.1.5 “Reserve Funds” mean funds held as part of the Association’s reserve fund.

8.2 Investment Objectives. Operating Funds and Reserve Funds will be deposited and invested by the Association in accordance with Colorado law and resolutions enacted by the Board to accomplish the following objectives:

8.2.1 Safety of Principal. Safety of principal is the foremost objective. Investments will be made in such a manner as to ensure preservation of capital and minimize credit risk and interest rate risk.

- (1) The Association will minimize credit risk (the risk of loss due to the failure of the financial institution) by (a) limiting investments to the types allowed in this Investment Policy, (b) vetting the financial institutions, broker-dealers, and advisors with whom the Association does business, and (c) subject to the limitations imposed in this Investment Policy, diversifying the investments to minimize losses on individual investments.
- (2) The Association will minimize investment rate risk (the risk that market changes in interest rates will adversely affect the value of the Association’s investments) by (a) structuring investments so that they mature sufficiently close to the time when cash is expected to be needed for operations or capital expenditures, thereby minimizing the need to sell investments prior to maturity, (b) investing Operating Funds primarily in short- to intermediate-term investments consistent with the Association’s annual budget and projections in the Association’s long range financial plan, and (c) investing Reserve Funds in investments that match the Association’s capital needs as set forth in the Association’s annual budget and the current reserve study.

8.2.2 Types of Investments. Association monies may be invested only in Permitted Investments. No Association monies may be invested in any single institution in excess of the FDIC or NCUA insurance limits applicable to that institution.

8.2.3 Yield. Subject to the restrictions on the types of investments, the Association’s investments will earn competitive market rates of return throughout budgetary and economic cycles, considering investment risk, cash flow needs, and other applicable constraints.

8.3 Delegation of Authority. The Association’s president, treasurer, assistant treasurer and General Manager are authorized to manage investments, cash, and treasury functions in accordance with

this Investment Policy. Persons authorized by this Section 8.3 may consult with the Association's Long-Range Planning and Finance Committee and engage the advisory or support services of outside professionals, subject to approval by the Board.

8.4 Direct Investments and Purchased Investments. Upon approval by the Board, the Association may open accounts for Permitted Investments with (a) Qualified Banks or Qualified Credit Unions, (b) the United States Treasury (TreasuryDirect®), or (c) broker-dealers who are members of the NYSE, FINRA, and SIPC, and purchase Permitted Investments through these broker-dealers. Operating Funds and Reserve Funds must be held in separate accounts. Cash in any account must be insured by FDIC or NCUA. Certificates of deposit purchased through a broker-dealer must be "new issue" not purchased on the secondary market.

8.5 Reporting. The Long-Range Planning and Finance Committee or an outside advisor will prepare an annual report for the Board, summarizing for Operating Funds and Reserve Funds the investment earnings and transactions for the past year and listing the Association's investments and their market values as of a recent date. The Board will make available to requesting Members a listing on an itemized basis as to amount, type, and interest rate, of the instruments, funds, and accounts in which Association funds are invested or deposited.

9. AMENDMENTS POLICY

9.1 Right to Adopt and Amend. The Board may from time to time amend or repeal the Rules and the Association's policies and procedures (including these Governance Policies), or adopt new Rules or policies and procedures, as necessary to comply with Colorado law, to further the purposes for which the Association was established, or as may be necessary or advisable to facilitate the efficient operation of the Association, including the clarification of ambiguous provisions in other documents.

9.2 Notice to Members. The Association will notify Members of the adoption and effective date of a new Rule, policy or procedure applicable to Members or the adoption and effective date of an amendment to an existing Rule, policy or procedure applicable to Members. The notice may include either a copy of the applicable document or a description of the document and where it may be found on the Association's website. The notice may be sent directly to Members or may be included in an electronic communication available to Members generally. A Member's failure to receive notice of an amendment or new Rule, policy or procedure may not be asserted as a defense to an attempt by the Association to enforce a Violation. The Association may, but is not required to, solicit input from Members before adopting a new Rule, policy or regulation or an amendment to an existing Rule, policy or procedure.



Castle Pines Homes Association Owner Request for Records

Note: Association records may be inspected and copied by any Owner. This form and many Association records are available for download on the Association's website:

www.thevillagecastlepines.com.

Request to: Inspect Records ☐ Copy Records ☐ Both Inspect and Copy ☐

Records Requested By:

Owner Name: _____

Address: _____

Phone #: _____ Fax #: _____

Email Address: _____

Description of Records Requested:

Format Requested:

Please note that a nominal copy charge may apply for large document requests

Paper ☐ E-mail ☐ Fax ☐

Member

Signature: _____ Date: _____

Please return this completed form to:

Castle Pines Homes Association, Inc.

688 West Happy Canyon Road, Castle Rock, CO 80108

Phone (303).814-1345 / Fax (303).814-1563

Email: admin@thevillagecastlepines.com