

**RESOLUTION
OF
CRESTED MOUNTAIN NORTH CONDOMINIUM ASSOCIATION, INC.,
REGARDING ALTERNATIVE DISPUTE RESOLUTION (ADR)**

SUBJECT: Adoption of a procedure regarding Alternative Dispute Resolution.

PURPOSE: To adopt a standard procedure to be followed for alternative dispute resolution issues between Owners and the Association.

AUTHORITY: The Declaration, Articles and Bylaws of the Association, and Colorado law.

EFFECTIVE DATE: June 20, 2016

RESOLUTION: The Association hereby adopts the following Policy:

1. This Resolution is hereby adopted for the purpose of compliance with C.R.S. §38-33.3-123, and to promote the recreation, health, safety, and welfare of the owners and residents of the properties.


2. In the event of any dispute involving the Association and an Owner, the Owner is invited and encouraged to meet with the Board of Directors and/or any committee appointed by the Board to resolve the dispute informally and without the need for litigation. If the Owner requests to meet with the Board, the Board shall make a reasonable effort to comply with the Owner's request.

3. Nothing in this Policy shall be construed to require any specific form of alternative dispute resolution, such as mediation or arbitration, or require the parties to meet. Neither the Association nor the Owner waives the any right to pursue whatever legal or other remedial actions available to either party.

**PRESIDENT'S
CERTIFICATION:**

The undersigned, being the President of the Crested Mountain North Condominium Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was approved and adopted by the Board of Directors of the Association, in accordance with the Association governing documents on June 20, 2016 and in witness thereof, the undersigned has subscribed her name.

Crested Mountain North Condominium Association, Inc.,
a Colorado non-profit corporation

By: 
President

**RESOLUTION
OF
CRESTED MOUNTAIN NORTH CONDOMINIUM ASSOCIATION, INC.,
REGARDING ALTERNATIVE DISPUTE RESOLUTION (ADR)**

SUBJECT: Adoption of a procedure regarding Alternative Dispute Resolution.

PURPOSE: To adopt a standard procedure to be followed for alternative dispute resolution issues between Owners and the Association.

AUTHORITY: The Declaration, Articles and Bylaws of the Association, and Colorado law.

EFFECTIVE DATE: June 20, 2016

RESOLUTION: The Association hereby adopts the following Policy:


1. This Resolution is hereby adopted for the purpose of compliance with C.R.S. §38-33.3-123, and to promote the recreation, health, safety, and welfare of the owners and residents of the properties.

2. In the event of any dispute involving the Association and an Owner, the Owner is invited and encouraged to meet with the Board of Directors and/or any committee appointed by the Board to resolve the dispute informally and without the need for litigation. If the Owner requests to meet with the Board, the Board shall make a reasonable effort to comply with the Owner's request.

3. Nothing in this Policy shall be construed to require any specific form of alternative dispute resolution, such as mediation or arbitration, or require the parties to meet. Neither the Association nor the Owner waives the any right to pursue whatever legal or other remedial actions available to either party.

PRESIDENT'S CERTIFICATION: The undersigned, being the President of the Crested Mountain North Condominium Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was approved and adopted by the Board of Directors of the Association, in accordance with the Association governing documents on June 20, 2016 and in witness thereof, the undersigned has subscribed her name.

Crested Mountain North Condominium Association, Inc.,
a Colorado non-profit corporation

By: 
President

**RESOLUTION
OF
CRESTED MOUNTAIN NORTH CONDOMINIUM ASSOCIATION, INC.,
REGARDING COLLECTION OF ASSESSMENTS**

SUBJECT: Adoption of a procedure regarding collection of Assessments.

PURPOSE: To adopt a standard procedure to be followed for collection of assessments.

AUTHORITY: The Declaration, Articles and Bylaws of the Association, and Colorado law.

EFFECTIVE DATE: June 20, 2016

RESOLUTION: The Association hereby adopts the following Policy:

1. This Resolution is hereby adopted for the purpose of compliance with C.R.S. §38-33.3-209.5, and to promote the recreation, health, safety, and welfare of the owners and residents of the properties, for the improvement and maintenance of the Common Area.

2. Due Date. The rate of assessment shall be fixed, and from time to time amended, in a manner sufficient to meet the expected needs of the Association, as determined by the Board of Directors ("Board") in order to act in a fiscally sound manner or in accordance with the Declaration. Assessments shall be assessed and paid per the Association governing documents and as determined by the Board in compliance therewith. Assessments are delinquent if not paid in full within 15 days of the Due Date. Currently Common Expense Assessment Due Dates are: The first day of each calendar month.

3. Late Charges. At the Board's discretion a late fee can be imposed on any assessment installment, whether pertaining to annual, special, or default assessments if not paid in full within fifteen (15) days of the Due Date. The amount of the late fee is discretionary to the Board but presently is \$25.00 in addition to accruing interest. Each Assessment that becomes overdue can be assessed a Late Fee.

4. Return Check Charges. A fee of \$20.00 shall be assessed against an Owner in the event any check or other instrument attributable to or payable for the benefit of such Owner is not honored by the bank or is returned by the bank for any reason whatsoever, including but not limited to insufficient funds. Such return check charge shall be considered an Assessment due and payable immediately upon demand.

5. Interest Rate. Interest shall accrue at the interest rate of 15% per annum on any assessment installment or portion thereof including late fees, whether pertaining to annual, special, or default assessments, if not paid in full within fifteen (15) days of the Due Date. Interest shall continue to accrue thereafter on unpaid balances until paid in full.

6. Suspension of Voting Rights. No Owner who has an assessment delinquency shall be entitled to vote on any Association matter.

7. Statement of Lien. The Association, by and through its duly authorized Managing Agent, or attorney, may record with the Gunnison County Clerk and Recorder a Statement of Lien in regard to delinquent assessments.

8. Payment Plan.

- a. Unless the Owner does not occupy the Unit and has acquired the Unit as a result of (x) a default of a security interest encumbering the Unit, or (y) foreclosure of the Association's lien, the Association shall offer the Owner a payment plan.
- b. The payment plan shall allow the Owner to pay the entire outstanding balance owed to the Association in six (6) equal monthly installments. The Owner shall sign a document describing the payment plan and the effective date of the first payment. **However**, in the event that the Association and the same Owner have entered into a payment plan in the past, the Association is under no obligation to enter into another payment plan.
- c. In the event that an Owner who has entered into a payment plan with the Association fails to comply with the terms of the payment plan, the Association may immediately begin pursuing legal action against such Owner.
- d. An Owner's failure to remit payment of the agreed upon installment or to remain current with regular assessments as they become due during the six-month period, constitutes a failure to comply with the terms of the payment plan.

9. Procedure for Collection of Assessments.

(a) The actions prescribed herein are a framework for collection of assessments and can be adjusted as the Association, through its Board of Directors, may deem fit. This includes the process below.

(b) *Initial Demand Letter.* Any assessment installment, whether pertaining to monthly, special, or default assessments, is delinquent if not paid in full within fifteen (15) days of the Due Date. The Association may itself or through its Managing Agent, accountant or attorney send a letter requesting payment of the overdue assessment amount on the letter form attached hereto as Exhibit "A" or similar document, which generally should advise the delinquent Owner of the following:

- (i) The total amount due, with an accounting of how the total was determined;
- (ii) Whether the opportunity to enter into a payment plan exists pursuant to C.R.S. § 38-33.3-316.3 and instructions for contacting the Board of Directors or Managing Agent to enter into such a payment plan;
- (iii) The name and contact information for the individual the Owner may contact to request a copy of the Owner's ledger in order to verify the amount of the debt;
- (iv) That action is required to cure the delinquency and that failure to do so within thirty (30) days may result in the Owner's delinquency account being turned over to the Association's attorneys, a lawsuit being filed against the Owner, the filing and foreclosure of a lien against the Owner's property, or other remedies available under Colorado law;
- (v) a late fee has been levied on any future assessments that become overdue;

- (vi) Interest at the rate of twelve (12%) per annum began to accrue on the unpaid amount fifteen (15) days after the Due Date;
- (vii) the Owner's voting rights are suspended until the delinquency, including all interest, late fees and collection cost and fees, is satisfied in full;
- (viii) a Statement of Lien may be recorded due to the delinquency; and
- (ix) the Owner shall be liable for all attorney fees and costs incurred by the Association to collect delinquent amount(s).

Second Demand Letter. If any assessment installment, whether pertaining to monthly, special, or default assessments, is not paid in full within forty-five (45) days of the Due Date, the Association may (but is not required to), itself or through its designated Managing Agent, accountant, or attorney, send a second letter to the delinquent Owner on the form attached hereto as Exhibit "B" or similar document.

(c) *Final Demand Letter.* If any assessment installment, whether pertaining to monthly, special, or default assessments, is not paid in full within sixty (60) days of the Due Date, the Association may (but is not required to) authorize its legal counsel to send a final demand letter advising the delinquent Owner that legal proceedings may be commenced for collection of all overdue amounts, including interest, late fees and collection costs and fees. This step is not required before commencement of collection proceedings per section (e) below.

(d) *Personal Collection Action/Foreclosure.* If any assessment installment, whether pertaining to monthly, special, or default assessments, is not paid within sixty (60) days of the Due Date, the Board may authorize either personal collection action, or both. The Board may authorize such action to occur sooner, regardless of whether any or all of the steps set forth above have occurred, in the event it is in the financial best interest of the Association.

10. Non-binding on Association. The provisions of this Collection Policy and Procedure are to establish a framework for prompt and uniform collection of overdue assessments. Crested Mountain North Condominiums shall not be required to take each or any of the steps set forth herein, and its failure to take any of these steps, and/or to follow each step as prescribed herein, shall not be deemed a violation that would alleviate an Owner's obligations under the Association documents or the Colorado Common Interest Act ("CCIOA") or be a waiver by the Association of any of its rights pursuant to the Association documents or CCIOA. Furthermore, an owner cannot assert as a defense in any collection action for assessments the lack of compliance with this Policy and Procedures.

11. Non-exclusive Remedies. All remedies set forth herein are cumulative and non-exclusive.

12. No Waiver. Failure of the Board, the Manager, or designated agent to enforce the Crested Mountain North Condominium documents and/or these policies and procedures, shall not be deemed a waiver of the right to do so with regard to said violation, any subsequent violations, or the right to enforce any part of the Crested Mountain North Condominiums documents at any future time.

13. No Liability. No member of the Board, the Manager, or any Owner shall be liable to any other Owner for the failure to enforce any of the Crested Mountain North Condominium documents, including these Policy and Procedures, at any time.

14. Recovery of Costs. If any attorney is hired to enforce any provisions of the Crested Mountain North Condominium documents, including this Policy and Procedures, or for the restraint of violation of the Crested Mountain North Condominium documents, the prevailing party in such proceeding shall be entitled to recover its reasonable attorney fees and all costs incurred by it in such action.

**PRESIDENT'S
CERTIFICATION:**

The undersigned, being the President of the Crested Mountain North Condominium Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was approved and adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors of the Association on June 20, 2016 and in witness thereof, the undersigned has subscribed her name.

Crested Mountain North Condominium Association, Inc.,
a Colorado non-profit corporation

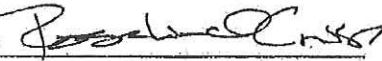
By: 
President

EXHIBIT "A"

FIRST DEMAND LETTER

Dear Crested Mountain North Condominium Owner:

Please be advised that your last assessment installment in the amount of \$_____ is delinquent pursuant to the Association governing documents. The purpose of this letter is to request immediate payment of the delinquency and to advise you generally of the ramifications for non-payment.

As of [insert date], the amount of delinquency for your association dues is \$[insert amount]. The Association requests that you pay your past due account in full. However, the Association has authorized a payment plan in order to help you bring your dues current. In order to bring your delinquent account current, the Association has authorized a six month payment plan. Under this payment plan, you must pay your regularly assessed dues along with the additional amount of \$[insert payment plan amount] each month for a period of six months starting in _____ in order to bring your account current.

This payment plan is a one-time opportunity to bring your delinquent account current in six months. Failure to comply with this monthly payment schedule at any time may result in an immediate action. This is the only notice that you will receive.

THIS IS AN ATTEMPT TO COLLECT A DEBT. ANY INFORMATION OBTAINED WILL BE FOR THAT PURPOSE. THE AMOUNT OF THE DEBT YOU OWE IS \$[insert amount]. THE NAME OF THE CREDITOR TO WHOM YOU OWE THE DEBT IS CRESTED MOUNTAIN NORTH CONDOMINIUM ASSOCIATION.

Unless you notify our office in writing within thirty (30) days after receiving this letter that you dispute the validity of the debt, or any portion thereof, the debt will be assumed to be valid. If you notify us in writing of your dispute within this thirty (30) day period, we will obtain verification of the debt or judgment, if one exists, and will mail you a copy. Upon your written request within the thirty (30) day period we will provide you with the name and address of the original creditor, if different from the current creditor.

The ramifications for non-payment include, but are not necessarily limited to, the following:

- (a) A late fee has been levied against your account and will be levied upon any other assessments that become overdue;
- (b) Interest began to accrue at the rate of fifteen (15%) per annum when your account became delinquent and will continue to accrue until all owed amounts are paid in full;
- (c) Your voting rights are suspended until the delinquency is satisfied in full;
- (d) A Statement of Lien may be recorded against your Unit if payment is not made;

(e) You are liable for all attorney fees and costs incurred by Crested Mountain North Condominiums to address and/or collect the delinquency.

Overdue assessments have a negative impact on the Association, and as such, Crested Mountain North Condominiums looks forward to your immediate cooperation in this regard.

THIS IS AN ATTEMPT TO COLLECT A DEBT. ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE. A NOTICE OF CONSUMER RIGHTS CAN BE PROVIDED UPON REQUEST.

Very truly yours,

CRESTED MOUNTAIN NORTH CONDOMINIUM
ASSOCIATION, INC.

By: _____
Its: _____

EXHIBIT "B"

SECOND DEMAND LETTER

Dear Crested Mountain North Condominium Owner:

Please be advised that you have overdue assessments that are delinquent pursuant to the Association governing documents. The purpose of this correspondence is to advise you that the following may occur, in addition to other remedies and rights of the Crested Mountain North Condominiums if payment is not immediately received:

- (a) Your ability to take advantage of the payment plan offered in first demand letter has passed;
- (b) A late fee has been levied and will be levied on any future assessments that become overdue;
- (c) Interest began to accrue at the rate of twelve (12%) per annum when your account became delinquent and will continue to accrue until all owed amounts are paid in full;
- (d) Your voting rights are suspended until the delinquency is satisfied in full;
- (e) A Statement of Lien may be recorded against your Unit with the Gunnison County Clerk and Recorder if payment is not received immediately;
- (f) You continue to be liable for all attorney fees and costs that are incurred by the Association to address your delinquency;
- (g) A legal foreclosure and/or personal collection proceeding may be instituted to collect the delinquency.

Overdue assessments have a negative impact on the Association, and as such, Crested Mountain North Condominiums looks forward to your immediate cooperation in this regard.

THIS IS AN ATTEMPT TO COLLECT A DEBT. ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE. A NOTICE OF CONSUMER RIGHTS CAN BE PROVIDED UPON REQUEST.

Very truly yours,

CRESTED MOUNTAIN NORTH CONDOMINIUM ASSOCIATION

By: _____
Its: _____

**RESOLUTION
OF
CRESTED MOUNTAIN NORTH CONDOMINIUM ASSOCIATION, INC.,
REGARDING CONDUCT OF MEETINGS**

SUBJECT: Adoption of a procedure to govern the conduct of meetings.

PURPOSE: To adopt a procedure to be followed conducts of meetings.

AUTHORITY: The Declaration, Articles and Bylaws of the Association, and Colorado law.

EFFECTIVE:

DATE: June 20, 2016

RESOLUTION: The Association hereby adopts the following Policy:

1. This Resolution is adopted for the purpose of compliance with C.R.S. 38-33.3-209.5(1)(b)(VII).

I. MEETINGS

1. Meetings of the membership shall occur in accordance with the Bylaws of the Crested Mountain North Condominiums ("Bylaws"), the Colorado Not for Profit Corporate Act and Roberts Rules of Order.

II. EXECUTIVE CLOSED DOOR SESSIONS.

1. The members of the Board of Directors ("Board") or any committee thereof may hold an executive closed door session during any regular or specifically announced meeting or any part thereof and restrict attendance to Board Members and such other persons, including property managers, financial and legal advisers, requested by the Board. The attendance of other persons such as property managers, attorneys and accountants, shall not invalidate the confidential nature of the executive session. The matters to be discussed at such an executive session can only include the following matters:

(a) matters pertaining to employees of the Association or the managing agent's contract, or involving the employment, promotion, discipline 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 could constitute an unwarranted invasion of individual privacy;

- (f) review of or discussion relating to any written or oral communication from legal counsel.

Upon the final resolution of any matter for which the Board received legal advice or the concerned pending and contemplated litigation, the Board may elect to preserve the attorney/client privilege in any appropriate manner, or may elect to disclose such information, as it deems appropriate, about such matter in an open meeting.

2. Prior to the time the members of the Board or any committee thereof convene an executive session, the chair of the body shall announce the general matter of discussion.

3. No rule or regulation of the Board or any committee thereof shall be adopted during an executive session. A rule or regulation may be validly adopted only during a regular or special meeting after the Board goes back into regular session following an executive session.

4. The meetings of all minutes at which an executive session was held shall indicate only that an executive session was held and the general subject matter of the executive session. Decisions made and actual discussions held at the executive session do not need to be reflected in the minutes.

III. SECRET BALLOTS

1. Votes for positions on the Board shall be taken by secret ballot and, upon the request of one or more Unit Owners, a vote on any other matter affecting the common interest community on which all owners are entitled to vote shall be by secret ballot. Ballots shall be counted by a neutral third party, which can be the property management company, or by a Unit Owner who is not a candidate, who attends the meetings at which the vote is held, and who is selected at random from a pool or two or more such Owners. The results of the vote shall be reported without reference to names, addresses, or other identifying information.

IV. VOTING BY PROXY

1. In addition to the provisions in the Bylaws for the Association, and the provisions of the Colorado Non-profit Corporation and Association Act codified at CRS 7-122-101 et seq. in regard to voting by proxy, if only one of the multi-owners of a unit is present at a meeting of the Association, such owner is entitled to cast all of the votes allocated to that unit. If more than one of the multiple owners is present, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority of the owners, unless the Declaration expressly provides otherwise. There is a majority agreement if any one of the multi-owners casts the votes allocated to that unit without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Unit.

2. Votes allocated to a unit may be cast pursuant to a proxy duly executed by a unit owner. A proxy shall not be valid if obtained through fraud or misrepresentation. Unless otherwise provided in the Declaration, Bylaws or Rules of the Association, appointment of proxies may be made substantially as provided in Section 7-127-302, CRS of the Colorado Nonprofit Corporation and Association Act. If a Unit is owned by more than one person, each Owner of the Unit may vote or register protest to the casting of votes by the Owners of the Unit through a duly executed proxy. An Owner may not revoke a proxy given pursuant to this section except by actual notice of revocation to the person presiding over a

meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates eleven (11) months after its date, unless it provides otherwise.

3. The Association is entitled to reject a vote, consent, written ballot, waiver, proxy, appointment, or proxy appointment revocation if the secretary or other officer or agent authorized to tabulate votes, including the property management company, acting in good faith, has reasonable basis to doubt validity of the signature on it or about the signatory's authority to sign for the Owner.

4. The Association and its officer(s) or agent(s) who accept or reject a vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation in good faith and in accordance with the standards of this section are not liable in damages for the consequences of the acceptance or rejection.

5. Any action of the Association based on the acceptance or rejection of a vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation under this section is valid unless a court of competent jurisdiction determines otherwise.

V. COLORADO NONPROFIT CORPORATION ASSOCIATION ACT

1. To the extent that there are any provisions of the Bylaws, this meeting policy and/or the Colorado Common Interest Ownership codified at CRS 38-32.3-310.1 et seq. that does not address an issue regarding conducting of meetings and voting in regard the provisions of the Colorado Nonprofit Corporation and Association Act shall be referred to which is codified at CRS 7-122-101 et seq.

VI. CONDUCT OF BOARD MEETINGS

1. All meetings of the Board of Directors shall be conducted in compliance with the Bylaws of the Association in conjunction with the provisions of this Policy with additional reference to the Colorado Common Interest Ownership Act specifically CRS 38-33.3-310.5 and the Colorado Nonprofit Corporation and Association Act codified at CRS 7-122-101 et seq.

**PRESIDENT'S
CERTIFICATION:**

The undersigned, being the President of the Crested Mountain North Condominium Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was approved and adopted by the Board of Directors of the Association, in accordance with the Association's governing documents on June 20, 2016 and in witness thereof, the undersigned has subscribed her name.

Crested Mountain North Condominium Association, Inc.,
a Colorado non-profit corporation

By: Richard C. Cragg
President

**RESOLUTION
OF
CRESTED MOUNTAIN NORTH CONDOMINIUM ASSOCIATION, INC.,
REGARDING CONFLICTS OF INTEREST**

SUBJECT: Adoption of a procedure to ascertain and address conflicts of interest.

PURPOSE: To adopt a standard procedure to be followed to ascertain and address conflicts of interest.

AUTHORITY: The Declaration, Articles and Bylaws of the Association, and Colorado law.

EFFECTIVE DATE: June 20, 2016.

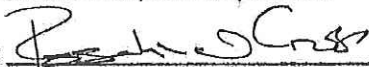
RESOLUTION: The Association hereby adopts the following Policy:

1. This Resolution is adopted for the purpose of compliance with C.R.S. 38-33.3-209.5(1)(b)(VII).
2. If any contract, decision, or other action taken by or on behalf of the Board would financially benefit any member of the Board or any person who is a parent, grandparent, spouse, child, sibling of the Board or a parent or spouse of any of those persons, that member of the Board shall declare a conflict of interest for that issue. The member shall declare the conflict in an open meeting prior to any discussion or action on that issue. After making such declaration, the member may participate in the discussion but shall not vote on the issue.
3. Any contract entered into in violation of this section is void and unenforceable.
4. This section shall not be construed to invalidate any provision of the Declaration, Bylaws, or other Association documents that more strictly defines conflicts of interest or contains further limits on the participation of Board members who may have conflicts of interest.
5. "Financial Benefit" shall mean a benefit, directly or indirectly through business, investment, family, or other relationships where such Board member has an ownership or investment interest in any entity with which the Association has a transaction or arrangement; or a compensation arrangement with the Association, or with any entity or individual with which the Association has a transaction or arrangement; or a potential ownership or investment interest in, or compensation arrangement with any entity or individual with which the Association is negotiating a transaction or arrangement. Compensation may include direct or indirect remuneration, gifts, favors, exchanges of labor, material, and services and the like that are substantial in nature.
6. Each member of the Board shall annually sign a statement which affirms that such person has received a copy of the Conflicts of Interest Policy, has read and understands the Policy, has agreed to comply with the Policy.

**PRESIDENT'S
CERTIFICATION:**

The undersigned, being the President of the Crested Mountain North Condominium Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was approved and adopted by the Board of Directors of the Association, in accordance with the Association governing documents on June 20, 2016 and in witness thereof, the undersigned has subscribed her name.

Crested Mountain North Condominium Association, Inc.,
a Colorado non-profit corporation

By: 
President

**RESOLUTION
OF THE
CRESTED MOUNTAIN NORTH ASSOCIATION, INC.,
REGARDING ENFORCEMENT OF COVENANTS AND RULES**

SUBJECT: Adoption of a procedure regarding enforcement of covenants and rules.

PURPOSE: To adopt a standard procedure to be followed for enforcement of covenants and rules.

AUTHORITY: The Declaration, Articles and Bylaws of the Association, and Colorado law.

EFFECTIVE DATE: June 20, 2016

RESOLUTION: The Association hereby adopts the following Policy in compliance with CRS 38 33.3-209.5 by and through its Board of Directors:

1. Adoption. These policies and procedures are hereby adopted for the purpose of compliance with C.R.S. 38-33.3-209.5(1)(b)(iv), and to promote the recreation, health, safety, and welfare of the owners and residence of the Association and to create a fair procedure for enforcement of the Association governing documents.

2. Purpose. These policies and procedures shall govern the enforcement of covenants and rules other than those adopted for collection of unpaid assessments which are addressed elsewhere in the Association governing documents and by separate policy and procedure for the same, adopted by the Board.

3. Who is Subject. All owners and their guests, licensees, and invitees shall be subject to the Association governing documents, which specifically includes any and all rules and regulations and covenants adopted by the Association.

4. Power of Board. The Board shall have the power to impose reasonable fines, which shall constitute a lien upon a Unit as a default assessment, and to suspend an Owner's right to vote or to use the Common Area for violation of any duty imposed upon them under the Association governing documents. In the event that any occupant of a Unit other than an Owner violates the Association governing documents and a fine or penalty is imposed the fine shall also be deemed assessed against the Owner of the Unit in question. Failure of the Board to enforce any provisions of the Association governing documents shall at no time be deemed a waiver of the right of the Board to do so thereafter.

5. General Procedure for Notification of Violation. The following shall constitute the general procedure by which notification of any violation of a rule, regulation or covenant of the Association, other than payment of dues and assessments, shall be addressed but in the event of an emergency or other situation that does not in the Board's discretion lend itself to this procedure the Board may implement penalties and address violations as it deems appropriate. The Board may also engage legal counsel at any time for advice and assistance which attorney fees and costs may be assessed against the offending Owner regardless of the process below:

5.1 Upon a violation of the Association governing documents Notice shall be provided via posting on the door of the Unit, e-mail address of the offending Owner on record, or mailed regular United States mail to the address on record for the offending Owner on a form, which generally should include the following (the "Notice Form"):

- 5.1.1 nature of alleged violation;
- 5.1.2 proposed sanction to be imposed;
- 5.1.3 name, address and telephone number of a person to contact to challenge the proposed action;
- 5.1.4 statement that the violator may challenge whether a violation occurred, the proposed sanction, or both by delivering to the Association written notice, to the address on the Notice Form, that the Owner desires to challenge the violation and/or sanction along with a statement of the reason for the challenge ("Challenge"). Unless otherwise provided on the Notice Form the time period for making a Challenge fifteen (15) days from the date of the Notice Form. A violation shall be deemed to have occurred and any sanction shall be effective as of the date of its assessment which can date back to the original violation date unless a timely Challenge occurs and the Board determines ultimately that a violation did not occur and/or modifies the sanction. If no Challenge is timely made the fines and/or sanctions shall not be subject to further review or challenge. An Owner may request a hearing before an impartial decision maker in their Challenge.

5.2 Hearing. If an Owner makes a timely Challenge and in the Challenge request a hearing ("Hearing") the Hearing shall be scheduled at the Board's discretion and shall be before an impartial decision maker(s) appointed by the Board ("Decision Maker"). The Hearing shall afford the alleged violator a reasonable opportunity to be heard which time period can be reasonably limited by the Decision Maker or Board. Written documentation may be demanded by and may be submitted to the Board for dissemination to the Decision Maker. The Hearing may be held telephonically. Upon receipt of a timely Challenge the Board shall provide written notice of the date and time of the Hearing to the Owner who requested the Hearing and who the Decision Maker will be. The Notice of the Hearing shall be provided not less than three (3) days before the date of Hearing. The Notice of the Hearing shall provide the time and place and format for the Hearing with an invitation to the violator to attend the Hearing and produce any statements, evidence, and witnesses. Proof of Notice of the Hearing shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, manager or director who delivered such notice. The notice requirement shall be deemed satisfied if an Owner who is being sanctioned appears at the Hearing. The minutes of the Hearing shall contain a general written statement of the results of the Hearing and the sanction, if any, imposed. The decision of the Board and/or Decision Maker at the Hearing is final and non-appealable.

6. Penalties and Fines.

6.1 General Fines and Penalties. The following constitutes the general fine and penalty schedule for violations of the governing documents of the Association, other than nonpayment of assessments and dues, which has a separate collection policy. The Board may implement a different fine schedule for specific events or violations as the Board deems appropriate from time to time which can be set forth on the Notice Form. If not otherwise noted on the Notice Form the fines and penalties shall be as listed below but these fines and penalties are in addition to any actual damages, penalties or

related costs and expenses that may be the responsibility of the offending Owner. An "Offense" for purposes of this section shall mean a violation of Colorado law or the Association governing documents with second, third, subsequent and ongoing Offenses relating to Offenses that a Notice Form had been previously provided for:

- 6.1.1 First time Offense occurs – twenty five dollars (\$25.00);
- 6.1.2 Second time Offense occurs – fifty dollars (\$50.00);
- 6.1.3 Third time Offense occurs – one hundred dollars (\$100.00);
- 6.1.4 Any subsequent Offense – two hundred dollars (\$200.00);
- 6.1.5 For ongoing or continuing Offense, which are Offenses that continue unabated for 24 hours after a Notice Form is served the fine shall be \$25.00 every 24 hours after the Notice Form was served until the Offense is remedied or ceases in full.

6.2 Failure to Pay. Any fines not paid within thirty days (30) from the Notice of Form or confirmation of the sanction after a Hearing shall be considered a delinquent assessment, and shall constitute as a lien upon the offending Owner's unit. Said lien may be enforced in the same manner as a lien for unpaid assessments in accordance with the Declaration of the Association including the recovery of all attorney fees and costs incurred in collecting the lien and entitled the Association to all collection rights and options as provided for any delinquent assessment.

7. Miscellaneous.

7.1 Who May Enforce. Any action to enforce the Association documents, rules and regulations and policies may be brought by the Association, the Board, the managing agent and/or the Association's counsel in the name of the Association on behalf of the Owners.

7.2 Remedies. In addition to the remedies set forth in the Association documents and any rules, regulations and policies promulgated by the Association, any violation of said Association documents shall give the Board and the managing agent, or the Association's counsel, on behalf of the Owners, the right to enter upon the offending premises and take the appropriate peaceful action to abate, remove, modify, or replace at the expense of the offending Owner, a structural thing, condition or issue that may exist thereon, contrary to the interests and meaning of the Association documents and an Owner hereby grants an easement in and to his Unit for the purpose of complying with the Association documents. The cost shall be at the expense of the Owner responsible for the offending condition. Owners are responsible for the actions of their guests, family members, invitees, and tenants.

7.3 Non-Exclusive Remedies. The remedies set forth are cumulative and non-exclusive.

7.4 No Waiver. The failure of the Board, managing agent of the Association or aggrieved Owner to enforce the Association documents shall not be deemed a waiver of the right to do so for any subsequent violations or a waiver of the right to enforce any other part of the Association documents or the rules, regulations and policies at any future time.

7.5 No Liability. No member of the Board or the managing agent or any Owner shall be liable to any Owner for the failure to enforce any of the Association documents at any time.

7.6 Recovery of Costs. If legal assistance is obtained to enforce any provisions of the Association documents or any legal proceeding, whether or not suit is brought, for damages for enforcement of the Association documents including rules, regulations and policies or to restrain a violation of the Association documents, the Association shall be entitled to recover all attorney fees and costs incurred by in such action.

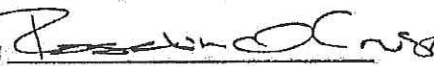
7.7 Additional Enforcement Rights. Notwithstanding any provisions in the Declaration to the contrary or in this Policy, the Association, acting through its Board of Directors, may elect to enforce any provision of the Declarations, Rules and Regulations by self-help or by suit at law in equity to enjoin any violation and to recover monetary damages or both without the necessity for compliance with the procedures set forth herein. In any such action the Owner responsible for the violations for which abatement is sought shall pay all costs, including reasonable attorney fees actually incurred.

7.8 Authorization for Emergency Action. The policy and procedures herein shall not apply to any emergency action which the Board deems is appropriate to take in regard to any violation of the Association governing documents including rules, regulations and policies. In the event what is deemed by the Board to be an emergency, including any matter that affects life safety or affects the immediate wellbeing of the Owners or the units, the Association may act immediately in enforcing the Association governing documents without the requirement to meet the procedures set forth above. In such event the offending Owner(s) is responsible for all costs and expenses, including attorney fees, incurred by the Association as a result of the violation regardless if the fact that a notice and hearing did not occur in advance.

**PRESIDENT'S
CERTIFICATION:**

The undersigned, being the President of the Crested Mountain North Condominium Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was approved and adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors of the Association on June 20, 2016 and in witness thereof, the undersigned has subscribed her name.

Crested Mountain North Condominium Association, Inc., a
Colorado non-profit corporation

By: 
President.

**RESOLUTION
OF
CRESTED MOUNTAIN NORTH CONDOMINIUM ASSOCIATION, INC.,
REGARDING INVESTMENT OF RESERVE FUNDS**

SUBJECT: Adoption of a resolution to address Investment of Reserve Funds.

PURPOSE: To adopt a procedure for Investment of Reserve Funds.

AUTHORITY: The Declaration, Articles and Bylaws of the Association, and Colorado law.

EFFECTIVE DATE: June 20, 2016

RESOLUTION: The Association hereby adopts the following Policy in compliance with CRS 38-33.3-209.5 by and through its Board of Directors:

1. The Association intends to maintain a reserve fund based upon its Policy and Procedure Regarding Reserve Studies. This Policy shall govern investment of any reserve funds so maintained by the Association. This policy does not govern the use of reserve funds.

2. The Association can, if desired, seek and receive advice regarding investment of reserve funds from financial professionals. The Association's Board of Directors is entitled to rely upon any such expert advice provided.


3. The Investment reserve policy provides a general guideline for purposes of the investment of reserve funds. At no time shall the Association, or its Board of Directors, be responsible for realizing a certain rate of return on the reserve funds and/or for any lost funds that may occur as a result of an investment made in regard to said funds.

4. The Association intends to invest any Reserve Funds in a manner that will maximize yields while preserving principal and maintaining liquidity.

**PRESIDENT'S
CERTIFICATION:**

The undersigned, being the President of the Crested Mountain North Condominium Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was approved and adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors of the Association on June 20, 2016 and in witness thereof, the undersigned has subscribed her name.

Crested Mountain North Condominium Association, Inc.,
a Colorado non-profit corporation

By: 
President

**RESOLUTION
OF
CRESTED MOUNTAIN NORTH CONDOMINIUM ASSOCIATION, INC.,
REGARDING RESERVE STUDIES**

SUBJECT: Adoption of a policy regarding reserve studies.

PURPOSE: To adopt a standard procedure to be followed for reserve studies.

AUTHORITY: The Declaration, Articles and Bylaws of the Association, and Colorado law.

EFFECTIVE DATE: June 20, 2016

RESOLUTION: The Association hereby adopts the following Policy:

RESERVE STUDY

A. If the Association had a reserve study performed ("Reserve Study"), a copy of said Reserve Study is on file with the property management company for the Association.

B. The Association intends to perform an internal update on the Reserve Study every five years unless decided otherwise by the Board of Directors.

C. The Association intends to perform annual visual inspection of the Crested Mountain North Condominium Project to ascertain if there has been any excessive deterioration of area that are the responsibility of the Association to maintain, repair or replace unless otherwise decided by the Board of Directors.

D. Any reserve study performed or commissioned by the Association shall include a physical and financial analysis of the portions of the Project maintained, repaired or replaced by the Association.

RESERVE STUDY FUNDING

A. The Association intends to commence with maintenance of a Reserve Fund. It is intended for the Reserve Fund to be maintained through the various Assessment options available to the Association, and any amendments and restatements thereof, as deemed appropriate by the Board of Directors. The Reserve Study shall be used as a benchmark for the Board to determine the amounts to be contributed to the Reserve Fund.

B. Costs incurred or necessary to maintain, repair and replace the Common Elements which arise and are not covered by the Budget may be paid through the Reserve Fund, at the option of the Board, but in such event the Board shall ascertain an appropriate method by which the Reserve Fund shall be adjusted to address the use of Reserve Funds for the maintenance, repair or replacement

of the Common Elements in order that the Reserve Fund shall maintain the balance necessary for its proposed and estimated purposes.

**PRESIDENT'S
CERTIFICATION:**

The undersigned, being the President of the Crested Mountain North Condominium Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was approved and adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors of the Association on June 20, 2016 and in witness thereof, the undersigned has subscribed her name.

Crested Mountain North Condominium Association, Inc.,
a Colorado non-profit corporation

By: 
President

**RESOLUTION
OF
CRESTED MOUNTAIN NORTH CONDOMINIUM ASSOCIATION, INC.,
REGARDING COPYING AND DISSEMINATION OF RECORDS**

SUBJECT: Adoption of a procedure regarding copying and dissemination of Association records.

PURPOSE: To adopt a standard procedure to be followed for copying and dissemination of Association records in compliance with Colorado law.

AUTHORITY: The Declaration, Articles and Bylaws of the Association, and Colorado law.

**EFFECTIVE
DATE:** June 20, 2016

RESOLUTION: The Association hereby adopts the following Policy in compliance with C.R.S. 38-33.3-209.4, 38-33.3-209.5 and 38-33.3-317 by and through its Board of Directors:

1. All Association records must be maintained in a form that allows conversion into written form in a reasonable time.
2. The following records **will be maintained** at the Association's principal office and shall be considered the sole records of the Association for purposes of document retention and production to owners:
 - a. Detailed records or receipts and expenditures affecting the operation and administration of the Association;
 - b. Records of claims for construction defects and amounts received pursuant to settlement of those claims;
 - c. Minutes of all meetings of the owners and the Board, a record of all actions taken by the owners and the Board without a meeting, and a record of all actions taken by any committee of the Board;
 - d. Written communications among, and votes cast by the Board that are: (i) directly related to an action taken by the Board without a meeting pursuant to C.R.S. § 7-128-202; or (ii) directly related to an action taken by the Board without a meeting pursuant to the Association's bylaws;
 - e. The names of owners in a form that permits preparation of a list of names of all owners and the physical mailing addresses at which the Association communicates with them, showing the number of votes each owner is entitled to vote;
 - f. The Association's current declaration, covenants, bylaws, articles of incorporation, rules and regulations, responsible governance policies adopted pursuant to C.R.S. § 38-33.3-209.5, and other policies adopted by the Board;

- g. Financial statements as described as in C.R.S. § 7-136-106 for the past three years and tax returns of the Association for the past seven years, to the extent available;
 - h. A list of the names, email addresses and physical mailing addresses of the current Board members and officers;
 - i. The Association's most recent annual report (if any) delivered to the Secretary of State;
 - j. Financial records sufficiently detailed to enable the Association to comply with C.R.S. § 38-33.3-316(8) concerning statements of unpaid assessments, to be sent by certified mail, return receipt requested, so they are received by the requesting party within fourteen days of the Association's receipt of request;
 - k. The Association's most current reserve study (if any);
 - l. Current written contracts to which the Association is a party and contracts for work performed for the Association within the immediately preceding two years;
 - m. Records of Board or Committee actions to approve or deny any requests for design or architectural approval from owners;
 - n. Ballots, proxies and other records related to voting by owners for one year after the election, action or vote to which they relate;
 - o. Resolutions adopted by its Board relating to the characteristics, qualifications, limitations, and obligations of members of any class or category of members; and
 - p. All written communications within the past three years to all owners generally as owners.
3. An owner or owner's authorized agent may inspect and copy Association records during normal business hours if the owner or authorized agent has submitted a written request, describing with reasonable particularity the records sought, at least ten days prior to the inspection or production of documents. The Association's "Request to Inspect Records" form is attached to and made a part of this Policy. The Association may not condition the production of records upon the statement of a proper purpose.
4. Notwithstanding Paragraph 3 above, 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 the consent of the Board. Without limiting the generality of this Paragraph 4, without the consent of the Board, a membership list or any part thereof may not be:
- a. Used to solicit money or property unless such money or property will be used solely to solicit the votes of owners in an election to be held by the Association;

- b. Used for any commercial purpose; or
 - c. Sold to or purchased by any person.
5. Records maintained by the Association **may be withheld** from inspection and copying to the extent that they are or concern:
- a. Architectural drawings, plans, and designs, unless released upon the written consent of the legal owners of the drawings, plans, or designs;
 - b. Contracts, leases, bids or records related to transactions to purchase or provide goods or services that are currently in or under negotiations;
 - c. Communications with legal counsel that are otherwise protected by attorney-client privilege or the attorney work product doctrine;
 - d. Disclosure of information in violation of law;
 - e. Records of an executive session of the Board; or
 - f. Records relating to or concerning individual units other than those of the requesting owner.
6. Records maintained by the Association are not subject to inspection and copying, and **must be withheld**, to the extent that they are or concern:
- a. Personnel, salary, or medical records relating to specific individuals; and
 - b. Personal identification and account information of members, including bank account information, telephone numbers, email addresses, driver's license numbers, and social security numbers.
7. The Association will impose a reasonable charge, which may be collected in advance and will cover costs of labor and material, for copies of Association records. The charge may not exceed the estimated cost of production and reproduction of the records.
8. A right to copy records under this Policy includes the right to receive copies by photocopying or other means, including the receipt of copies through an electronic transmission if available, upon request of an owner.
9. The Association is not obligated to compile or synthesize information.
10. Association records and the information contained within those records shall not be used for commercial purposes.
11. Upon request, the selling unit owner shall either provide to the buyer or authorize the Association to provide to the buyer, upon payment of the Association's usual fee pursuant to Paragraph 7 above, all the common interest community's governing

documents and financial documents, as listed in the most recent version of the contract to buy and sell real estate promulgated by the real estate commission as of the date of the contract.

12. Audits or reviews of the books and records of the Association shall be done at the discretion of the Board or upon owner request as follows:
 - a. An audit is required only if the Association has annual revenues or expenditures of at least \$250,000 and owners of at least one-third of the units represented by the Association request in writing an audit.
 - b. A review is required only when requested in writing by the owners of at least one-third of the units represented by the Association.
 - c. Copies of audits or reviews shall be available on request to any owner within thirty days after completion.

13. Within ninety days after the change or any of the following, the Association will give written notice to the owners of the following items by first class mail, personal delivery, a binder at the principal place of business, or posting on the Association's website:
 - a. Name of the Association and the common interest community;
 - b. Name and address of the management company, if any;
 - c. Physical address and phone number for the Association and the designated agent or management company; and
 - d. Date of recording of the Declaration and recording information.

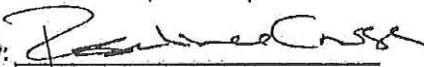
14. Within ninety days after the end of each fiscal year, the Association will make the following information available to owners by first class mail, personal delivery, a binder at the principal place of business, or posting on the Association's website:
 - a. Date the Association's fiscal year begins;
 - b. Operating budget for the current year;
 - c. List of current regular and special assessments, by unit type;
 - d. Annual financial statements, including reserves, if any;
 - e. Results of most recent audit or review;
 - f. List of all the Association insurance policies (property, general liability, director and officer liability, fidelity), including companies, policy limits and deductibles, additional insureds, and expiration dates;

- g. The Association bylaws, articles and rules and regulations;
 - h. Minutes of the Board and member meetings for the prior fiscal year; and
 - i. The Association's "Responsible Governance Policies."
15. The Association may impose a reasonable charge, which may be collected in advance and may cover the costs of labor and material for copies of the Association records. The charge will not exceed cost of production and reproduction of the records.
16. An Owner's right to copy records under this Policy includes the right to receive copies by photocopying or other means, including the receipt of copies through an electronic transmission if available, upon request by the Owners.
17. The Association is not obligated to compile or synthesize information.
18. The Association records and the information contained within those records shall not be used for commercial purposes.

**PRESIDENT'S
CERTIFICATION:**

The undersigned, being the President of the Crested Mountain North Condominium Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was approved and adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors of the Association on June 20, 2016 and in witness thereof, the undersigned has subscribed her name.

Crested Mountain North Condominium Association, Inc.,
a Colorado non-profit corporation

By: 
President

REQUEST TO INSPECT RECORDS

This written request is pursuant to the Policy on Records Inspection of the _____
_____ Association.

To: _____
c/o _____ (Management)

Address: _____

Email: _____

Date of this Request: _____, 20__

Date you or your agent intends to inspect the records (Must be at least 10 days after date of request):
_____, 20__

Person(s) requesting Inspection of the Association's records: _____

Person(s) who will be present for the review of the Association's records: _____

Please note that all actual costs of inspection and any authorized copies must be paid in advance by the person requesting them.

Specify with particularity the records requested for Inspection. Please include type and date(s) of record, indication of those records for which you request a copy, and any specifics that will identify the information you seek to review. If necessary, use additional sheets.

<u>Record</u>	<u>Date</u>
_____	_____
_____	_____
_____	_____
_____	_____

Name: _____
Date: _____
Address: _____
Authorized by: _____

**RESOLUTION
OF
CRESTED MOUNTAIN NORTH CONDOMINIUM ASSOCIATION, INC.,
REGARDING ADOPTION AND AMENDMENT OF POLICIES, RULES AND REGULATIONS**

SUBJECT: Adoption of a procedure for adoption and amendment of policies, rules and regulations.

PURPOSE: To adopt a standard procedure to be followed for adoption and amendment of policies rules and regulations.

AUTHORITY: The Declaration, Articles and Bylaws of the Association, and Colorado law.

EFFECTIVE DATE: June 20, 2016

RESOLUTION: The Association hereby adopts the following Policy:

1. This Resolution is adopted for the purpose of compliance with C.R.S. 38-33.3-209.5(1)(b)(VII), and to promote the recreation, health, safety, and welfare of the owners of the Association, for the improvement and maintenance of the Common Area, and to maintain a uniform and fair procedure for adoption of policies, procedures and rules of the Association.

2. These policies and procedures shall govern the adoption and amendment of policies, procedures and rules after the effective date of this policy. After adoption new policies, procedures and regulations will be posted on the Association website.

3. As provided for under C.R.S. 38-33.3-302 the Board is invested with the power to adopt policies, rules and regulations for the operation, use and occupancy of the Project. Prior to adoption of a policy, procedure or rule by the Board a written document reflecting the same shall be prepared and disseminated to the Members of the Association. The Members shall have thirty days after the provision of the proposed policy, rule or regulation per the notice provisions of the Bylaws and via e-mail transmission in the event the Bylaws do not specifically provide for notice via e-mail, to provide comment and/or input to the Board in regard to the same. After the expiration of the 30 day comment period the Board shall have full power and discretion to adopt the proposed policy, procedure or rule in the form disseminated to the Owners or to amend the same and adopt it in any format the Board deems appropriate. No vote of the membership is required or needed for the Board to adopt the proposed policy, procedure or rule after the expiration of the 30 day comment period. Once adopted any new or amended rule, regulation or policy shall be provided to the Members either by posting on the Association internet web page with an accompanying notice of the web address via first class mail or e-mail; by maintenance in a binder at the Association's principal place of business, or mail or personal delivery.

4. Any policy, rule or regulation may be repealed by the affirmative vote of not less than 75% of all Members held at a duly called annual or special meeting at which specifically the rule or regulation that is being asked to be repealed will be placed on the agenda for vote. It will require 75% of the votes of all


Members, not just those present and constituting a quorum, at the duly held meeting to repeal a rule or regulation.

5.No policy, rule or regulation may be adopted at an executive session of the Board.

**PRESIDENT'S
CERTIFICATION:**

The undersigned, being the President of the Crested Mountain North Condominium Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was approved and adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors of the Association on June 20, 2016 and in witness thereof, the undersigned has subscribed her name.

Crested Mountain North Condominium Association, Inc.,
a Colorado non-profit corporation

By: 
President