

Governance and Other Policies of Indian Peaks Interval Owners Association, Inc.

Purpose: Protect and Enhance Value. These policies have been adopted and implemented to protect the investment of the Members and to enhance the values of the Properties subject to regulation by the Association and to comply with Colorado law.

Adopted: _____

Effective: _____

TABLE OF CONTENTS

INTRODUCTION AND DEFINITIONS4

- 1. AUTHORITY..... 4
- 2. CAPITALIZED TERMS 4
- 3. OWNERS AND UNITS. 4
- 4. DEVIATIONS..... 4
- 5. NO WAIVER..... 4
- 6. SEVERABLE 4
- 7. GENDER AND SINGULAR/PLURAL REFERENCES..... 4
- 8. TITLES AND CAPTIONS..... 4
- 9. SUPPLEMENT TO LAW 4
- 10. AMENDMENT 4

COVENANT AND RULE ENFORCEMENT.....5

- 1. REPORTING VIOLATIONS TO THE ASSOCIATION..... 5
- 2. COMPLAINTS..... 5
- 3. INVESTIGATION..... 5
- 4. COURTESY LETTER..... 5
- 5. CONTINUED VIOLATION AFTER COURTESY LETTER 5
- 6. NOTICE OF HEARING..... 5
- 7. HEARING..... 5
- 8. FAILURE TO TIMELY REQUEST HEARING..... 6
- 9. NOTIFICATION OF DECISION 6
- 10. FINE SCHEDULE OF THE ASSOCIATION. 6
- 11. OTHER ENFORCEMENT MEANS OF THE ASSOCIATION 6
- 12. WAIVER OF FINES..... 7

DISPUTE RESOLUTION PROCEDURES FOR OWNER DISPUTES WITH THE ASSOCIATION, WITH OTHER OWNERS, OR WITH RESIDENTS.8

- 1. DISCRETIONARY DISPUTE RESOLUTION PROCEDURES 8
- 2. NEGOTIATION 8
- 3. MEDIATION 8
- 4. NO WAIVER..... 8

RESERVE STUDY AND FUNDING POLICIES.....9

- 1. PURPOSE OF THE RESERVE FUND 9
- 2. RESERVE STUDY POLICY..... 9
- 3. RESERVE FUNDING POLICY..... 9

INVESTMENT OF RESERVE POLICIES10

- 1. PURPOSE..... 10
- 2. INVESTMENT OF RESERVES..... 10
- 3. LIMITATION ON INVESTMENTS 10
- 4. INVESTMENT STRATEGY..... 10
- 5. REVIEW AND CONTROL 10
- 6. INVESTMENT DECISIONS..... 10

POLICIES ON THE INSPECTION AND COPYING OF ASSOCIATION RECORDS11

- 1. RECORDS TO BE MAINTAINED BY THE ASSOCIATION 11

2.	SOLE RECORDS	12
3.	CREATION OF RECORDS	12
4.	HOA RECORDS THAT MAY BE WITHHELD FROM INSPECTION OR COPYING	12
5.	HOA RECORDS THAT ARE NOT AVAILABLE FOR INSPECTION OR COPYING	12
6.	INSPECTION/COPYING OF ASSOCIATION RECORDS	13
7.	FEES/COSTS.....	13
CONFLICTS OF INTEREST POLICY		15
1.	GENERAL DUTIES	15
2.	DEFINITION OF 'CONFLICT OF INTEREST'	15
3.	DISCLOSURE OF CONFLICT.....	15
4.	BOARD CODE OF ETHICS.....	15
5.	FAILURE TO DISCLOSE CONFLICT	16
CONDUCT OF MEETINGS POLICIES		17
1.	NOTICE FOR/OF MEMBER MEETINGS	17
2.	CONDUCT AT MEMBER MEETINGS	17
3.	VOTING AT MEMBER MEETINGS.....	18
4.	PROXIES FOR/AT MEMBER MEETINGS.....	18
5.	CONDUCT AT BOARD MEETINGS	19
6.	OWNER INPUT AT BOARD MEETINGS.....	20
COLLECTION OF UNPAID ASSESSMENTS AND OTHER CHARGES.....		21
1.	DUE DATES.....	21
2.	RECEIPT DATE	21
3.	LATE CHARGES AND FEES.....	21
4.	INTEREST CHARGES.....	21
5.	PERSONAL OBLIGATION FOR LATE CHARGES	21
6.	OTHER CHARGES	21
7.	RETURN CHECK CHARGES	21
8.	NOTICE TO OWNER BEFORE REFERRAL FOR COLLECTION.....	21
9.	PAYMENT PLANS.....	22
10.	ATTORNEY FEES ON DELINQUENT ACCOUNTS.....	22
11.	REFERRAL FOR COLLECTION.....	22
12.	APPLICATION OF PAYMENTS.....	23
13.	SUSPENSION OF VOTING RIGHTS	23
14.	CERTIFICATE OF STATUS OF ASSESSMENT.....	23
15.	BANKRUPTCIES OF OWNER AND FORECLOSURES BY LENDERS TO OWNERS.....	23
16.	USE OF CERTIFIED MAIL/REGULAR MAIL	23
18.	WAIVERS.....	24
19.	COMMUNICATIONS WITH OWNERS.....	24
20.	DEFENSES.....	24
ADOPTION OF POLICIES, PROCEDURES, RULES, REGULATIONS, OR GUIDELINES.....		25
1.	SCOPE.....	25
2.	DRAFTING PROCEDURE.....	25
3.	ADOPTION PROCEDURE.....	25
4.	POLICY BOOK.....	25

Introduction and Definitions

1. Authority. These policies have been established pursuant to the authority granted to the Board of Directors in the Governing Documents and based on authority within Colorado law.
2. Capitalized Terms. Unless specifically defined, initially capitalized terms have the definition ascribed to the term in the Condominium Declaration for Indian Peaks Condominiums, as amended (the “Declaration”).
3. Owners and Units. For purposes of these policies and procedures, the terms “Owner” and “Unit” includes Interval Owners and Interval Units, respectively, as those terms are defined in Section 12.1 of the amended Declaration.
4. Deviations. The Board may deviate from the policies, procedures, and guidelines if in its sole discretion the deviation is reasonable under the circumstances.
5. No Waiver. Failure by the Association, the Board or any person to enforce any provision of these rules, regulations, policies and procedures is not a waiver of the right to do so later.
6. Severable. The provisions of these rules, regulations, policies and procedures are deemed to be independent and severable, and the invalidity of any one or more of the provisions, or any portion, by judgment or decree of any court of competent jurisdiction, may not affect the validity or enforceability of the remaining rules, regulations, policies and procedures, which provisions remain in full force and effect.
7. Gender and Singular/Plural References. Unless the context provides or requires to the contrary, the use of the singular includes the plural, the use of the plural includes the singular, and the use of any gender includes all genders.
8. Titles and Captions. The captions to the sections are a matter of convenience and for reference, and are in no way to be construed so as to define, limit or otherwise describe the scope of these rules, regulations, policies and procedures or the intent of any provision.
9. Supplement to Law. The provisions of these rules, regulations, policies and procedures are in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the community.
10. Amendment. The following policies may be amended from time to time by the Board of Directors.

Covenant and Rule Enforcement

1. **Reporting Violations to the Association.** Complaints regarding alleged violations may be reported by an Owner or resident within the community, a group of Owners or residents, Board member(s) or committee member(s) by submission of a complaint.
2. **Complaints.**
 - a. Complaints by Owners or residents will be in writing and submitted to the Board of Directors. A written complaint is not required if the alleged violation can be independently verified by the Association. The complaining Owner or resident will have observed the alleged violation and will identify the complainant ("Complainant"), the alleged violator ("Violator"), if known, and set forth a statement describing the alleged violation, referencing the specific provisions which are alleged to have been violated, when the violation was observed and any other pertinent information. Complaints failing to include any information required by this provision may not be investigated or prosecuted at the discretion of the Association.
 - b. Complaints by a member of the Board of Directors, a committee member, or the manager, if any, may be made in writing or by any other means deemed appropriate by the Board if such violation was observed by the Director or manager.
3. **Investigation.** Upon receipt of a complaint by the Association, if additional information is needed, the complaint may be returned to the Complainant or may be investigated further by a Board designated individual or committee. The Board will have sole discretion in appointing an individual or committee to investigate the matter.
4. **Courtesy Letter.** If a violation is found to exist, a courtesy letter will be sent to the Violator explaining the nature of the violation. The Violator will have 10 days from the date of the courtesy letter to come into compliance.
5. **Continued Violation After Courtesy Letter.** If the alleged Violator does not come into compliance within the time frame specified in the courtesy letter, the Association will consider whether a fine should be imposed following notice and opportunity for a hearing. A fine threat letter will then be sent to the alleged Violator, providing notice that a fine may be imposed if the violation is not corrected within 10 days (or immediately in the instance of a violation regarding a Recreational Vehicle) and offering an opportunity for a hearing. If the Violator does not come into compliance as requested, the subsequent letters will be sent to the Violator providing the Violator with notice of the violation, the amount of the fine assessed, and an opportunity for a hearing, and explaining if the Violator does not come into compliance an additional fine will be imposed pursuant to this Policy. The letter will further state that the alleged Violator is entitled to a hearing on the merits of the matter provided that such hearing is requested in writing within 10 days of the date on the violation letter. The Association may modify any dates as may be appropriate given the nature of the alleged violation.
6. **Notice of Hearing.** If a hearing is requested by the alleged Violator, the Board, committee or other person(s) conducting such hearing as may be determined in the sole discretion of the Board, may serve a written notice of the hearing to all parties involved at least 10 days prior to the hearing date.
7. **Hearing.** At the beginning of each hearing, the presiding officer will introduce the case by describing the alleged violation and the procedure to be followed during the hearing. Each party or designated

representative, may, but is not required to, make an opening statement, present evidence and testimony, present witnesses, and make a closing statement. The presiding officer may also impose such other rules of conduct as may be appropriate under the given circumstances. Neither the Complainant nor the alleged Violator is required to be in attendance at the hearing. The Board, committee, or other person(s) designated to conduct the hearing will base its decision solely on the matters set forth in the Complaint, results of the investigation and such other credible evidence as may be presented at the hearing. Unless otherwise determined by the Board, all hearings will be open to attendance by all Owners. After all testimony and other evidence has been presented at a hearing, the Board, committee, or other person(s) designated to conduct the hearing will, within a reasonable time, not to exceed 14 days, render its written findings and decision, and impose a fine, if applicable. A decision, either a finding for or against the Owner, will be by a majority of the Board, committee, or other person(s) designated to conduct the hearing. Failure to strictly follow the hearing procedures set forth above will not constitute grounds for appeal of the hearing committee's decision absent a showing of denial of due process.

8. Failure to Timely Request Hearing. If the alleged Violator fails to request a hearing within 10 days of the fine threat letter, or fails to appear at the hearing, the Board may make a decision with respect to the alleged violation based on the Complaint, results of the investigation, and any other available information without the necessity of holding a formal hearing. If a violation is found to exist, the alleged Violator may be assessed a fine pursuant to these policies and procedures.
9. Notification of Decision. The decision of the Board, committee or other person, will be in writing and provided to the Violator and Complainant within 14 days of the hearing, or if no hearing is requested, within 14 days of the final decision.
10. Fine Schedule of the Association. Unless otherwise provided in this Policy or in any other Governing documents, the following fine schedule is a guideline for the Association for all covenant, rule, regulation, guideline, and policy violations (all fines maybe set at the sole discretion of the Board of Directors):
 - a. Alleged violation – Courtesy Notice
 - b. First Violation – Up to \$50.00
 - c. Second Notice of Violation (of same covenant or rule) – Up to \$75.00
 - d. Third Notice of Violation (of same covenant or rule) – Up to \$100.00
 - e. At the Board’s discretion, fourth and subsequent covenant violations may be turned over to the Association’s attorney to take appropriate legal action, or other available remedies may be pursued.
 - f. At the Board’s discretion, any Owner committing three or more violations in a six month period (whether the violations are of the same covenant or different covenants) may be turned over to the Association’s attorney for any appropriate legal action, or the Board may pursue other available remedies.
11. Other Enforcement Means of the Association. The fine schedule and enforcement process included in this Policy is in addition to all other enforcement means which are available to the Association through its Declaration, Bylaws, Articles of Incorporation and Colorado law. The use of this process does not preclude the Association from using any other enforcement means, including, but not limited

to, (1) pursuing legal action, (2) levying individual purpose, special or default assessments if allowed under the Governing Documents, and (3) pursuing self-help or other remedies.

12. Waiver of Fines. The Board may waive all, or any portion, of the fines if, in its sole discretion, such waiver is appropriate under the circumstances. Additionally, the Board may condition waiver of the entire fine, or any portion thereof, upon the Violator coming into and staying in compliance with the Articles, Declaration, Bylaws or Rules.

DRAFT

Dispute Resolution Procedures for Owner Disputes with the Association, With Other Owners, or With Residents.

1. Discretionary Dispute Resolution Procedures. The procedures set forth below are encouraged to resolve disputes between Owners and the Association, and between Owners and other Owners or residents. At its discretion, the Board of Directors may utilize the procedures set forth below to resolve disputes with Owners prior to filing litigation. If an Owner requests to meet with the Board, the Board will make a reasonable effort to comply with the Owner's request.
2. Negotiation. A request for dispute resolution by negotiation may be initiated by an Owner or the Association. A request must be in writing stating the nature and details of the dispute and must be personally delivered to the other party. So long as the other party agrees to negotiate, a meeting is to be held between the parties to begin a good faith attempt to negotiate a resolution not less than 60 days of receipt of request, unless otherwise extended by written agreement. Through negotiation, the parties will communicate directly with each other in an effort to reach an agreement that serves the interests of both parties. Should the dispute pertain to property issues, each party will be granted the right to inspect the alleged defects or problems at a time convenient to everyone involved.
3. Mediation. If the dispute is not resolved by negotiation, any party may request in writing that the issue be submitted to mediation. If the parties agree to mediate the dispute prior to seeking other remedies, they should participate in good faith in the mediation. The role of the mediator is to facilitate further negotiation between the parties. The mediator will not have power to decide how to resolve the dispute but will use recognized, accepted mediation techniques to assist the parties in making that decision. The mediator is to be selected by a consensus of the parties involved within 15 days of the receipt of the request. Any cost of mediation will be shared equally among the parties unless they and the mediator agree otherwise.
4. No Waiver. Nothing in this Policy will be construed to require any specific form of alternative dispute resolution, or to require the parties to meet. Neither the Association nor the Owner waives any right to pursue alternative remedial actions permitted by law or the right to seek representation by legal counsel at any point in the process.

Reserve Study and Funding Policies.

1. Purpose of the Reserve Fund. The purpose of the Reserve Fund is to responsibly fund and finance the projected repair and replacement of those portions of the Community that the Association is responsible for and for other funding as the Board of Directors may determine. The portions of the Community that the Association is responsible for typically have limited but reasonably predictable useful lives.
2. Reserve Study Policy. The Association is not required under the Community's Governing Documents to have a reserve study. The Association has determined to establish policies on reserve studies as follows:
 - a. Reserve studies are preferred to be performed by a professional reserve specialist or by the Association's managing agent.
 - b. Reserve studies are preferred to be based on a physical examination of the Community by the person preparing the reserve study, but may be performed by the person preparing the study without a physical examination.
 - c. The Board of Directors may cause the reserve study, if any, to be reviewed and updated periodically, in the sole discretion of the Board.
3. Reserve Funding Policy. The Association has determined to establish policies on reserve funding as follows:
 - a. Funding for replacement is preferred to be based on a financial analysis performed by a professional reserve specialist or the Association's managing agent, or may be performed without a financial analysis.
 - b. Funding for replacement is planned and projected to be through the Association's regular assessment of the Owners, as determined from year-to-year, by the Board, or from the following sources:
 - cash then on hand;
 - regular assessments of Owners;
 - special assessments of Owners;
 - a loan as may be obtained by the Association; and/or
 - any combination of the above.

Investment of Reserve Policies

1. **Purpose.** In order to properly maintain areas in the Community that are the responsibility of the Association, to comply with state statutes, to manage reserve funds, and to protect the market value of Owners' homes and livability in the Community, the Board of Directors determines that it is necessary to have these policies and procedures for the investment of reserve funds.
2. **Investment of Reserves.** The Board of Directors of the Association may invest funds held in the Reserve Fund account to generate revenue that will accrue to the Reserve Fund account balance pursuant to the following goals, criteria and policies, listed in order of importance:
 - a. **Safety of Principal.** Promote and ensure the preservation of the Reserve Fund's principal.
 - b. **Liquidity and Accessibility.** Structure maturities to ensure availability of assets for projected or unexpected expenditures.
 - c. **Minimal Costs.** Minimize investment costs (redemption fees, commissions, and other transactional costs).
 - d. **Diversify.** Mitigate the effects of interest rate volatility upon reserve assets.
 - e. **Return.** Invest funds to seek the highest level of return.
3. **Limitation on Investments.** Unless otherwise approved by the Board, all investments may be FDIC (Federal Deposit Insurance Corporation) insured, and/or guaranteed by the United States Government.
4. **Investment Strategy.** The investment strategy of the Association should emphasize a long-term outlook by diversifying the maturity dates of fixed-income instruments within the portfolio utilizing a laddered investment approach.
5. **Review and Control.** The Board may review Reserve Fund investments periodically to ensure that the funds are receiving competitive yields and may make prudent adjustments as needed.
6. **Investment Decisions.** Consistent with state law, investment decisions of the Board are to be made based on the standard of care outlined in the Colorado Revised Nonprofit Code. This standard of care requires directors to act: in good faith; with the care an ordinarily prudent person in a like situation would exercise under similar circumstances; and in a manner the director or officer reasonably believes to be in the best interest of the association. In discharging their duties, directors and officers may rely on other people on matters that the directors or officers reasonably believe are within that person's professional or expert competence.

Policies on the Inspection and Copying of Association Records

1. Records to be Maintained by the Association. In addition to any records specifically required by the Association's Declaration or Bylaws, the Association is to maintain the following records:
 - a. detailed records of 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 Membership meetings, minutes of Board meetings, a record of all actions taken by the Members or Board without a meeting (i.e., by written ballot or written consent in lieu of a meeting), and a record of all actions taken by a committee of the Board;
 - d. 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;
 - e. 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 ("Membership list");
 - f. the current articles of incorporation, declaration, covenants, bylaws, rules and regulations, responsible governance policies required pursuant to Colorado law, and any other policies adopted by the Board;
 - g. annual financial statements for the past three years;
 - h. 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;
 - i. tax returns for the past seven years, to the extent available;
 - j. a list of the names, electronic mail addresses and physical mailing addresses of its current directors and officers;
 - k. its most recent annual report delivered to the Secretary of State;
 - l. financial records sufficiently detailed to enable the Association to provide statements of unpaid assessments in accordance with the Colorado Common Interest Ownership Act;
 - m. the Association's most recent reserve study, if any;
 - n. current written contracts to which the Association is a party;
 - o. written contracts for work performed for the Association within the immediately preceding 2 years;
 - p. records of Board or committee actions to approve or deny design or architectural approval from Members;

- q. ballots, proxies, and other records related to voting by Members for one year after the election, action, or vote to which they relate;
 - r. resolutions adopted by the Board relating the characteristics, qualifications, rights, limitations, and obligations of Members or any class of Members;
 - s. written communications within the past three years to Members generally as Members;
 - t. 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 type, of the Association's current assessments (regular and special)
 - the annual 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
 - a list of all Association insurance policies, including company names, policy limits, policy deductibles, additional named insureds, and expiration dates
2. Sole Records. The above records are the sole records of the Association available for inspection. If the Association stores other types of documentation, or stores documentation for a longer time period than may be required above, such documents are not considered records of the Association available for inspection and copying.
 3. Creation of Records. Nothing contained in these policies may be construed to require the Association to create records that do not exist or compile records in a particular format or order.
 4. HOA Records That May be Withheld from Inspection or Copying. Pursuant to Colorado law, the following records may be withheld from inspection and copying to the extent that such records are or concern:
 - a. architectural drawings, plans, and designs, unless the legal owner of such drawings, plans, or designs provides written consent to the release
 - b. contracts, leases, bids or records related to transactions to purchase or provide goods or services that are still in or under negotiation
 - c. communication with legal counsel protected by the 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
 - f. records related to an individual owner other than the Member
 5. HOA Records That are not Available for Inspection or Copying. Pursuant to Colorado law, the following records are not subject to review, inspection and/or copying and will be withheld from any inspection:

- a. personnel, salary, or medical records related to specific individuals; and
 - b. personal identification and account information of Members, including:
 - c. bank account information
 - d. telephone numbers
 - e. electronic mail addresses
 - f. driver's license numbers
 - g. social security numbers
 - h. vehicle identification information
6. Inspection/Copying of Association Records. An Owner, or the Owner's authorized agent, is entitled to inspect and copy any of the books and records of the Association, subject to the exclusions, conditions and requirements set forth below:
- a. The inspection and/or copying of the records of the Association will be at the Owner's expense;
 - b. The inspection and/or copying of the records of the Association will be conducted during regular business hours;
 - c. The Owner will give the Association a written demand at least 10 business days before the date on which the Owner wishes to inspect and/or copy such records; and
 - d. The Owner will complete and sign the Agreement Regarding Inspection and Copying of Records prior to the inspection and copying of any Association record. A copy of the Agreement is attached to this Policy. Failure to properly complete or sign the Agreement will be valid grounds for denying an Owner the right to inspect and/or copy any record of the Association.
 - e. The Association reserves the right to have a third person present to observe during any inspection of records by an Owner of the Owner's representative.
7. Fees/Costs. Any Owner requesting copies of Association records will be responsible for all actual costs incurred by the Association, including the cost to search, retrieve, and copy the record(s) requested.

**AGREEMENT REGARDING INSPECTION AND COPYING OF RECORDS OF
INDIAN PEAKS INTERVAL OWNERS ASSOCIATION, INC.**

Pursuant to state law and the Association's Records Inspection Policy, I hereby request **Indian Peaks Interval Owners Association** provide access to the records of the Association. I understand that upon receipt of this request, the Association will set an appointment with me during regular business hours.

1. The records that I wish to review are (attach a separate piece of paper if necessary):

- A. _____
- B. _____
- C. _____

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

- (A) Used to solicit money or property unless such money or property will be used solely to solicit the votes of the Owners in an election held by the Association;
- (B) Used for any commercial purpose;
- (C) Sold to, otherwise distributed to, or purchased by any person; or
- (D) Any other purpose prohibited by law.

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

Understood and agreed to by:

_____ Date: _____

Homeowner

_____ Date: _____

Homeowner

Address

Conflicts of Interest Policy

1. **General Duties.** The Board of Directors, and each Board Member, is to use best efforts at all times to make decisions that are consistent with high principles, and to protect and enhance the value of properties of the members and Association. All Directors are to exercise their power and duties in good faith and in the best interest of, and with utmost loyalty to the Association. All Directors are to comply with all lawful provisions of the Declaration and the Association's Articles, Bylaws, and rules, regulations, design guidelines, policies and procedures and applicable laws.
2. **Definition of 'Conflict of Interest'.** A conflict of interest exists whenever any contract, decision or other action taken by or on behalf of the Board would financially benefit: (i) a Director; (ii) a parent, grandparent, spouse, child, or sibling of the Director; (iii) a parent or spouse of any of the persons in subsection (ii); or (iv) an entity in which a Director is a director or officer or has a financial interest.
3. **Disclosure of Conflict.** Any conflict of interest on the part of any Director may be verbally disclosed to the other Directors in open session at the first open meeting of the Board of Directors at which the interested Director is present prior to any discussion or vote on the matter. After disclosure, the Director may participate in the discussion but may not vote on the matter. The minutes of the meeting may reflect the disclosure made, any abstention from voting and the composition of the quorum, and record who voted for and against.
4. **Board Code of Ethics.** Each Director and the Board as a whole are to adhere to the following Code of Ethics:
 - a. No Director is to use his/her position for private gain, including for the purpose of enhancement of his/her financial status through the use of certain contractors or suppliers.
 - b. No contributions will be made to any political parties or political candidates by the Association.
 - c. No Director is to solicit or accept, directly or indirectly, any gifts, gratuity, favor, entertainment, loan or any other thing of monetary value from a person who is seeking to obtain contractual or other business or financial relations with the Association.
 - d. No Director is to accept a gift or favor made with intent of influencing decision or action on any official matter.
 - e. No Director is to receive any compensation from the Association for acting as a volunteer.
 - f. No Director is to willingly misrepresent facts to the members of the community for the sole purpose of advancing a personal cause or influencing the community to place pressure on the Board to advance a personal cause.
 - g. No Director is to interfere with a contractor engaged by the Association while a contract is in progress.
 - h. All communications with Association contractors are to go through the Board President or be in accordance with policy.

- i. No Director is to harass, threaten, or attempt through any means to control or instill fear in any member, Director or agent of the Association.
 - j. No promise of anything not approved by the Board as a whole can be made by any Director to any subcontractor, supplier, or contractor during negotiations.
 - k. Any Director convicted of a felony must voluntarily resign from his/her position.
 - l. No Director is to knowingly misrepresent any facts to anyone involved in anything with the community which would benefit himself/herself in any way.
 - m. Language and decorum at Board meetings will be kept professional.
 - n. Personal attacks against owners, residents, managers, service providers and Directors are prohibited and are not consistent with the best interest of the community.
5. Failure to Disclose Conflict. Any contract entered into in violation of this policy will be void and unenforceable. In such event, the Board, at the next meeting of the Board, will vote again on the contract, decision or other action taken in violation of this Policy.

Conduct of Meetings Policies

1. Notice for/of Member Meetings.

- a. In addition to any notice required in the Bylaws, notice of any meeting of the Owners may be physically posted in the Community at least 15 days prior to such meeting.
- b. The Association may also post notice on its website of all Owner meetings. If the Association elects to provide notice of any Owner meeting on the Association's website, such notice will be posted at least 15 days prior to such meeting.
- c. If any Owner has requested that the Association provide notice via email and has provided the Association with an email address, the Association will send notice of all Owner meetings to such Owner at the email address provided pursuant to the Bylaws but in no case less than 24 hours prior to any such meeting.

2. Conduct at Member Meetings. All Owner meetings are governed by the following rules of conduct and order:

- a. The President of the Association or designee chairs all Owner meetings.
- b. All Owners and persons who attend a meeting of the Owners will sign in, present any proxies and receive ballots as appropriate. (See section below regarding voting).
- c. Any person desiring to speak is to sign up on the list provided at check in (if any) and indicate if he/she is for or against an agenda item.
- d. Anyone wishing to speak must first be recognized by the Chair.
- e. Only one person may speak at a time.
- f. Each person who speaks is to first state his or her name and the address of their home in the Community.
- g. Any person who is represented at the meeting by another person, as indicated by a written instrument or an apparent agency, will be permitted to have that person speak for him/her.
- h. Those addressing the meeting are to be permitted to speak without interruption from anyone as long as these rules are followed.
- i. Comments are to be offered in a civilized manner and without profanity, personal attacks or shouting.
- j. Comments are to be relevant to the purpose of the meeting.
- k. The Board or chair may impose reasonable time limits for each person to speak.
- l. The Board may decide whether or not to answer questions during the meeting. Each person may only speak once.
- m. Yielding of time by a speaker to another individual is not permitted.

- n. Time limits may be increased or decreased by the Chair, but are to be uniform for all persons addressing the meeting.
 - o. All actions and/or decisions require a motion and a second.
 - p. Once a vote has been taken, there will be no further discussion regarding that topic.
 - q. So as to allow for and encourage full discussion by Owners, no meeting may be audio, video or otherwise recorded.
 - r. Minutes of actions taken are to be kept by the Association.
 - s. Anyone disrupting the meeting, as determined by the Chair, may be asked to “come to order.”
 - t. Anyone who does not come to order will be requested to immediately leave the meeting.
 - u. The Chair may establish additional rules of order as may be necessary from time to time.
3. Voting at Member Meetings.
- a. Election of Board members in contested elections (where there are more candidates than vacancies) is to be conducted by secret ballot. Where secret balloting is used, each Owner entitled to vote pursuant to the Bylaws is to receive a ballot. Ballots are not to contain identifying information concerning the ballot holder. In the event an Owner holds a proxy for another Owner, upon presentation of the proxy to the Secretary of the Association or the Secretary’s designee, the Owner is to receive a secret ballot to cast the vote of the Owner who provided the proxy. The proxy is to be kept and retained by the Association.
 - b. All other votes taken at a meeting of the Owners are to be taken in the method as determined by the Board of Directors or Chair of the meeting, including acclamation, by hand, by voice or by ballot, unless otherwise required by law.
 - c. Written ballots are to be counted by at least two neutral third parties, excluding the Association’s manager or legal counsel, or by Owners who are not candidates selected randomly from a pool of three or more Lot Owners. The Chair will specify the procedure for randomly selecting the Owner(s).
 - d. The individual(s) counting the ballots are to report the results of the vote to the Chair by indicating how many votes were cast for each individual or how many votes were cast in favor and against any issue or candidate.
4. Proxies for/at Member Meetings. Proxies may be given by any owner as allowed by C.R.S. 7-127-203. All proxies are to be reviewed by the Association’s Secretary or designee as to the following:
- a. Validity of the signature
 - b. Signatory’s authority to sign for the Lot owner
 - c. Authority of the Lot owner to vote
 - d. Conflicting proxies

- e. Expiration of the proxy
5. Conduct at Board Meetings. All Board meetings are to be governed by the following rules of conduct and order:
- a. The President of the Association, or designee, chairs all Board meetings.
 - b. All persons who attend a meeting of the Board may be required to sign in, listing their name and the address of the home they own in the Community.
 - c. All Owners will be given an opportunity to speak as to any matter or ask questions of the Board during the Owner forum at the beginning of the meeting.
 - d. Any Owner wishing to speak during the Owner forum is requested to so indicate so at the time of sign in.
 - e. Anyone desiring to speak is to first be recognized by the Chair.
 - f. Only one person may speak at a time.
 - g. Each person speaking is to first state his or her name and the address of their home in the Community.
 - h. Any person who is represented at the meeting by another person as indicated by a written instrument or apparent agency is to be permitted to have that person speak for them.
 - i. Those addressing the Board are to be permitted to speak without interruption from anyone as long as these rules are followed.
 - j. Comments are to be offered in a civilized manner and without profanity, personal attacks or shouting.
 - k. Comments are to be relevant to the purpose of the meeting or issue at hand.
 - l. The Board or chair may impose reasonable time limits for each person to speak, although questions may not be answered until a later date.
 - m. Yielding of time by a speaker to another individual is not permitted.
 - n. The time limit may be increased or decreased by the Chair but is to be uniform for all persons addressing the meeting.
 - o. No meeting of the Board may be audio, video or otherwise recorded except by the Board to aid in the preparation of minutes.
 - p. Minutes of actions taken are to be kept by the Association.
 - q. Anyone disrupting the meeting, as determined by the Chair, may be asked to “come to order.”
 - r. Anyone who does not come to order may be requested to immediately leave the meeting.

6. Owner Input at Board Meetings. After a motion and second has been made on any matter to be discussed, but prior to a vote by the Directors, Owners present are to be afforded an opportunity to speak on the motion as follows:
- a. The Chair will ask those Owners present to indicate by a show of hands who wishes to speak in favor or against the motion.
 - b. 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.
 - c. The Chair may also announce the procedure for who will be permitted to speak if not everyone desiring to speak will be permitted to speak.
 - d. Following Owner input, the Chair will declare Owner input closed and no further Owner participation on the motion at hand is allowed, unless a majority of the Board of Directors votes to open the discussion to further Owner participation.

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Collection of Unpaid Assessments and Other Charges

1. **Due Dates.** The installments of the annual assessment, as determined by the Association and as allowed for in the Declaration, are due to the Association on February 1st, June 1st and October 1st of each year. Assessments not paid in full to the Association by the last day of the month due are considered past due and delinquent and may incur late fees and interest as provided below. Other charges imposed by the Association are considered past due and delinquent if not received on or before the 10th calendar day after the due date.
2. **Receipt Date.** The Association will post payments within a reasonable time after the payment is received in the Association's office.
3. **Late Charges and Fees.** The Association will impose, on a monthly basis, a \$5.00 late charge for any delinquent assessment or other delinquent sums due to the Association. This late charge is a "common expense" for each delinquent Owner.
4. **Interest Charges.** Delinquent assessments, fines or other charges due the Association are to bear interest at the rate of 18% per annum rate commencing on the day following the due date.
5. **Personal Obligation for Late Charges.** The late charge is a personal obligation of the Owner(s) of the Unit for which such assessment or installment is unpaid. All late charges are due and payable immediately, without notice, in the manner provided by the Declaration (and as set forth in this Policy) for payment of assessments.
6. **Other Charges.** The Association may also impose the following fees:
 - a. Account receivable service or tracking fee of its managing agent;
 - b. Demand letter fee of its managing agent; and
 - c. Notice of lien fee of its managing agent.

These charges may be imposed monthly, or other periodic basis as the Association and/or its managing agent may determine, once an annual assessment or other sums are past due, and is a "common expense" for each delinquent Owner.

7. **Return Check Charges.** In addition to any and all charges imposed under the Declaration, Articles of Incorporation and Bylaws, the rules, regulations, design guidelines, policies and procedures of the Association or this policy, a reasonable fee, not to exceed \$20.00, or an amount equal to the actual charges incurred by the Association levied by the party returning the check, whichever is greater, may be assessed against an Owner in the event any check or other instrument attributable or payable for the benefit of the Owner is not honored by the bank or is returned by the bank for any reason whatsoever, including but not limited to insufficient funds. This returned check charge is a "common expense" for each Owner who tenders payment by check or other instrument which is not honored by the bank upon which it is drawn. Such return check charge is due and payable immediately, upon demand. The Association is entitled to all additional remedies as provided by applicable law.
8. **Notice to Owner Before Referral for Collection.** Before the Association turns over a delinquent account of an Owner to a collection agency or refers it to an attorney for legal action, the Association must send a notice to the Owner. The notice must inform the Owner:

- a. of the total amount due, with an account for how that total was determined
 - b. that a notice of assessment lien (in addition to the lien established by the Declaration and recognized by state statutes) may be recorded against the property of the Owner
 - c. whether the opportunity to enter into a payment plan exists (as provided in this collection policy)
 - d. how the Owner may contact the Association to enter into a payment plan (if a payment plan is available)
 - e. of the name and contact information for the individual the Owner may contact to request a copy of the Owner's ledger to verify the amount of the debt
 - f. that a lien is in place on the Owner's property, as provided under the Declaration and state law
 - g. that payment is required to cure the delinquency
 - h. that failure to pay may result in the Owner's delinquent account being turned over to the attorneys for the Association or a collection agency
 - i. that a lawsuit on the Owner's promise to pay, a foreclosure of the Association's lien or both may be filed against the Owner
 - j. that other remedies available under Colorado law may be sought by the Association
9. Payment Plans. The Association, through its managing agent, will make a good faith effort to coordinate with the Owner to set up a payment plan. An Owner may enter into a payment plan to pay off a deficiency in equal installments over a period of six months or such longer period as authorized by the Board of Directors. If the Owner fails to comply with the terms of the payment plan by failing to remit payment of an agreed-upon installment or failing to remain current with regular assessments as they become due during the payment plan term, the Association may pursue legal action. The Association is not obligated to negotiate a payment plan with an Owner who has previously entered into a payment plan. Further, the Association is not obligated to enter a payment plan if the Owner does not occupy the Unit and has acquired the property as a result of a default of a security interest encumbering the Unit or foreclosure of the Association's lien.
10. Attorney Fees on Delinquent Accounts. As an additional expense permitted under the Declaration and by Colorado law, the Association is entitled to recover its reasonable attorney fees and collection costs incurred in the collection of assessments or other charges due the Association from a delinquent Owner. The reasonable attorney fees incurred by the Association are due and payable immediately when incurred, upon demand.
11. Referral for Collection. Once referred to the Association's attorneys or collection agent for collection, the entire account of that Owner is referred, including sums to accrue, until the entire account is paid in full, the account is settled and has a zero balance or is written off. All sums collected on a delinquent account that has been turned over for collection attorney are to be remitted to the Association's attorney or collection agent until the account is brought current.

12. Application of Payments. All payments received on account of any Owner or the Owner's property ("Owner") may be applied as determined by the Association's attorneys. Alternatively, payments may be applied to payment of any and all legal fees and costs (including attorney fees), expenses of enforcement and collection, late charges, returned check charges, lien fees, and other costs owing or incurred with respect to the Owner pursuant to the Declaration, Articles, Bylaws, rules, regulations, design guidelines, policies and procedures, prior to application of the payment to any special or regular assessments due or to become due with respect to the Owner. In the event an owner makes a payment in excess of all amounts due and owing, the Association will not be obligated to issue a refund prior to 14 days from the date the overpayment was received to verify the funds were credited to the Association's account.
13. Suspension of Voting Rights. Pursuant to Article V, Section 5.9 of the Declaration, the Association may elect to suspend the voting rights of any Owner whose account is past due at the time of such voting.
14. Certificate of Status of Assessment. The Association is to furnish to an Owner or the Owner's designee upon written request, first class postage prepaid, return receipt, to the Association's agent, a written statement setting forth the amount of unpaid assessments currently levied against the Owner's property. Such statement of unpaid assessments will be provided as a part of the Transfer package provided by the management company for which a fee may be charged. However, if the account has been turned over for collection, the request may be handled through the attorneys or collection agent.
15. Bankruptcies of Owner and Foreclosures by Lenders to Owners. Upon receipt of any notice of a bankruptcy filing by an Owner, or upon receipt of a notice of a foreclosure by any holder of an encumbrance against any Unit within the association, the manager may notify the Association's attorney or collection agent of the same and turn the account over for collection, if appropriate.
16. Use of Certified Mail/Regular Mail. In the event the Association may cause a collection or demand letter or notices to be sent to a delinquent Owner (other than quarterly statements and other routine notices), the letters or notices may be sent by registered or certified mail.
17. Remedies.
 - a. Lawsuits on Covenant to Pay Assessments. The Association may pursue a lawsuit against an Owner who has sums due the Association, based on the covenant (or promise) to pay the Association as set forth in the Declaration.
 - b. Judicial Foreclosure. The Association may choose to foreclose on its lien in lieu of or in addition to other remedies. The purpose of foreclosure by the Association is to obtain payment of all assessments owed. If the Association forecloses on its lien, the Owner will lose the Owner's property. The Association will not commence a foreclosure action unless the balance of the assessments and charges secured by its lien (which may include late fees, fines and other charges) equals or exceeds six months of common expense assessments based on the Association's periodic budget. Prior to filing a foreclosure lawsuit, the Board must resolve, by a recorded vote, to authorize the filing against the particular Unit, on a specific basis.
 - c. Appointment of a Receiver. The Association may seek the appointment of a receiver if an Owner becomes delinquent in the payment of assessments pursuant to the Declaration and Colorado law.

- d. General. The Association has all of the remedies available to it under the Declaration and Colorado law.
18. Waivers. The Association is authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained in these policies and procedures, as the Association may determine appropriate under the circumstances.
19. Communications with Owners. All communication with a delinquent Owner will be handled through the Association's attorney once a matter has been referred to the attorney. Neither the Manager nor any member of the Board of Directors will discuss the collection of the account directly with an Owner after it has been turned over to the Association's attorney unless the attorney is present or has consented to the contact.
20. Defenses. Failure of the Association to comply with any provision in this policy is not a defense to payment of assessment fees or other charges, late charges, return check charges, attorney fees and/or costs as described and imposed by this policy.

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Adoption of Policies, Procedures, Rules, Regulations, or Guidelines

1. Scope. The Board of Directors of the Association may, from time to time, adopt or amend policies, procedures, rules and regulations, resolutions and guidelines. This may be as the Board determines is advisable or necessary to facilitate the efficient operation of the Association, including the clarification of ambiguous provisions in other documents, or as may be required by law.
2. Drafting Procedure. The Board may consider the following in drafting Policies:
 - a. Whether the governing documents or Colorado law grants the Board the authority
 - b. The need for a policy, procedure, rule or regulation, resolution or guideline, based upon the scope and importance of the issue and whether the governing documents adequately address the issue
 - c. The immediate and long-term impact and implications
3. Adoption Procedure. The Board may adopt any Policy at any time. Upon adoption of a Policy, the Policy or notice of such Policy, including the effective date, will be provided to all Owners by any reasonable method as determined in the sole discretion of the Board, including but not limited to posting on the Association's website. In the event notice is provided by posting on the Association's website, all Owners will be advised that the new or revised Policy is available on the website.
4. Policy Book. The Board of Directors may keep copies of any and all adopted Policies in a book designated as a Policy Book. The Board may also keep copies of policies, procedures, rules and regulations, resolutions and guidelines on the Association's website.

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of Indian Peaks Interval Owners Association, a Colorado nonprofit corporation, certifies that the following Policy was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on _____, 2014 and in witness thereof, the undersigned has subscribed his/her name.

INDIAN PEAKS INTERVAL OWNERS ASSOCIATION, INC.
a Colorado nonprofit corporation

By: _____
President