

**RESOLUTION
OF THE
KINGSBRIDGE HOMEOWNERS ASSOCIATION

POLICIES AND PROCEDURES**

SUBJECT: Adoption of policies and procedures (“Policies”) for the Association regarding the following:

1. General Policies;
2. Policy Regarding Investment of Reserves;
3. Policy Regarding Inspection and Copying of Association Records;
4. Policy Regarding Covenant and Rule Enforcement;
5. Policy Regarding Conflicts of Interest;
6. Policy Regarding Conduct of Meetings;
7. Policy Regarding Collection of Unpaid Assessments; and
8. Policy Regarding Procedures for the Adoption and Amendment of Policies, Procedures and Rules.
9. Satellite Dish Policy.

PURPOSES: To comply with Colorado law.

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

EFFECTIVE DATE: January 13, 2010

RESOLUTION: The Association hereby adopts the following Policies and Procedures subject to:

(a) Definitions. Unless otherwise defined, initially capitalized or terms defined in the Declaration shall have the same meaning herein.

(b) Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the community.

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

(d) Amendment. The following rules, regulations and policies maybe amended from time to time by the Board of Directors.

1. GENERAL POLICIES

A. No Obstructions. The streets and sidewalks and other entryways of the Community may not be obstructed or used for any purpose other than ingress to and egress from the premises and for temporary purposes associated with moving of furniture or other personal property to or from a Home.

B. Signs. No sign, advertisement or notice shall be inscribed, painted or affixed on any part of the inside or outside of any building, except that a single sign of such color, size and style as shall be first designated

and approved by Declarant or the Association may be placed immediately adjacent to an Owner's Home to advertise the Home for sale, rent or lease.

C. Fire Hazards.

(i) General. Owners shall not do or permit anything to be done in any Home or elsewhere within the Community, or bring or keep anything therein which would in any way increase the rate of fire insurance on the buildings or on property kept therein, constitute a nuisance or waste, or obstruct or interfere with the rights of other Owners, or in any way injure or annoy them, or conflict with any of the rules or ordinance of the local Fire Department, the City of Longmont or County of Boulder.

(ii) Outdoor Grills. The use of the following described outdoor grills within the Home or on covered balconies / covered decks in the Community is prohibited:

(a) Propane tank grills.

(b) Charcoal fired grills.

Owners may use electric type outdoor grills on covered balconies and patios provided that the grill is connected to a properly installed electrical outlet. Natural gas outdoor grills may be used on balconies and patios provided that they are permanently installed in compliance with the manufacturer's installation instructions and applicable building code provisions.

D. Animals. Owners of dogs or cats must control pet activities, by leash or otherwise, to avoid creating a nuisance for other Owners and their Permittees and prevent damage to trees, shrubbery, grass and other property. Barking dogs and roaming cats are considered a nuisance. Pet droppings must be immediately collected and properly disposed of by the pet owner. Feeding of pets must be done within the Home and not on decks or patios. Sanitary conditions must be maintained within the Home and cat litter must be carefully maintained to prevent odors within or outside the Home. The Owner of an animal is solely responsible for all damage or injuries caused by the animal. The foregoing policy regarding animals is in addition to and supplements the pet restrictions set forth at Section 2.5 of the Declaration, as the same may be amended from time to time.

E. Noise. No person shall disturb the occupants of other Homes by the use of any radio, sound equipment or musical instrument or by the making of loud or improper noises. No events shall be conducted in common areas of the Community without the prior approval of Declarant or the Association. Any event must be conducted according to rules established by Declarant or the Association.

F. No Obstruction by Vehicles. No vehicles, including motorcycles and bicycles, shall be permitted to obstruct the driveways, sidewalks or entrances of the buildings or the access to any building. Bicycles must be stored within the garage or enclosed storage area of the Home. Bicycles may not be stored or left to remain overnight on decks or outside of the Home.

G. External Window Coverings. No external window shades, blinds, screens, awnings or other window coverings will be attached or detached to Homes by Owners without Declarant or the Association's prior written approval.

H. Exterior Surfaces. No alterations, modifications, painting, decoration (other than seasonal decorations not permanently attached), or other treatment of the exterior surfaces of the Homes may be done except by the Declarant or the Association. Nothing may be attached to the exterior surfaces of the Homes without the prior written approval of the Declarant or the Association.

I. Flammable Materials. Owners shall not install or operate any steam or gas engine or boiler or diesel generator, or carry on any mechanical operation in any Home or elsewhere within the Community. The use or storage of oil, gas or inflammable liquids for heating, lighting or any other purpose is expressly prohibited. Explosives or other articles deemed extra hazardous shall not be brought into the Community.

J. Defacing Surfaces. Owners shall not mark upon, paint, cut, drill into, drive nails or screws into, or in any way deface the exterior walls, roofs, decks, stairways or walks of any building or elsewhere within the Community, and the repair or replacement of any defacement, damage or injury caused by an Owner or its Permittees, shall be paid for by the Owner.

K. Interference. Owners shall not unreasonably obstruct or interfere with the rights of other Owners, or of Permittees of other Owners, or in any way injure or annoy such Owners or persons.

L. Illegal Use of Facilities. Owners shall not use any Home or any part of the Community for any illegal purpose or for any purpose that will damage the Community or buildings therein, or the reputation thereof, or for any purposes other than those specified in the Declaration.

M. Peddling. Except with respect to operations conducted by the Home Owners, canvassing, soliciting, and peddling in the Community are prohibited, and Owners shall cooperate to prevent such activities.

N. Loitering. Declarant or the Association reserves the right at all times to exclude loiterers, vendors, solicitors, and peddlers from the Community and to require registration or satisfactory identification or credentials from all persons seeking access to any part of the Community. Declarant or the Association will exercise its reasonable judgment in the execution of such control but will not be liable for the granting or refusal of such access.

O. Not Public. The common areas are not for the use of the general public, and Declarant or the Association shall, in all cases, retain the right to control or prevent access thereto by all persons whose presence in the judgment of the Declarant or the Association, shall be prejudicial to the safety, character, reputation or interests of the Community.

P. Litter. No rubbish, furniture, mattresses, garbage, trash or discarded smoking materials shall be placed or remain upon the common areas outside of the trash dumpsters. Owners shall cooperate with any reasonable Declarant or the Association program to keep the Community clean and free from rubbish.

Q. Fire Access. All roadways and walkways shall be clear for emergency traffic.

R. No Garage Sales. No garage sales may be conducted without the prior written approval of the Declarant or the Association.

S. Decks and Patios. Decks and patios are to be kept in a clean and orderly condition. Only customary deck/patio furniture and equipment may be placed on decks or patios. Decks and patios are not to be used for storage, parking of bicycles or other vehicles, or other unsightly purpose.

T. Clotheslines. No clothes, carpets, linens, or other items may be hung or draped out of windows or over railings, decks or balconies. Retractable clothes lines may be installed in areas designated by the Board of Directors or the Architectural Review Committee, and subject to reasonable esthetic and structural guidelines and requirements, as determined in the good faith judgment of the Board / Architectural Review Committee.

U. Window Air Conditioners. No window-mounted air conditioning units may be installed on or in any Home.

V. Operation and Maintenance of Appliances within Homes. Fittings and connections should be checked periodically for leakage and deterioration, and all connections, hoses, fittings and valves kept in good repair.

2. POLICY REGARDING INVESTMENT OF RESERVES

A. Scope. In order to properly maintain areas in the Community that are the responsibility of the Association, to comply with state statutes and to manage reserve funds, the Board of Directors determines that it is necessary to have policies and procedures for the investment of reserve funds.

B. Purpose of the Reserve Fund. The purpose of the Reserve Fund shall be to responsibly fund and finance the projected repair and replacement of those portions of the Community that the Association is responsible for and for such 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.

C. Investment of Reserves. The Board of Directors of the Association shall invest funds held in the Reserve Funds accounts to generate revenue that will accrue to the Reserve Funds accounts balance pursuant to the following goals, criteria and policies:

(i) Safety of Principal. Promote and ensure the preservation of the Reserve Fund's principal.

(ii) Liquidity and Accessibility. Structure maturities to ensure availability of assets for projected or unexpected expenditures.

(iii) Minimal Costs. Minimize investments costs (redemption fees, commissions, and other transactional costs).

(iv) Diversify. Mitigate the effects of interest rate volatility upon reserve assets.

(v) Return. Invest funds to seek the highest level of return.

D. Limitation on Investments. Unless otherwise approved by the Board, all investments will be FDIC (Federal Deposit Insurance Corporation) insured and/or guaranteed by the United States Government.

E. 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, at the discretion of the Board.

F. Independent Professional Investment Assistance. The Board of Directors of the Association, in its sole discretion, may hire a qualified investment counselor to assist in formulating a specific investment strategy.

G. Review and Control. The Board shall review Reserve Fund investments periodically to ensure that the funds are receiving competitive yields and shall make prudent adjustments as needed.

H. Reserve Study. In order to determine funding of the Reserve Fund, the Board of Directors may determine, at its sole discretion, the life expectancy of those portions of the Community to be maintained by the Association and the anticipated costs of maintaining, replacing and improving those identified areas (hereinafter referred to as a "Reserve Study"). The manner and method of preparation of a Reserve Study shall be as determined in the sole discretion of the Board of Directors. Without limiting the range of discretion to be exercised by the Board of Directors, preparation of a Reserve Study may be by way of internal assessment of the properties of the Community conducted by the members of the Board, or it may include the assistance and advice of the management company (if any) retained by the Community or other professionals retained by the Board.

I. Review of Reserve Study. The Board of Directors shall cause the Reserve Study, if any and reserve funding to be reviewed and updated periodically, at least once every five years, to adjust and make changes in costs, inflation, interest yield on invested funds plus modification, addition or deletion of components.

3. POLICY REGARDING INSPECTION AND COPYING OF ASSOCIATION RECORDS

A. The Association shall permanently retain the following records as required by Colorado law:

- Minutes of all Board and Owner meetings
- All actions taken by the Board or Owners by written ballot or email in lieu of a meeting

- All actions taken by a committee on the behalf of the Board instead of the Board acting on behalf of the Association
- All waivers of the notice requirements for Home owner meetings, Board member meetings, or committee meetings.

B. Inspection/Copying Association Records. An Owner or his/her 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:

- (i) The inspection and/or copying of the records of the Association shall be at the Owner's expense;
- (ii) The inspection and/or copying of the records of the Association shall be conducted during regular business hours of 9:00 a.m. to 5:00 p.m. at the Association's Managing Agent's office.
- (iii) The Owner shall give the Association's Manager a written demand, stating the purpose for which the inspection and/or copying is sought, at least five business days before the date on which the Owner wishes to inspect and/or copy such records; and
- (iv) The Owner shall complete and sign the Agreement Regarding Inspection of Association 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 shall be valid grounds for denying an Owner the right to inspect and/or copy any record of the Association.

C. Proper Purpose/Limitation. Association records shall not be used by any Owner for:

- (i) Any purpose unrelated to an Owner's interest as an Owner;
 - (ii) The purpose of soliciting money or property unless such money or property will be used solely to solicit the votes of the Owners in an election to be held by the Association;
 - (iii) Any commercial purpose;
 - (iv) For the purpose of giving, selling, or distributing such Association records to any person;
- or
- (v) Any improper purpose as determined in the sole discretion of the Board.

D. Exclusions. The following records shall NOT be available for inspection and/or copying as they are deemed confidential:

- (i) Attorney-client privileged documents and records, unless the Board decides to disclose such communications at an open meeting;
- (ii) Any documents that are confidential under constitutional, statutory or judicially imposed requirements; and
- (iii) Any documents, or information contained in such documents, disclosure of which would constitute an unwarranted invasion of individual privacy, including but not limited to social security numbers, dates of birth, personal bank account information, and driver's license numbers.

E. Fees/Costs. Any Owner requesting copies of Association records shall be responsible for all actual costs incurred by the Association, which have been determined to be \$.15 per page, including the cost to search, retrieve, and copy the record(s) requested. In addition, the Association may charge \$15 per box to transport

records from off-site storage to the Association's Managing Agent's office and \$15 per box to return to off-site storage. The Association may require a deposit equal to the anticipated actual cost of the requested records. Failure to pay such deposit shall be valid grounds for denying an Owner copies of such records. If after payment of the deposit it is determined that the actual cost was more than the deposit, Owner shall pay such amount prior to delivery of the copies. If after payment of the deposit it is determined that the actual cost was less than the deposit, the difference shall be returned to the Owner with the copies.

F. Inspection. The Association reserves the right to have a third person present to observe during any inspection of record by an Owner or the Owner's representative,

G. Original. No Owner shall remove any original book or record of the Association from the place of inspection nor shall any Owner alter, destroy or mark in any manner, any original book or record of the Association.

H. Creation of Records. Nothing contained in this Policy shall be construed to require the Association to create records that do not exist or compile records in a particular format or order.

4. POLICY REGARDING COVENANT AND RULE ENFORCEMENT

A. Reporting Violations. Complaints regarding alleged violations may be reported by an owner or resident within the community, a group of owners or residents, the Association's management company, if any, Board member(s) or committee member(s) by submission of a written complaint.

B. Complaints. (a) Complaints by owners or residents shall be in writing and submitted to the Board of Directors. The complaining owner or resident shall have observed the alleged violation and shall identify the complainant ("Complainant"), the alleged violator ("Violator"), if known, and set forth a statement describing the alleged violation, referencing the specific provisions which are alleged to have been violated, when the violation was observed and any other pertinent information. Non-written complaints, or written complaints failing to include any information required by this provision, may not be investigated or prosecuted at the discretion of the Association. (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.

C. Type I and Type II Violations. Upon receipt of a complaint, the Board of Directors, at its sole discretion, shall determine whether the alleged violation is a Type I or a Type II Violation. Type I Violations are those that can be corrected immediately, and include such violations as parking and trash violations. Type II Violations are those that require time to correct, such as house painting and structural issues.

D. Investigation. Upon receipt of a complaint by the Association, if additional information is needed, the complaint may be returned to the Complainant or may be investigated further by a Board designated individual or committee. The Board shall have sole discretion in appointing an individual or committee to investigate the matter who is an impartial decision maker with no direct financial or personal interest in the outcome.

E. Initial Warning Letter. If a violation is found to exist, a warning letter shall be sent to the Violator explaining the nature of the violation. Violators who receive a Type I violation warning letter must correct the violation within 10 days of the warning letter. Violators who receive a Type II violation warning letter must notify the Board of Directors through the Association's Managing Agent within 10 days of the date of the warning letter, in writing, advising the Board of their plan to correct the violation and the date by which the violation will be corrected. Type I Violations are those that can be corrected immediately, and include such violations as parking and trash violations. Type II Violations are those that require time to correct, such as house painting and structural issues.

F. Continued Violation After Initial Warning Letter. If the alleged Violator does not correct a Type I violation or submit a plan for the correction of a Type II violation within 10 days of the first warning letter, this will be considered a second violation for which a fine may be imposed following notice and opportunity for a hearing (Second violation will be waived if owner was out of town but responds promptly upon return). A second letter

shall then be sent, via certified mail, to the alleged Violator, providing notice and an opportunity for a hearing, and explaining if a violation is found to exist, a fine may be imposed pursuant to this Policy. The letter shall 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 second violation letter.

G. Continued Violation After Second Letter. If the alleged Violator does not correct a Type I violation or submit a plan for the correction of a Type II violation within 10 days of the second letter, this will be considered a third violation for which a fine may be imposed following notice and opportunity for a hearing. A third letter shall then be sent, via certified mail, to the alleged Violator, providing notice and an opportunity for a hearing, and explaining if a violation is found to exist, a fine may be imposed pursuant to this Policy. The letter shall 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 second violation letter.

H. Continued Violation After Third Letter. If the alleged Violator does not correct a Type I violation or submit a plan for the correction of a Type II violation within 10 days of the third letter, this will be considered a fourth violation for which a lien may be filed and a fine maybe imposed following notice and opportunity for a hearing. A Notice of Intent to Lien shall be sent, via certified mail, to the alleged Violator, which also provides notice and an opportunity for a hearing, and explaining if a violation is found to exist, a lien may be filed and a fine may be imposed pursuant to this Policy. The Notice of Intent to Lien letter shall 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 second violation letter.

I. Notice of Hearing. If a hearing is requested by the alleged Violator, the Board, committee or other person conducting such hearing, who is an impartial decision maker with no personal or financial interest in the outcome, 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.

J. Hearing. At the beginning of each hearing, the presiding officer, shall introduce the case by describing the alleged violation and the procedure to be followed during the hearing. 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 shall base its decision solely on the matters set forth in the Complaint, results of the investigation and such other credible evidence as may be presented at the hearing. Unless otherwise determined by the Board, all hearings shall be open to attendance by all Owners. After all testimony and other evidence has been presented at a hearing, the Board shall, within a reasonable time, not to exceed 40 days, render its written findings and decision, and impose a fine, if applicable. A decision, either a finding for or against the Owner, shall be by a majority of the Board members present at the hearing. Failure to strictly follow the hearing procedures set forth above shall not constitute grounds for appeal of the hearing committee's decision absent a showing of denial of due process.

K. Failure to Timely Request Hearing. If the alleged Violator fails to request a hearing within 10 days of any 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.

L. Notification of Decision. The decision of the Board, committee or other person, shall be in writing and provided to the Violator and Complainant within 40 days of the hearing, or if no hearing is requested, within 10 days of the final decision.

M. Fine Schedule. The following fine schedule has been adopted for all recurring covenant violations:

- First violation Warning letter

- Second violation (of same covenant or rule) \$25.00 Third violation (of same covenant or rule) \$50.00 Fourth violation (of same covenant or rule) \$100.00
- Fifth and subsequent covenant violations may be turned over to the Association's attorney to take appropriate legal action. Any Owner committing four or more violations in a six month period (whether such violations are of the same covenant or different covenants) may be immediately turned over to the Association's attorney for appropriate legal action.

N. Continuous Violations. Continuous violations are defined as violations of Owner obligations that remain uncorrected after the fourth notice. Each month of noncompliance with such violations constitutes a separate violation.

If an Owner is determined as having a continuous violation, in accordance with the terms of this Policy, such Owner may be subject to a monthly fine of \$100.00 each month the violation is not corrected, following a notice and opportunity for a hearing as set forth above.

O. 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.

P. Other Enforcement Means. This fine schedule and enforcement process is adopted 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.

Q. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.

R. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Project.

S. Deviations. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.

T. Amendment. This policy maybe amended from time to time by the Board of Directors.

5. **POLICY REGARDING CONFLICTS OF INTEREST**

A. General Duty. The Board of Directors shall use its 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 shall exercise their power and duties in good faith and in the best interest of, and with utmost loyalty to the Association. All Directors shall comply with all lawful provisions of the Declaration and the Association's Articles, Bylaws, and Rules and Regulations.

B. Definition. 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);
- (iv) an entity in which a Director is a director or officer or has a financial interest.

C. Disclosure of Conflict. Any conflict of interest on the part of any Director shall 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. The interested Director may not participate in the discussion or vote on the matter. The minutes of the meeting shall reflect the disclosure made, the abstention from voting, the composition of the quorum and record who voted for and against.

D. Code of Ethics. In addition to the above, each Director and the Board as a whole shall adhere to the following Code of Ethics:

(i) No Director shall 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.

(ii) No contributions will be made to any political parties or political candidates by the Association.

(iii) No Director shall 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.

(iv) No Director shall accept a gift or favor made with intent of influencing decision or action on any official matter.

(v) No Director shall receive any compensation from the Association for acting as a volunteer.

(vi) No Director shall 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.

(vii) No Director shall interfere with a contractor engaged by the Association while a contract is in progress. All communications with Association contractors shall go through the Board President or be in accordance with policy.

(viii) No Director shall harass, threaten, or attempt through any means to control or instill fear in any member, Director or agent of the Association.

(ix) 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.

(x) Any Director convicted of a felony shall voluntarily resign from his/her position.

(xi) No Director shall knowingly misrepresent any facts to anyone involved in anything with the community which would benefit himself/herself in any way.

(xii) Language and decorum at Board meetings will be kept professional. Personal attacks against owners, residents, managers, service providers and Directors are prohibited and are not consistent with the best interest of the community.

E. Failure to Disclose Conflict. Any contract entered into in violation of this policy shall be void and unenforceable. In such event, the Board, at the next meeting of the Board, shall vote again on the contract, decision or other action taken in violation of this Policy.

6. POLICY REGARDING CONDUCT OF MEETINGS

A. Owner Meetings. Meetings of the Owners of the Association shall be called pursuant to the Bylaws of the Association.

(i) Notice.

(a) The Association shall post notice in a conspicuous site on the Project and on its website of all meetings. Such notice shall be posted at least one week prior to such meeting.

(b) If any owner has requested that the Association provide notice via email and has provided the Association with an email address, the

Association shall send notice of all Owner meetings to such owner at the email address provided as soon as possible after notice is provided pursuant to the Bylaws but in no case less than 24 hours prior to any such meeting.

(ii) Conduct.

(a) All Owner meetings shall be governed by the following rules of conduct and order:

1. The President of the Association or designee shall chair all Owner meetings.

2. 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).

3. Any person desiring to speak shall sign up on the list provided at check in and indicate if he/she is for or against an agenda item.

4. Anyone wishing to speak must first be recognized by the Chair.

5. Only one person may speak at a time.

6. Each person who speaks shall first state his or her name and Home address.

7. Any person who is represented at the meeting by another person, as indicated by a written instrument, will be permitted to have such person speak for him/her.

8. Those addressing the meeting shall be permitted to speak without interruption from anyone as long as these rules are followed.

9. Comments are to be offered in a civilized manner and without profanity, personal attacks or shouting. Comments are to be relevant to the purpose of the meeting

10. Each person shall be given up to a maximum of three minutes to make a statement or to ask questions. The Board may decide whether or not to answer questions during the meeting. Each person may only speak once. Yielding of time by a speaker to another individual shall not be permitted. Such time limit may be increased or decreased by the Chair, but shall be uniform for all persons addressing the meeting.

11. All actions and/or decisions will require a first and second motion.
12. Once a vote has been taken, there will be no further discussion regarding that topic.
13. Those addressing the meeting shall be permitted to speak without interruption from anyone as long as these rules are followed.
14. So as to allow for and encourage full discussion by Owners, no meeting maybe audio, video or otherwise recorded. Minutes of actions taken shall be kept by the association.
15. Anyone disrupting the meeting, as determined by the Chair, shall be asked to “come to order.” Anyone who does not come to order will be requested to immediately leave the meeting.
16. The Chair may establish such additional rules of order as may be necessary from time to time.

(iii) Voting. All votes taken at Owner meetings shall be taken as follows:

(a) Election of Board members shall be conducted by secret ballot. Each Owner entitled to vote pursuant to the Bylaws shall receive a ballot. The ballot shall contain no identifying information concerning the ballot holder. In the event an Owner holds a proxy for another Owner, upon presentation of such proxy to the Secretary of the Association or the Secretary’s designee, the Owner shall receive a secret ballot to cast the vote of the Owner who provided the proxy. The proxy shall be kept and retained by the Association.

(b) All other votes taken at a meeting of the Owners shall be taken in such method as determined by the Board of Directors including acclamation, by hand, by voice or by ballot, unless otherwise required by law.

(c) Written ballots shall be counted by a neutral third party, excluding the Association’s manager or legal counsel, or by an Owner(s) who is not a candidate selected randomly from a pool of two or more Home owners. The Chair shall specify the procedure for randomly selecting the Owner(s). Such procedure shall ensure that the Owner(s) selected is done so without being chosen by the Chair, Board of Directors or candidates.

(d) The individual(s) counting the ballots shall report the results of the vote to the Chair by indicating how many votes were cast for each individual or how many votes were cast in favor and against any issue.

(iv) Proxies. Proxies maybe given by any owner as allowed by C.R.S. 7-127-203.

(a) All proxies shall be reviewed by the Association’s Secretary or designee as to the following:

1. Validity of the signature
2. Signatory’s authority to sign for the Home owner
3. Authority of the Home owner to vote
4. Conflicting proxies

5. Expiration of the proxy

B. Board Meetings. Meetings of the Board of Directors of the Association shall be called pursuant to the Bylaws of the Association.

(i) Conduct.

(a) All Board meetings shall be governed by the following rules of conduct and order:

1. The President of the Association, or designee, shall chair all Board meetings.

2. All persons who attend a meeting of the Board shall be required to sign in, listing their name and Home address.

3. All Owners will be given an opportunity to speak as to any matter or ask questions of the Board during the Owner forum at the beginning of the meeting. Any Owner wishing to speak during the Owner forum shall so indicate so at the time of sign in.

4. Anyone desiring to speak shall first be recognized by the Chair.

5. Only one person may speak at a time.

6. Each person speaking shall first state his or her name and Home address. Any person who is represented by another person as indicated by a written instrument at the meeting shall be permitted to have such person speak for them.

7. Those addressing the Board shall be permitted to speak without interruption from anyone as long as these rules are followed.

8. Comments are to be offered in a civilized manner and without profanity, personal attacks or shouting. Comments are to be relevant to the purpose of the meeting or issue at hand.

9. Each person shall be given up to a maximum of three minutes to speak or to ask questions, although questions may not be answered until a later date. Each person may only speak once during the Owner forum and once on any other issue prior to a vote by the Board on such issue. Yielding of time by a speaker to another individual shall not be permitted. Such time limit may be increased or decreased by the Chair but shall be uniform for all persons addressing the meeting.

10. No meeting of the Board maybe audio, video or otherwise recorded except by the Board to aid in the preparation of minutes. Minutes of actions taken shall be kept by the Association.

11. Anyone disrupting the meeting, as determined by the Chair, shall be asked to "come to order." Anyone who does not come to order shall be requested to immediately leave the meeting.

(ii) Owner Input. After a motion and second has been made on any matter to be discussed, but prior to a vote by the Directors, Owners present at such time shall 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. The Chair will then determine a reasonable number of persons who will be permitted to speak in favor of and against the motion and for how long each person will be permitted to speak. The Chair shall also announce the procedure for who shall be permitted to speak if not everyone desiring to speak will be permitted to speak.

(b) Following Owner input, the Chair will declare Owner input closed and there shall be no further Owner participation on the motion at hand unless a majority of the Board of Directors votes to open the discussion to further Owner participation,

7. POLICY REGARDING COLLECTION OF UNPAID ASSESSMENTS

A. It is in the best interest of the Association to refer delinquent accounts promptly to an attorney for collection so as to minimize the Association's loss of assessment revenue. The Board of Directors has retained an attorney with experience in representing homeowner associations in collections and other matters. The Association hereby gives notice of its adoption of the following policies and procedures for the collection of assessments and other charges of the Association:

(i) Due Dates. The installments of the annual assessment as determined by the Association and as allowed for in the Declaration shall be due and payable on the first day of each month. Assessments or other charges not paid in full to the Association within 20 days of the due date shall be considered past due and delinquent. Assessments or other charges not paid in full to the Association within 20 days of the due date shall incur late fees and interest as provided below.

(ii) Receipt Date. The Association shall post payments on the day that the payment is received in the Association's office.

(iii) Late Charges on Delinquent Installments. The Association shall impose on a monthly basis a \$25.00 late charge for each Owner who fails to timely pay his/her installment of the annual assessment within 20 days of the due date. This late charge shall be a "common expense" for each delinquent Owner. The Association may impose interest from the date due at the rate of 21% per annum on the amount owed for each Owner who fails to timely pay their annual assessment within 20 days of the due date.

(iv) Personal Obligation For Late Charges. The late charge shall be the personal obligation of the Owner(s) of the Home for which such assessment or installment is unpaid. All late charges shall be due and payable immediately, without notice, in the manner provided by the Declaration (and as set forth herein) for payment of assessments.

(v) Return Check Charges. In addition to any and all charges imposed under the Declaration, Articles of Incorporation and Bylaws, the Rules and Regulations of the Association or this Resolution, a \$50.00 fee or other amount deemed appropriate by the Board of Directors shall be assessed against an Owner in the event any check or other instrument attributable to or payable for the benefit of such Owner is not honored by the bank or is returned by the bank for any reason whatsoever, including but not limited to insufficient funds. This returned check charge shall be a "common expense" for each Owner who tenders payment by check or other instrument which is not honored by the bank upon which it is drawn. Such return check charge shall be due and payable immediately, upon demand. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law. Returned check charges shall be the obligation of the Owner(s) of the Home for which payment was tendered to the Association. Returned check charges shall become effective on any instrument tendered to the Association for payment of sums due under the Declaration, Articles, Bylaws, Rules and Regulations or this Resolution after the date adopted as shown above. If two or more of an Owner's checks are returned unpaid by the bank within any (fiscal) year, the Association may require that all of the Owner's future payments, for a period of one (1) year, be made by certified check or money order. This return check charge shall be in addition to any late fees or interest incurred by an Owner. Any returned check shall cause an account to be

past due if full payment of the installment of the annual assessment is not timely made within 20 days of the due date.

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

(vii) Application of Payments. All sums collected on a delinquent account that has been turned over to the Association’s attorney shall be remitted to the Association’s attorney until the account is brought current. All payments received on account of any Owner or the Owner’s property (hereinafter collectively “Owner”), shall be applied 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 such Owner pursuant to the Declaration, Articles, Bylaws, Rules and Regulations, or this Resolution, prior to application of the payment to any special or regular assessments due or to become due with respect to such Owner.

(viii) Collection Process.

(a) After an installment of the annual assessment or other charges due to the Association becomes more than 20 days delinquent, the Managing Agent shall send a written notice (“First Notice”) of non-payment, amount past due, notice that late fees have accrued, notice that interest may accrue and request for immediate payment.

(b) After an installment of the annual assessment or other charges due to the Association becomes more than 45 days delinquent, the Managing Agent shall send a second written notice (“Second Notice”) of non-payment, amount past due, notice that late fees have accrued, notice that interest may accrue and notice of intent to file a lien and request for immediate payment.

(c) After an annual assessment or other charges due to the Association becomes more than 60 days delinquent, the Managing Agent may turn the account over to the Association’s attorney for collection. Upon receiving the delinquent account, the Association’s attorneys shall send a letter to the delinquent Owner demanding immediate payment for past due assessments or other charges due and file a lien. Upon further review, the Association’s attorney may file a lawsuit. If a judgment or decree is obtained, including without limitation a foreclosure action, such judgment or decree shall include reasonable attorney’s fees together with the cost of the action and any applicable interest and late fees.

(d) In addition to the steps outlined above, the Association may elect to suspend the voting rights of any Owner whose account is past due at the time of such voting.

(ix) Collection Procedures/Time Frames. The following time frames shall be followed for use in the collection of installments of the annual assessment and other charges.

Due Date (date payment due)	first day of each month
Past Due Date (date payment is late if not received on or before that date)	20 days after due date
First Notice (notice that late charges have accrued and interest may accrue)	20 days after due date

Second Notice (Notice that late charges have accrued and interest may accrue, notice of intent to file lien)	45 days after due date
Delinquent account may be turned over to Association's attorney; Lien filed; Demand letter sent to Owner	60 days after the due date

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

(x) Certificate of Status of Assessment. The Association shall furnish to an Owner or such 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 such Owner's property for a \$50.00 fee. However, if the account has been turned over to the Association's attorney, such request maybe handled through the attorney.

(xi) Bankruptcies and Foreclosures. Upon receipt of any notice of a bankruptcy filing by an Owner, or upon receipt of a notice of a foreclosure by any holder of an encumbrance against any Home within the Association, the Managing Agent shall notify the Association's attorney of the same and turn the account over to the Association's attorney, if appropriate.

(xii) Use of Certified Mail/Regular Mail. In the event the Association shall cause a collection or demand letter or notices to be sent to a delinquent Owner, such letter or notices shall be sent via registered or certified mail.

(xiii) Referral of Delinquent Accounts to Attorneys. Upon referral to the Association's attorney, the attorney shall take all appropriate action to collect the accounts referred. After an account has been referred to an attorney, the account shall remain with the attorney until the account is settled, has a zero balance or is written off. The attorney, in consultation with the Manager, is authorized to take whatever action is necessary and determined to be in the best interests of the Association, including, but not limited to:

- (a) Filing of a suit against the delinquent Owner for a money judgment;
- (b) Instituting a judicial foreclosure action of the Association's lien;
- (c) Filing necessary claims, documents, and motions in bankruptcy court in order to protect the Association's interests; and
- (d) Filing a court action seeking appointment of a receiver.

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

Upon referral of any matter to the Association's attorney, the Association shall pay the attorney's usual and customary charges as well as any costs incurred by the attorney on the Association's behalf, promptly upon receipt of the monthly invoice from the attorney.

(xiv) Appointment of a Receiver. The Association may seek the appointment of a receiver if an Owner becomes delinquent in the payment of assessments pursuant to the Declaration and Colorado law. A receiver is a disinterested person, appointed by the court who manages the rental of the property, collects the rent and disburses the rents according to the court's order. The purpose of a receivership for

the Association is to obtain payment of current assessments, reduce past due assessments and prevent the waste and deterioration of the property.

(xv) Judicial Foreclosure. The Association may choose to foreclose on its lien in lieu of or in addition to suing an Owner for a money judgment. The purpose of foreclosing is to obtain payment of all assessments owing in situations where either a money judgment lawsuit has been or is likely to be unsuccessful or other circumstances favor such action.

(xvi) Waivers. The Association is hereby authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the Association shall determine appropriate under the circumstances.

(xvii) Communication with Owners. All communication with a delinquent Owner shall 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 shall discuss the collection of the account directly with an Owner after it has been turned over to the Association's attorney unless the attorney is present or has consented to the contact.

(xviii) Defenses. Failure of the Association to comply with any provision in this Policy shall not be deemed a defense to payment of assessment fees or other charges, late charges, return check charges, attorney fees and/or costs as described and imposed by this Policy.

8. POLICY REGARDING PROCEDURES FOR THE ADOPTION AND AMENDMENT OF POLICIES, PROCEDURES AND RULES.

A. Scope. The Board of Directors of the Association may, from time to time, amend these or other existing Policies or adopt new Policies as may be necessary to facilitate the efficient operation of the Association, including the clarification of ambiguous provisions in other documents, or as maybe required by law. In order to encourage Owner participation in the development of such Policies and to insure that such Policies are necessary and properly organized, the Board shall follow the following procedures when adopting any Policy.

B. Drafting Procedure. The Board shall consider the following in drafting the Policy:

(i) whether the governing documents or Colorado law grants the Board the authority to adopt such a Policy;

(ii) the need for such Policy based upon the scope and importance of the issue and whether the governing documents adequately address the issue; and

(iii) the immediate and long-term impact and implications of the Policy.

C. Notice and Comment. The adoption of every Policy shall be listed on the agenda for the Board meeting prior to adoption by the Board and any Owner who wishes to comment on the proposed Policy shall be afforded such opportunity in compliance with Colorado law.

D. Emergency. The Board may forego the notice and opportunity to comment in the event the Board determines in its sole discretion that providing notice and opportunity to comment is not practical given the emergency nature of such Policy.

E. Adoption Procedure. After the period for Owner comment expires, the Board may adopt any Policy. Upon adoption of a Policy, the Policy or notice of such Policy, including the effective date, shall 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 (if any) or mailing.

F. Policy Book. The Board of Directors shall keep copies of any and all adopted Policies in a book designated as a Policy Book. The Board of Directors may further categorize Policies, Procedures, Rules and Regulations, Resolutions and Guidelines but shall not be required to do so.

9. SATELLITE DISH POLICY. The Association is charged with the responsibility of maintaining the aesthetic and architectural character of the Community. Therefore, any Owner who wishes to install a satellite dish in order to receive television broadcast signals must first submit a written application to the Board of Directors specifically setting forth the dimensions of the satellite dish, the proposed location for the installation, the method and manner of installation, the color of the satellite dish and details regarding any landscaping or other camouflage which the Owner intends to provide. The Board shall review and approve each Owner's application, provided that all of the following are satisfied:

A. Owner must present a plan to the Association for review and submit an architectural improvement application form requesting approval for a satellite dish prior to installation. Any dish installed without prior approval will be required to be removed, at the Owners expense.

B. The proposed satellite dish must be one meter or less in diameter or diagonal measurement.

C. Attempt should be made to prevent the satellite dish and wiring from being visible from the street in front of the Home.

D. The preferred location for attachment of the dish to the Home is the exterior trim / rake boards located interior of the roof eve. However, if due to the orientation of the Home / building, satellite reception is unavailable except by attachment to the siding of the Home, such attachment will be permitted so long as the method of attachment properly seals the Home from water penetration as a result of such attachment. Roof mountings are NOT permitted unless Owner demonstrates that no other location will permit acquisition of the satellite signal.

E. Association will approve/reject the request at the next scheduled board of directors meeting. Response time not to exceed 45 days from the receipt of the Owner s request. Approval from the Association, which will not be unreasonably withheld, will acknowledge the satellite dish installation and establish installation requirements for the Owner, including possibly painting the satellite dish to minimize its visual impact. Owners will also be required to maintain the satellite dish at their own expense and otherwise comply with the maintenance requirements of the Community.

F. The dish must be installed by a professional installer, be consistent with manufacturer instructions, and according to industry standards. The Association reserves the right to inspect the satellite dish after installation to insure these standards and any installation requirements outlined during the application process are met. Any corrective action required by the Association of the Owner will be completed within seven (7) days. Any costs associated with this inspection will be charged to the Owner.

G. The Owner will be responsible to restore the affected area to its original state upon removing the satellite dish. Repairs must be completed within fourteen (14) days of removal of the dish. Once the repairs are complete, the area is subject to inspection by a representative of the Association. If the area does not pass inspection, any additional cost incurred by the Association will assessed against the Owner.

SECRETARY'S

CERTIFICATION: The undersigned, being the Secretary of the Association, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on January 13, 2010, and in witness thereof, the undersigned has subscribed his/her name.

Secretary

AGREEMENT REGARDING INSPECTION AND COPYING OF RECORDS OF THE
KINGSBRIDGE HOMEOWNERS ASSOCIATION

I request to inspect and/or obtain copies of the following records for the KINGSBRIDGE HOMEOWNERS ASSOCIATION (be as specific as possible):

The records shall be used for the following purpose(s) only:

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;
- (D) any other purpose prohibited by law; or
- (E) any purpose not related to the reason specified in this Agreement.

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
Name: _____
Address: _____
