RESOLUTION
OF
THE HIGHLANDS AT BRECKENRIDGE
PROPERTY OWNERS' ASSOCIATION, INC.
RESPONSIBLE GOVERNANCE POLICIES AND PROCEDURES

SUBJECT: Adoption of policies and procedures for the Association regarding the following:

I. RESERVE FUND POLICY
II. ASSOCIATION RECORDS
III. COVENANT AND RULE ENFORCEMENT
IV. CODE OF CONDUCT/CONFLICTS OF INTEREST
V. CONDUCT OF MEETINGS
VI. COLLECTION OF UNPAID ASSESSMENTS
VII. ADOPTION OF RULES, POLICIES, PROCEDURES OR GUIDELINES
VIII. DISPUTE RESOLUTION
IX. COMPLIANCE POLICIES

PURPOSES: To comply with Colorado law (See also the Colorado Common Interest Ownership Act ("CCIOA"), and the Colorado Revised Nonprofit Corporation Act (the "Nonprofit Act") which may be reviewed at the website set forth on the attached Addendum).

AUTHORITY: The Declaration of Land Use Restrictions for The Highlands at Breckenridge Subdivision recorded on September 15, 1994 at Reception No. 476057 in the Summit County records, and all subsequent amendments or supplements (the "Declaration"), the Plat of the Highlands Subdivision at Breckenridge recorded on September 15, 1994 at Reception No. 476056 in the Summit County records, and all subsequent amendments or supplements (the "Plat"), the Bylaws, which together with the Articles of Incorporation, Rules and Regulations, Policies and Procedures are referenced as the "Association Documents". (See also CCIOA).

EFFECTIVE: Upon Approval by the Board of Directors as certified below.

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

- Definitions: Unless otherwise defined, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
- Supplement to Law. The provisions of this Resolution supplement the provisions of the Association Documents and the law of the State of Colorado governing the Association.
- Deviations. The Board of Directors may deviate from any provision of this Resolution if in its sole discretion the deviation is reasonable under the circumstances.
- Amendment. The Board may amend the following policies from time to time.

ARTICLE I
POLICY FOR RESERVE PLANNING, FUNDING & MANAGEMENT

Section 1.1 Scope and Purpose. In order to keep the Property in good repair, and to sustain the market values of Lots, the Board of Directors determines that it is necessary to have

policies and procedures for the investment of reserve funds. The reserve fund will be used to responsibly finance the projected repair and replacement of those portions of the Property that the Association is responsible for and for other funding the Board may determine is necessary.

Section 1.2 Periodic Reserve Studies Required. Periodically the Board of Directors may conduct a Reserve Study. The Study will:

a. Assign a reasonable useful life to the Common Elements, or any improvements thereon.

b. Assign a reasonable cost of repair or replacement of the Common Elements, or any improvements thereon, based on current costs for the area.

c. Set forth a repair and replacement schedule that identifies when work will be performed on the components, and which, in calculating the cost of each repair or replacement, takes into account the cost of inflation.

d. Review the reserve account funding plan, and establish a plan for supplemental reserve account funding if necessary.

e. The Board may request assistance from a reserve study analyst to prepare the Reserve Study.

Section 1.3 Reserve Study Updates. The Board may prepare an update reflecting prevailing conditions, changes in costs, and any unexpected variations from the most recent Reserve Study, which can result in supplemental funding through a special Assessment if approved by the Board of Directors as required by the Declaration.

Section 1.4 Investment of Reserves. Generally reserve funding will be assessed each year. The Board will invest the reserve funds as provided in this Section. In order to minimize the amount of member contributions, the Board of Directors will invest the funds in the reserve fund so as to generate interest revenue that will accrue to the reserve fund balance. All investments must be in the name of the Association and may not be commingled with the Association's general operating fund.

a. The Board will invest funds held in the reserve fund pursuant to the following goals listed in order of importance:

i. *Safety of Principal.* The long term goal is safety of the reserve fund's principal.

ii. *Liquidity and Accessibility.* Structure maturities to ensure availability for projected and unexpected expenditures.

iii. *Minimal Costs.* Investment costs (redemption fees, commissions, and other transactional costs) should be minimized.

iv. *Diversify.* Mitigate the effects of investment volatility upon reserve assets.

v. *Return.* Invest funds to seek the highest level of after-tax return.

b. The Board may consider the following circumstances in investing funds held in the reserve fund:

i. General economic conditions;
ii. Possible effect of inflation or deflation;
iii. Expected tax consequences;
iv. Role that each investment plays in the overall investment portfolio;
v. Other resources of the Association.

c. The Board, or the Board's authorized agent, may purchase, invest in, acquire, sell or assign any and all types and kinds of investments meeting the goals set forth in Section 1.4(a) above; and to enter into agreements, contracts and arrangements with respect to such security transactions and to execute, sign or endorse agreements on behalf of the Association. Written authorization from the President or Treasurer is required for the Manager to withdraw or transfer funds.

Section 1.5 Limitation on Investments. Unless otherwise approved by the Board of Directors, all investments of multiple year reserve funds, will be FDIC (Federal Deposit Insurance Corporation) insured, otherwise guaranteed by the United States Government.

Section 1.6 Independent Professional Investment Assistance. The Board of Directors may hire an investment counselor to assist in formulating a specific investment plan.

Section 1.7 Control and Review. All accounts and investment instruments will be subject to the approval of, and may from time to time be amended by the Board as appropriate, and must be reviewed annually.

ARTICLE II
ASSOCIATION RECORDS, INFORMATION AND REPORTS

Section 2.1 Corporate Report Filing. The Board must file the annual report, and at all times keep the Association in good standing with the Colorado Secretary of State. The Secretary, authorized officer, or designated agent of the Association will complete the annual report received from the Colorado Secretary of State with the name of the registered agent and registered office with both the physical and mailing address of the Association for notification by the Secretary of State and for service of process.

Section 2.2 Association Minutes and Record Keeping Requirements. The Association or its agents may maintain records electronically, and must keep the following records for the period of time indicated:

a. Detailed records of receipts and expenditures affecting the Association's operation and administration must be kept for three (3) years;

b. Records of claims for construction defects and amounts received pursuant to settlement of those claims must be kept permanently;

c. Minutes of all Member and Board meetings, records of all Member or Board actions taken without a meeting, records of all committee actions taken on behalf of the Association, and records of all waivers of notice of meetings of the Members, the Board of Directors or any committee must be kept permanently;

d. Director's written communications, and the votes cast, that are: (i) directly related to a Board action taken without a meeting pursuant to C.R.S. § 7-128-202; or (ii) directly related to a Board action taken without a meeting pursuant to the Bylaws must be kept permanently;

e. A current list of all Owners including their names, the physical mailing addresses the Association uses to communicate with them, the number of votes each Owner is entitled to vote must be maintained at all times; except that this paragraph (e) does not apply to a residence that is a time-share unit, as defined in C.R.S. § 38-33-110(7);

f. The current Declaration, Bylaws, Articles of Incorporation, rules and regulations, and other Board adopted policies or procedures must be maintained at all times;

g. Financial statements as described in C.R.S. § 7-136-106, for the past three (3) years and tax returns for the past seven (7) years, to the extent available;

h. A list of all current Directors and officers including their names, electronic mail addresses, and physical mailing addresses must be maintained at all times;

i. Its most recent annual report delivered to the Secretary of State, if any;

j. Financial records with detail as set forth in C.R.S. § 38-33.3-316(8), concerning statements of unpaid assessments, must be kept permanently;

k. The Association's most recent reserve study, if any;

l. Current written contracts to which the Association is a party and contracts for work performed for the Association within the immediately preceding two (2) years;

m. Records of Board of Directors or committee actions to approve or deny any requests for design or architectural approval from Owners must be kept permanently;

n. Ballots, proxies, and other records related to voting by Owners must be kept for one (1) year after the election, action, or vote to which they relate;

o. Current Board adopted resolutions relating to the characteristics, qualifications, rights, limitations, and obligations of members or any class or category of members must be maintained at all times; and

p. All written communications to all Owners generally as Owners must be kept for three (3) years.

q. All currently effective written consents, or withdrawals of consent,

submitted to the Association by an Owner authorizing the Association to disclose the Owner's telephone number, electronic mail address, or both to other Members of the Association must be maintained at all times.

Section 2.3 Membership List. The Association will maintain a list of all Owners' names, mailing addresses and the number of votes each Owner is entitled to vote (the "Membership List"). The Membership List may not be used by any person for any purpose unrelated to an Owner's interest as an Owner without the Board's consent. Without limiting the generality of the foregoing, the Membership List may not be used for the following purposes without the Board's consent:

a. Solicitation of money or property, unless it will be used to solicit Owners' votes in an Association election;

b. Any commercial purpose; or

c. The purchase or sale to or from any person.

Section 2.4 Member Inspection of Association Records. The Association must make maintained records available for an Owner or the Owner's authorized agent to examine and copy. The Association may require Owners to submit a written request, describing with reasonable particularity the records sought, at least five (5) days prior to inspection or production of the documents, and may limit examination and copying times to normal business hours or the next regularly scheduled Board meeting if the meeting occurs within thirty (30) days after the request. Notwithstanding any provision of the Association Documents to the contrary, the Association may not condition the production of records upon the statement of a proper purpose. The Association may impose a reasonable charge to be collected in advance to cover the costs of labor and material for copies of records. The Owner may request electronic copies to be furnished.

a. The Association ***may*** withhold association records concerning:

i. Architectural drawings, plans and designs, unless the legal owner of the drawings, plans or designs consents to their release in writing;

ii. Contracts, leases, bids, or records related to provision of goods or services that the Board is currently negotiating;

iii. Communications with legal counsel that are protected by the attorney-client privilege or the attorney work product doctrine;

iv. Disclosure of information in violation of law;

v. Records of an executive session of the Board; or

vi. Lots that the requesting Owner does not own.

b. The Association ***must*** withhold association records concerning:

i. Personnel, salary or medical records relating to specific individuals;

ii. Owners' personal identification and account information including bank account information, driver's license numbers, and social security numbers;

iii. Owners' personal telephone numbers or electronic mail addresses, unless an Owner has given the Association their written consent for limited disclosure of their telephone number or electronic mail address to other Members; or

iv. Any documents that are confidential under constitutional, statutory or judicially imposed requirements.

c. No Owner may remove the Association's original books or records from the place of inspection, nor alter, destroy or mark any association record.

d. The use of Association records, or the information within those records, for commercial purposes is prohibited.

Section 2.6 Statement of Assessments. The Board of Directors or Manager, if any, will furnish to any Owner, the Owner's designee or Mortgagee, a written statement setting forth the amount of unpaid assessments currently levied against such Owner upon written request, delivered personally or by certified mail, first-class postage prepaid, return receipt, and payment of a reasonable fee, to the Association's registered agent. The statement will be furnished within fourteen (14) calendar days after receipt of the request and is binding on the Association, the Board, and every Owner. If no statement is furnished to the Owner or Mortgagee, or the Owner's designee, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the inquiring party, then the Association will have no right to assert a lien upon the Lot for unpaid assessments that were due as of the date of the request. The Association must keep detailed financial records as provided in C.R.S. § 38-33.3-316(8) concerning statements of unpaid assessments. All financial and other records will be made reasonably available for examination by any Owner or the Owner's designees.

Section 2.7 Notices. Except as otherwise provided in the Association Documents, all notices, demands, bills, statements, or other communications under the Association Documents will be in writing and will be duly given if delivered personally, by United States mail, or e-mail:

a. If to an Owner, at the Owner's registered mailing address, filed with the Association, or, if no such address has been designated, at the address of such Owner, or to the e-mail address that the Owner provides to the Association.

b. If to the Association, the Board of Directors, or the Manager, at the principal office of the Association or the Manager or at such other address designated by written notice to the Owner pursuant to this section; or

c. If to any committee, at the principal address of the Association or at such other address designated by written notice to the Owner pursuant to this section.

Section 2.8 Disclosures to Owners.

a. Association and Manager Information. At least annually, the Association shall provide all Owners with a written notice stating: the Association's name, the Manager's name, if any; the physical and mailing addresses and telephone numbers for the Association and the Manager; the name of the Property; and the recording date and reception

number of the Declaration. The Association will provide Owners with notice of address or manager changes within ninety (90) days of such change.

b. Annual Disclosures. Within 90 days of the end of each fiscal year, the Association shall make the following information available to Owners:

i. The date its fiscal year commences;
ii. The operating budget for the current fiscal year;
iii. A list of the Association's current Assessments;
iv. Annual financial statements, including any amounts held in reserve for the fiscal year immediately preceding the current annual disclosure;
v. The results of any financial audit or review or the fiscal year immediately preceding the current annual disclosure;
vi. A list of all Association insurance policies, including, but not limited to, property, general liability, association director and officer professional liability, and fidelity policies. This list shall include the company names, policy limits, policy deductibles, additional named insureds, and expiration dates;
vii. The Association Documents; and
viii. The Board and member meeting minutes for the fiscal immediately preceding the current annual disclosure.

c. Method of Disclosure. The Association has the widest possible latitude in disclosure methods, so long as the required information is readily available at no cost to Owners. If the Association incurs a cost for disclosure, such cost is a Common Expense.

ARTICLE III
COVENANT AND RULE ENFORCEMENT

Section 3.1 Reporting Violations. An Owner or resident within the Property or the Board of Directors may report complaints regarding alleged violations of the Association's covenants, policies, restrictions, rules and regulations.

Section 3.2 Complaints.

a. Owner. Owners or residents must submit complaints to the Board of Directors in writing. Each written complaint must: identify the individual making the complaint (the "Complainant"); identify the alleged violator ("Violator"), if known; set forth a statement describing the alleged violation, including the specific provisions of the Association Documents alleged to have been violated; when the violation was observed; and any other appropriate 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 Board, and may be returned to the Complainant for revision or clarification.

b. Management. A Director or Manager may make complaints in writing or by any other appropriate means if a Director or Manager observed such violation.

Section 3.3 Investigation. Upon receipt of a complaint, the Board of Directors may investigate the alleged violation either in person, or by appointing a fair and impartial designated

individual or committee. The Board has sole discretion in appointing the Manager, an individual or committee to investigate the matter. The investigator will attempt to determine whether a violation has likely occurred and if the Violator should be held responsible.

Section 3.4 Initial Warning Letter. If an alleged violation has likely occurred a warning letter will be sent to the Violator explaining the nature of the violation. The warning letter may be personally delivered, mailed to the Violator at the Violator's last known address or sent by e-mail if the Violator has registered an e-mail address and the Violator confirms receipt of such e-mail notice. The Violator will have forty eight (48) hours from receipt of the letter to come into compliance. The Board may enforce the violation pursuant to this Article whether or not the Violator complies in a timely manner.

Section 3.5 Enforcement of Violation After Initial Warning. At the Board's discretion, the alleged Violator, regardless of compliance, may be subject to a fine following notice and opportunity for a hearing. If a fine is to be levied, notice shall be sent to the alleged Violator of an opportunity for a hearing, and explaining if a violation is found to exist, a fine may be imposed pursuant to this Article. The notice will further state that the alleged Violator is entitled to a fair and impartial fact finding process on the merits of the matter if requested, in writing, within ten (10) days of the date of the notice. The notice shall be personally delivered or mailed to the Violator at the Violator's last known address by certified mail, return receipt requested, and may also be sent by e-mail.

Section 3.6 Notice of Hearing. If the alleged Violator requests a hearing, the Board, Manager, committee or other person conducting such hearing, as may be determined in the sole discretion of the Board, will serve a written notice of the hearing to all parties involved at least 10 days prior to the hearing date. The notice must be served upon the Complainant, the Violator, and the Board. If the Board is not conducting the hearing, an impartial decision maker will conduct the hearing. An impartial decision maker means a person or group of persons who have the authority to make a decision regarding the enforcement of the Association's covenants, conditions, and restrictions, including its architectural requirements and other rules and regulations of the Association, and do not have any direct personal or financial interest in the outcome.

Section 3.7 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.

a. The presiding officer may impose such other rules of conduct as may be appropriate under the circumstances.

b. Each party or designated representative may make an opening statement, present evidence and testimony, present witnesses, and make a closing statement.

c. Neither the Complainant nor the alleged Violator is required to be in attendance at the hearing.

d. The Board, committee or person conducting the hearing will base its decision solely on matters set forth in the complaint, results of the investigation and such other

credible evidence as may be presented at the hearing.

e. Unless the Board determines otherwise, all hearings will be open to attendance by all Owners.

f. After all testimony and other evidence has been presented at a hearing, the Board, committee or person conducting the hearing will, within a reasonable time, not to exceed ten (10) days, render its written findings and decision, and impose a fine, if applicable.

g. Failure to strictly follow the hearing procedure set forth above will not constitute grounds for appeal of the decision absent a showing of arbitrary action or bias.

Section 3.8 Failure to Timely Request Hearing. If the alleged Violator fails to request a hearing within ten (10) days of the second letter, or fails to appear at the hearing, the Board of Directors or its impartial investigator which determined a violation occurred 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, any remedy available under the Association Documents may be ordered, including assessment of a fine pursuant to these policies and procedures.

Section 3.9 Notification of Decision. The decision of the Board of Directors, committee or other person, will be in writing and provided to the Violator and Complainant within ten (10) days of the hearing, or if no hearing is requested, within 10 days of the final decision.

Section 3.10 Appeals. The Violator may file a written appeal of decisions of a committee or other persons to the Board of any adverse decision of a hearing committee or individual within 10 days of the decision.

Section 3.11 Fine Schedule. The following fine schedule applies to all recurring covenant violations:

First violation:	Written Warning
Second violation	$ 100.00
Third violation	$ 300.00

Fourth and subsequent covenant violations are subject to a $500.00 fine. Upon satisfaction of the procedural requirements set forth in this Article, covenant violations may be turned over to the Association's attorney for appropriate legal action.

Section 3.12 Continuous Violation. A continuous violation is defined as violations of the same obligation that are uninterrupted by time beginning 48 hours after receipt of an initial warning letter and continuing until the Owner comes into compliance. Each day of non-compliance constitutes a separate violation. If an Owner is determined as having a continuous violation, in accordance with the terms of this Section, such Owner may be subject to a daily fine of $100.00 for each day the violation, following a notice and opportunity for a hearing as set forth above. The Board of Directors need not issue a separate notice or have a separate hearing for each day of a continuous violation.

Section 3.13 Waiver of Fines. The Board of Directors 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 Association Documents.

Section 3.14 Other Enforcement Means. This fine schedule and enforcement process is adopted in addition to all other enforcement means that are available to the Association through the Association Documents and Colorado law. The use of this process does not preclude the Association from using any other enforcement means.

Section 3.15 Attorney Fees. A Violator will be responsible for the Association's reasonable attorney's fees and costs incurred incident to their violation of any provision of the Association Documents or violation by any guest or occupant in the Violator's Lot. If either before or after the hearing it is determined that a Member has not committed any violation, the Association will not allocate to the Member's account any costs or attorneys' fees incurred in connection with the alleged violation.

ARTICLE IV
BOARD OF DIRECTORS CODE OF CONDUCT - CONFLICT OF INTEREST POLICY

Section 4.1 Purpose. The Board of Directors has the authority and responsibility to make decisions for the benefit of the entire Property. The Board wishes to ensure that it and its individual members maintain a high standard of ethical conduct in the performance of the Association's business, and to ensure that the Owners maintain confidence in and respect for the entire Board.

Section 4.2 Act in the Best Interests of the Association as a Whole. Members of the Board of Directors ("Directors") serve for the benefit of the entire Property, and must strive to do what is best for the Association as a whole. Directors may not use their positions as such for private gain, for example:

a. No Director may solicit or accept, directly or indirectly, any gift, gratuity, favor, entertainment, loan, or any other thing of monetary value from a person who is seeking a contractual or other business or financial relationship with the Association.

b. No Director may seek preferential treatment by the Board, any of its committees, or any contractors or suppliers.

c. No Director may accept employment compensation, gifts or favors made with the intent of influencing a decision or action on any official matter.

d. No Director may willingly misrepresent facts to advance a personal cause or influence the Property to advance a personal cause.

f. No Director may use his/her position to enhance his/her, or the Member's employer's financial status through the use of certain contractors or suppliers.

The above examples are offered for illustration purposes only, and are not intended to be exclusive.

Section 4.3 Comply with Association Documents and Relevant Law. Directors will make good faith efforts to make reasonable decisions that are consistent with the Association Documents, and to be familiar with all such documents. Directors will likewise comply with and make decisions that are consistent with all applicable laws, including, but not limited to, refraining from discriminating against any person on the basis of race, color, religion, national origin, gender, family status, or mental or physical disability.

Section 4.4 Set High Standards for Themselves as Association Members. Directors will hold themselves to high standards as Members of the Association, and will comply with the provisions of the Association Documents to the best of their ability.

Section 4.5 Work Within the Association's Framework and Refrain From Unilateral Action. Directors will work within the Association's framework and abide by the system of management established by the Association Documents and the Board of Directors. The Board will conduct business in accordance with state law and the Association Documents, and will act upon decisions duly made, and no Director will act unilaterally or contrary to such decisions. Toward that end, no Director will seek to have a contract implemented that the Board has not duly approved, nor promise anything the Board has not approved to any contractor, supplier, or otherwise.

Section 4.6 Professional Behavior. Directors will conduct themselves at all meetings, including Board meetings, annual meetings of the Members, and committee meetings, in a professional and businesslike manner. Personal attacks against other Directors, Members, residents, officers, management, or guests are not consistent with the best interests of the Property and will not be tolerated. Language at meetings will be kept professional. Though differences of opinion are inevitable, they must be expressed in a professional and businesslike manner.

Section 4.7 Confidentiality. Directors must at all times maintain the confidentiality of all legal, contractual, personnel, and management matters involving the Association. Directors must also maintain the confidentiality of the personal lives of other Directors, Members, residents, and management staff.

Section 4.8 Defamation. Directors may not engage in defamation, by any means, of any other Director, Member, resident, or management staff member. Any Director who engages in defamation will be acting outside the scope of his authority as a Director.

Section 4.9 Harassment. Directors may not in any way harass, threaten, or otherwise attempt to intimidate any other Director, Member, or resident. Any Director who harasses, threatens, or otherwise attempts to intimidate other Members or residents will be acting outside the scope of his authority as a Director.

Section 4.10 Interference with Management Staff and Contractors. No Director may interfere with the duties of management staff or any contractor executing a contract in progress. All communications with contractors must go through designated Directors, or must

otherwise be in accordance with Board policy.

Section 4.11 Use of Members' Keys. No Director may use any Member's keys in any manner other than as outlined in the Association's official key policy, if any.

Section 4.12 Violations of Code. Violations of the Code of Conduct will be brought to the Hearing Board, which will consist of designated Directors, the Association attorney, Manager, or Certified Public Accountant. Any Director who violates this Code of Conduct agrees that the Board may seek injunctive relief and also agrees that the Association is relieved of posting bond as a condition to its injunctive remedy. Such Director may also be assessed the attorney's fees incurred by the Board in any violation of the Code of Conduct.

Section 4.13 Conflicting Interest Transactions.

a. Disclosure. Directors must immediately disclose to the Board of Directors any perceived or potential conflicting interest transaction regarding any aspect of the business operations of the Association. The Director must declare all material facts of the conflict in an open meeting, prior to any discussion or action on that issue. After making such declaration, the Director may participate in the discussion but may not vote on that issue.

b. Definition. A conflicting interest transaction means a contract, transaction, or other financial relationship between the Association and a Director or between the Association and a party related to a Director, or between the Association and an entity in which a Director is a director or officer or has a financial interest. The provisions of CCIOA and the Nonprofit Act will apply to all situations where a conflicting interest transaction is present.

c. No Loans. The Association may not make any loans to any Director or officer.

ARTICLE V
CONDUCT OF MEETINGS

Section 5.1 Member Meetings. Member meetings will be called pursuant to the Bylaws.

a. Notice.

i. In addition to any notice required in the Bylaws, notice of any Member meeting may be posted on the Association's website, if any. The notice must state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws, any budget changes, and any proposal to remove a Director or officer.

ii. If any Member requests that the Association provide notice via electronic mail and has provided the Association with an electronic mail address, the Association, if it has the capability, will send notice of all Member meetings to the Member's email address at least forty-eight (48) hours prior to any meeting.

b. Conduct. The following rules of conduct and order will govern all Member meetings:

i. The President or Board designee will chair all Member meetings.

ii. All Owners and persons who attend Member meetings will sign in, present any proxies and receive ballots as appropriate.

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

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

v. Only one person may speak at a time.

vi. Each person who speaks will first state his or her name and Lot address.

vii. 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 or her.

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

ix. Comments will be offered in a civilized manner and without profanity or personal attacks and will be relevant to the purpose of the meeting.

x. Each person will have a maximum of three minutes to make a statement or to ask questions. The Board of Directors may decide whether or not to answer questions during the meeting. Each person may only speak once. A speaker may not yield time to another individual. The Chair may increase or decrease the time limit if the change is uniform for all persons addressing the meeting.

xi. All actions or decisions will require a first and second motion.

xii. Once a vote has been taken, there will be no further discussion regarding that topic.

xiii. The Association will keep minutes of actions taken.

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

xv. The Chair may establish such additional rules of order as may be necessary from time to time.

c. Voting. All votes taken at Member meetings are subject to applicable provisions within the Association Documents, and the following:

i. Neutral third party volunteers or randomly selected non-candidate Members will count ballots. The results of the vote will be reported without reference to names, addresses, or other identifying information. Current Directors or, in the case of a contested election for a Board position, candidates, may not count ballots.

ii. 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 candidate or how many votes were cast in favor and against any issue.

d. Proxies. Any Member may give written or electronically transmitted fax or e-mail proxies pursuant to C.R.S. § 7-127-203. See Addendum for a copy. The Association's Secretary or designee shall review all proxies for the following:

i. Validity of the signature and date;
ii. Signatory's authority to sign for the Lot Owner;
iii. Authority of the Lot Owner to vote;
iv. Conflicting proxies; and
v. Expiration of the proxy.

Section 5.2 Board Meetings. Board meetings will be called pursuant to the Bylaws.

a. Conduct. The rules of conduct for Member meetings will also govern all Board meetings, with Member comment as provided in subparagraph b below.

b. Member Input. After a motion and second has been made on any matter to be discussed, but prior to the Board's vote, present Members will be afforded an opportunity to speak on the motion as follows:

i. Upon the Chair's request, Members who wish to speak in favor or against the motion may indicate their interest by a show of hands. 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.

ii. Following Member input, the Chair will declare Member input closed and no further Member participation on the motion at hand will be allowed unless a majority of the Board votes to open the discussion to further Member participation.

ARTICLE VI
COLLECTION OF UNPAID ASSESSMENTS

Section 6.1 Purpose of the Collection Policy. One of the many advantages of living in a community association is sharing with other members the costs of the association's administration, management, operation, and costs of maintenance, repairs, and amenities that are often too expensive for a single Owner. All Owners are legally bound to share those costs. It is imperative for the proper operation of the Association and maintenance of the Common Elements that all Assessments, whether regular or special, be paid in full and on time. Delinquencies throw the Association's entire budget off course and negatively affect all Owners' property values and lifestyles. To maintain our Property adequately, state statutes and our Association Documents give the Board of Directors the authority to impose and collect Assessments and other allowable charges from Owners. In fact, the Board owes a duty to all Owners to make sure everyone pays. The Board has adopted the following policy to fulfill its duty in a fair, systematic, and impartial manner.

Section 6.2 Common Expenses. Common Expenses are the expenses and liabilities of the Association including allocations for reserves. Common Expenses include expenses of administration, operation and management of the Association, including but not limited to the expense of maintenance, repair or replacement of the Common Element; expenses declared Common Expenses by the Association Documents; and expenses agreed upon as Common Expenses by the Owners. Common Expenses are funded by Assessments levied against the Lots

as provided in the Declaration including Annual Assessments, special Assessments, and Default Assessments for rules violation fines, late fees, Common Element repairs, insurance deductibles, attorney fees, interest, or other charges imposed under the Association Documents.

Section 6.3 When Common Expenses Are Due. Annual Assessments are due in advance on the first day of each month without notice, or in such other installments the as the Board of Directors may determine from time to time. Payments of other Common Expenses are due thirty (30) days after the mailing of notice of Owners' obligation to pay, unless otherwise stated. If an Owner does not pay in full any Common Expense by its due date that payment is delinquent.

Section 6.4 Where to Send Payment. Deliver all payments to the Association as follows:

The Highlands at Breckenridge Property Owners' Association, Inc.
P.O. Box 8029
Breckenridge, Colorado 80424

Section 6.5 Collection Process.

a. Notice of Delinquency. After an Assessment, or other charges due to the Association, becomes more than thirty (30) days delinquent, the Board or the Manager will send a written notice of non-payment (the "Notice"). The Notice shall be in addition to, and not in lieu of, the periodic account statements sent to Owners, if any. The Notice will state:

i. The amount past due with an accounting showing the amount past due, interest, late fees, return check charges and any other amounts owed, and requesting immediate payment;

ii. The Association intends to file a lien;

iii. Who the delinquent Owner may contact to verify the amount past due;

iv. The Owner must cure the delinquency by payment of the amount owed either in a lump sum or under a payment plan pursuant this Article, and who the Owner may contact regarding a lump sum payment or a payment plan;

v. How payments will be applied to the delinquency;

vi. If the Owner fails to cure the delinquency within 30 days of the notice the delinquent account may be turned over to the Association's attorney for collection; and

vii. A summary of the legal remedies available to the Association pursuant to the Association Documents and Colorado law.

b. Final Demand. If an Owner fails to cure the delinquency within 30 days after the date of the Notice, the Manager may turn the account over to the Association's attorney for collection. Upon receiving the delinquent account, the Association's attorney may record a statement of lien, and shall send a final notice to the delinquent Owner demanding immediate payment for past due Assessments or other charges due. Upon further review, and the Board's compliance with Section 6.15 below, the Association's attorney may file a lawsuit or pursue other remedies authorized by the Association Documents and Colorado law. A delinquent Owner must pay reasonable attorney's fees the Association incurs together with costs, applicable

interest and late fees, whether or not suit is initiated.

Section 6.6. Collection Remedies. The Association may take any or all of the following actions if an Owner's account is delinquent:

a. Late Fees and Interest. Each Assessment, or other charge due to the Association, that is not paid in full within 30 days after it becomes due shall bear interest from the due date at the rate of **12%** per annum, and the delinquent Owner shall be assessed a late charge of **$50.00** as liquidated damages for the Association's time, inconvenience, and overhead in collecting the late payment.

b. Returned Checks. Any Owner who writes a check to the Association that the Association's bank returns for any reason must pay the following charges:

i. a return check charge of **$100.00** plus any related bank charges that the Association incurs because of the returned check; and

ii. If notice has been sent pursuant to C.R.S. § 13-21-109 and the total amount due set forth in that notice is not paid within fifteen (15) days after such notice is given, the person issuing the check, draft or money order will be liable to the Association for collection of three (3) times the face amount of the check, but not less than $100.00.

iii. If Owner writes two or more checks to the Association that the Association's bank returns for any reason within one fiscal year, the Association may require that Owner to pay Assessments for one fiscal year with certified funds.

c. Suspend Privileges. If an account is delinquent for more than 60 days, the Association may suspend the Owner's voting privileges.

d. Assignment of Rents. In the event of any delinquency, the delinquent Owner assigns all of the rental proceeds from their Lot to the Association, who upon written notice to the Tenant occupying the Owner's Lot, will be entitled to collect all rent and other sums due under the rental agreement.

Section 6.7. Payment Plan. In compliance with C.R.S. § 38-33.3-316.3, the Association must make a good faith effort to set up a payment plan with a delinquent Owner prior to turning the Owner's delinquent account over to a third party debt collector or referring the account to an attorney for legal action. An Owner should contact the Manager to request a copy of the ledger to confirm the amount of Assessments owed or to set up a payment plan.

a. Requirements. A payment plan negotiated between the Association Treasurer, or Manager, and an Owner pursuant to this Section must permit the Owner to pay off the delinquency in equal installments over a period of at least six (6) months. The plan will also require the Owner to pay all periodic and other Assessments as they become due during the term of the payment plan. A payment plan will contain the material terms as set forth in the template attached as Exhibit A to this Resolution, as may be amended by the Association Treasurer to address the particular circumstances of the delinquency.

b. Default. The Association may pursue any collection remedy or legal action the Association Documents authorize against an Owner who defaults on the terms of a

payment plan entered into pursuant to this Section. An Owner will be in default of their payment plan if the Owner fails to timely pay an agreed upon installment, or if the Owner otherwise defaults under the terms of the payment plan.

c. Exceptions. The Association is not required to set up payment plans with an Owner who does not occupy the Lot and acquired the property as a result of a Default of a Security Interest, or an Owner that has previously entered into a payment plan pursuant to this Section.

Section 6.8 Habitual Delinquency. An Owner that is more than 30 days delinquent on two or more periodic Assessment payments in any 6 month period will be considered habitually delinquent. The Board of Directors may require habitually delinquent Owners to arrange for payment of future Assessments to the Association by Automated Clearing House (ACH) direct debit transfers or automatic Electronic Funds Transfer (EFT).

Section 6.9 Crediting Late Payments. All delinquent accounts remain delinquent until paid in full. Acceptance of partial payments will not waive the Association's right to pursue full payment or to enforce the provisions of this policy. The Association will apply partial payments to the outstanding balance in the following order:

a. Attorney's fees and costs;

b. Post judgment interest;

c. Late charges, returned check charges, lien fees, and any other fines or costs owing or incurred;

d. Interest accrued on any unpaid post judgment Assessments;

e. Unpaid Assessments, with payments applied to the oldest balance first;

f. Current Assessments; and

g. Amounts reduced to judgment.

Section 6.10 Acceleration and Deceleration of Assessments.

a. ***Acceleration.*** The Board of Directors reserve the right to accelerate and call due the entire amount of any unpaid Assessment, or other charge due to the Association, of any delinquent account. Such acceleration will result in the entire unpaid Assessment being due to the Association immediately. The Board also reserves the right to decelerate an accelerated Assessment.

b. ***Deceleration.*** The Board of Directors reserve the right to decelerate any unpaid Assessment, or other charge due to the Association, of any delinquent account. Such deceleration may result in a delay or postponement of the applicable due date of the decelerated amount. The Board also reserves the right to accelerate a decelerated Assessment.

Section 6.11 Working Capital. The Association may require an Owner to deposit into the Association's working capital fund an amount equal to three (3) times the monthly installment of the Annual Assessment to be held by the Association as an operational reserve. Payment of such amount shall not relieve an Owner of the obligation to pay any other Assessment as it becomes due. Upon transfer of a Lot, the transferring Owner shall not receive any portion of the working capital fund.

Section 6.12 Fee for Statement of Assessment. The Association may charge a fee of $50.00 to furnish a statement of Account requested pursuant to Article II § 2.6 above. If the account has been turned over to the Association's attorney, such request will be handled through the attorney.

Section 6.13 Bankruptcies and Foreclosures. Upon receipt of any notice of a bankruptcy filing by an Owner, or upon receipt of a notice of a foreclosure by any holder of an encumbrance against any Lot, the Manager will notify the Association's attorney of the same and turn the account over to the Association's attorney, if appropriate.

Section 6.14 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 that 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.

Section 6.15 Judicial Foreclosure. If the balance of the delinquent Assessments and charges secured by its lien equals or exceeds 6 months of Common Expense Assessments based on a periodic budget adopted by the Association, 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. With respect to such action:

a. The Board must formally resolve, pursuant to a recorded vote, to authorize the filing of a legal action against an Owner or a Lot.

b. The Board may not delegate its duty under this Section to any attorney, insurer, manager, or other person.

Section 6.16 Waivers. The Association is authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the Association determines is appropriate under the circumstances.

Section 6.17 Notices. The Association will cause a collection or demand letter or notice to be hand delivered or sent to a delinquent Owner at the registered or last known address by regular mail. The Association may, but is not required to send an additional copy of that letter or notice by e-mail or certified mail.

Section 6.18 Communication with Owners. All communication with a delinquent Owner will be handled through the Association's attorney once a matter is referred to the attorney. A Director or Manager may not 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.

Section 6.19 Defenses. Failure of the Association to comply with any provisions in this policy will not be a defense to payment of Assessment fees or other charges, late charges, return check charges, attorney fees or costs as described and imposed in this policy.

ARTICLE VII
ADOPTION OF RULES, POLICIES, PROCEDURES OR GUIDELINES

Section 7.1 Scope. The Board of Directors may, from time to time, adopt rules, policies, procedures or guidelines ("Policy" or "Policies") as may be 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. 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 will follow the following procedures with adopting any Policy.

Section 7.2 Drafting Procedure. The Board of Directors will consider the following in drafting the Policy:

a. Whether the Association Documents or Colorado law grant to the Board the authority to adopt such a Policy.

b. Whether the Policy makes sense, and is the least restrictive way to approach the issue.

c. Whether the Association Documents address the issue.

d. Whether the Policy will be acceptable to Owners.

e. Whether the Policy is enforceable.

Section 7.3 Notice and Comment. Notice of the proposed Policy will be provided to all Owners or posted on the Association's website, if any, by US or electronic mail or hand delivery and Owners will be allowed a minimum of ten (10) days to provide comment or feedback on the proposed Policy. Notice of the proposed Policy will also be given on the Board's regular or special meeting agenda.

Section 7.4 Emergency. The Board of Directors 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.

Section 7.5 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 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 (if any), e-mail or mailing.

Section 7.6 Policy Book. The Board of Directors will keep copies of any and all

adopted Policies in a book together with all other Association Documents.

ARTICLE VIII
DISPUTE RESOLUTION AND LIMITATION ON LITIGATION

The Association and its officers, Directors, and committee members, all Members and persons subject to the Declaration and any person not otherwise subject to the Declaration who agrees to submit to this policy (collectively, the "Bound Parties"), agree that it is in the best interest of all concerned to encourage the amicable resolution of disputes involving the Association without the emotional and financial costs of litigation. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim described in Section 8.1, unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth below in good faith effort to resolve such Claim.

Section 8.1 Claims. As used in this Article VIII, the term "Claim" refers to any claim, grievance, or dispute arising out of or relating to:

a. The interpretation, application, or enforcement of the Association Documents;

b. The rights, obligations and duties of any Bound Party under the Association Documents; or

c. The design, modification or construction of improvements within the Property, other than matters of aesthetic judgment, which shall not be subject to review;

Section 8.2 Exception to Definition of "Claim". The following is not a "Claim" as contemplated in Section 8.1 above, unless all parties to the matter otherwise agree to submit the matter to the following procedures:

a. Any suit by the Association to collect Assessments or other amounts due from any Owner;

b. Any suit by the Association to obtain a temporary restraining order (or emergency equitable relief) and such ancillary relief as the Court finds necessary in order to maintain the status quo and preserve the Association's ability or to enforce the provisions of this Declaration upon determination that a violation exists;

c. Any suit between Owners, which does not include the Association as a party, if such suit asserts a Claim that would constitute a cause of action independent of the Association Documents;

d. Any suit in which any indispensable party is not a Bound Party;

e. Any suit as to which any applicable statute of limitations would expire within 60 days of giving the Notice required to assert a claim, unless the party or parties against whom the Claim is made agree to toll the statute of limitations as to such Claim for such period as may reasonably be necessary to comply with this Article; and

f. Any Covenant or Rule Enforcement action by the Association as provided in Article III, except that prior to commencement of any civil action Mediation will occur as provided below.

Section 8.2 Dispute Resolution Procedures.

a. Notice. The Bound Party asserting a Claim ("Claimant") against another Bound Party ("Respondent") must give written notice to each Respondent and to the Board of Directors stating plainly and concisely:

i. The nature of the Claim, including the Persons involved and the Respondent's role in the Claim;

ii. The legal basis of the Claim (*i.e.* the specific authority out of which the Claim arises);

iii. The Claimant's proposed resolution or remedy; and

iv. The Claimant's desire to meet with the Respondent to discuss in good faith ways to resolve the Claim.

b. Negotiation. The Claimant and Respondent will make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the parties in negotiating a resolution of the Claim.

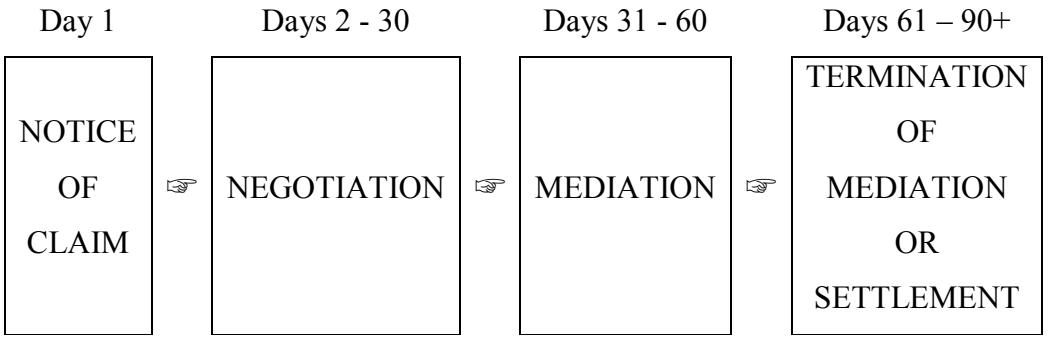
c. Mediation. If the parties have not resolved the Claim through negotiation within thirty (30) days of the date of the notice described in paragraph a above (or within such other period as the parties may agree upon), the Claimant will have 30 additional days to submit the Claim to mediation with an entity designated by the Association (if the Association is not a party to the Claim) or to an independent agency providing dispute resolution services in Colorado.

i. If the Claimant does not submit the Claim to mediation within such time, or does not appear for the mediation when scheduled, the Claim is waived, and the Respondent is relieved of any and all liability to the Claimant (but not third parties) on account of such Claim.

ii. If the Parties do not settle the Claim within 30 days after submission of the matter to mediation, or within such time as determined reasonable by the mediator, the mediator will issue a notice of termination of the mediation proceedings indicating that the parties are at an impasse and the date that mediation was terminated. The Claimant will then be entitled to file suit or to initiate administrative proceedings on the Claim, as appropriate.

iii. Each Party will bear its own costs of the mediation, including attorney's fees and each Party will share equally all mediator's fees.

d. Alternative Dispute Resolution Process



e. Settlement. Any settlement of the Claim through negotiation or mediation must be documented in writing and signed by the parties.

i. If any party thereafter fails to abide by the terms of such agreement, then any other party may file suit or initiate administrative proceedings to enforce such agreement without the need to again comply with the procedures set forth in this Section.

ii. If the party taking action to enforce the agreement or award prevails, they will be entitled to recover from the non-complying party (or if more than one non-complying party, from all such parties in equal proportions) all costs incurred in enforcing such agreement or award, including, without limitation, attorney's fees and court costs.

f. Litigation - Attorney Fees. If a lawsuit is initiated to enforce or defend any provision of CCIOA, the Nonprofit Act or the Association Documents, the court shall award the prevailing party reasonable attorney's fees and costs of collection. If an Owner prevails in any civil action, the Association may not assess the successful litigant for the Association's attorney fees or costs incurred.

ARTICLE IX
COMPLIANCE POLICIES

The policies adopted hereunder are adopted in conformity with CCIOA. It is the Association's intent that these policies and Colorado law will prevail over contrary provisions in the Association Documents. The Association adopts the following polices with regard to the following items addressed in CCIOA:

Section 9.1 Patriotic and Political Expression. The Association may not prohibit any of the following:

a. An Owner's display of the American flag on their property, in a window of the Owner's residence, or on a balcony adjoining the Owner's property if the American flag is displayed in a manner consistent with the federal flag code, P.L. 94-344; 90 stat. 810; 4 U.S.C. 4 to 10. The Association may adopt reasonable rules regarding the placement and manner of display of the American flag. The Association rules may regulate the location and size of flags and flagpoles, but may not prohibit the installation of a flag or flagpole. Flags may not exceed four (4) feet by six (6) feet.

b. An Owner's display of a service flag bearing a star denoting the service of the Owner or a member of the Owner's immediate family in the active or reserve military service

of the United States during a time of war or armed conflict, on the inside of a window or door of the Owner's residence. The Association may adopt reasonable rules regarding the size and manner of display of service flags; except that the dimension restrictions may not be less than nine (9) inches by sixteen (16) inches.

c. An Owner's display of a political sign in a window of their residence; except that the Association may prohibit the display of political signs earlier than forty-five (45) days before the day of an election and later than seven (7) days after an election day. The Association must permit at least one (1) political sign per political office or ballot issue that is contested in a pending election, with the maximum dimensions of thirty-six (36) inches by forty-eight (48) inches, on an Owner's property. As used in this paragraph c, "political sign" means a sign that carries a message intended to influence the outcome of an election, including supporting or opposing the election of a candidate, the recall of a public official, or the passage of a ballot issue.

d. Reasonable modifications to a residence or to Common Elements as necessary to afford a person with disabilities full use and enjoyment of the property in accordance with the Federal "Fair Housing Act of 1968" and any other applicable state or federal statute.

Section 9.2 Parking of Emergency Vehicles. The Association may not prohibit the parking of a motor vehicle by a Lot occupant on a street, driveway, or guest parking area if the vehicle is required to be available at designated periods at the occupant's residence as a condition of employment and all of the following criteria are met:

a. The vehicle has a gross vehicle weight rating of ten thousand pounds or less;

b. The occupant is a bona fide member of a volunteer fire department or is employed by a primary provider of emergency firefighting, law enforcement, ambulance, or emergency medical services;

c. The vehicle bears an official emblem or other visible designation of the emergency service provider; and

d. Parking of the vehicle can be accomplished without obstructing emergency access or interfering with the reasonable needs of other Owners to use streets and driveways within the common interest community.

Section 9.3 Audit/Review.

a. Audit. The Association's books and records will be subject to an audit by an independent and qualified person selected by the Board, using generally accepted auditing standards, upon the following conditions:

i. At the discretion of the Board; or

ii. The Association has annual revenues or expenditures of at least two hundred fifty thousand dollars ($250,000), and

iii. One-third (1/3) of the Owners request an audit.

b. Review. The books and records of the Association will be subject to a review by an independent and qualified person selected by the Board of Directors upon the conditions set forth below. The person selected to conduct a review need not be a certified public accountant, but must have a basic understanding of the principles of accounting as a result of prior business experience, education above the high school level, or bona fide home study, and shall use statements on standards for accounting and review services. A review will be conducted upon the following conditions:

i. At the discretion of the Board; or
ii. One-third (1/3) of the Owners request a review.

c. Accounting. The audit or review report shall cover the Association's financial statements, which shall be prepared using generally accepted accounting principles or the cash or tax basis of accounting as the Board of Directors elects to use.

d. Copies of Reports. Copies of an audit or review report will be made available 30 days after its completion to any requesting Owner.

Section 9.4 Fire Prevention. The Association may not adopt any regulation or take any action that prohibits or limits fire prevention efforts or otherwise conflicts with C.R.S. § 38-33.3-106.5.

Section 9.5 Xeriscape. The Association may not adopt any regulation or take any action that prohibits or limits xeriscape, prohibits or limits the installation or use of drought-tolerant vegetative landscapes, or requires cultivated vegetation to consist exclusively or primarily of turf grass, all as more specifically set forth and defined in C.R.S. § 37-60-126.

Section 9.6 Energy Efficiency. The Association will not prohibit the use or installation of energy efficient measures as provided in C.R.S. § 38-33.3-106.

ADDENDUM

To review the Colorado Common Interest Community Ownership Act. C.R.S. § 38-33.3-101 et seq.; Conflicting Interest Transactions, C.R.S. § 7-128-501; or Proxies, C.R.S. § 7-127-203, or any other statute reference above use the following link:

http://www.lexisnexis.com/hottopics/colorado/

CERTIFICATE OF THE OFFICERS
OF
THE HIGHLANDS AT BRECKENRIDGE PROPERTY OWNERS' ASSOCIATION, INC.

The undersigned President and Secretary of the Association do hereby certify that the above Resolution to Adopt Responsible Governance Policies and Procedures was duly adopted by the Board of Directors on the _____ day of _____, 2017.

THE HIGHLANDS AT BRECKENRIDGE PROPERTY OWNERS' ASSOCIATION, INC.

By: _____, President

Attest: _____, Secretary