

**THOMPSON PARK HOMEOWNERS ASSOCIATION, INC.
A COLORADO NONPROFIT CORPORATION**

**UNANIMOUS WRITTEN CONSENT OF THE DIRECTORS
IN LIEU OF MEETING
April 17, 2020**

The undersigned, being all of the Directors (the “Directors”) of the Board of Directors of the THOMPSON PARK HOMEOWNERS ASSOCIATION, INC., a Colorado nonprofit corporation (the “Association”), acting pursuant to the provisions of the Colorado Revised Nonprofit Corporation Act, C.R.S. §§ 7-121-101, *et seq.* (“Nonprofit Act”), the Colorado Common Interest Ownership Act (“CCIOA”), C.R.S. §§ 38-33.3-101, *et seq.* (“CCIOA”), and the Declaration of Covenants, Conditions, Easements, and Restrictions for Thompson Park Subdivision recorded in the Garfield County real property records on November 18, 2019, at Reception No. 928313 (“Declaration”), do hereby waive notice of the time, place and purpose of a meeting, and do hereby consent, in lieu of holding a meeting, to the adoption of the following resolutions, which shall have the same force and effect as if adopted at a formal meeting of the Directors, duly called and held for the purposes of acting upon proposals to adopt the following resolutions (this “Consent”):

1. **RESOLVED**, that the Articles of Incorporation of the Association filed with the Colorado Secretary of State on November 15, 2019, and all actions of the Incorporator identified therein and thereafter taken are hereby ratified, approved, and confirmed by the Directors in all respects. The Directors further accept the assignment of rights of the Incorporator, release the Incorporator from any and all liability as Incorporator of the Association, and indemnify the Incorporator from any and all liability which may accrue by virtue of the incorporation of the Association and the filing of the Association’s Articles of Incorporation.

2. **RESOLVED**, that the following Directors are elected as Officers of the Association: Jacques Machol, President; Lenn Haffeman, Vice President; and David Bauer, Secretary/Treasurer.

3. **RESOLVED**, that the Bylaws attached hereto as Exhibit A shall serve as the initial Bylaws of the Association and that the Secretary shall endorse the Bylaws accordingly;

4. **RESOLVED**, that the initial budget for the Association attached hereto as Exhibit B is adopted and approved;

5. **RESOLVED**, as required by CCIOA, that the Directors hereby adopt policies that conform with C.R.S. §§ 38-33.3-209.5, 38-33.3-316 and 38-33.3-316.3, set forth in Exhibit C attached hereto and incorporated herein by this reference, effective as of the effective date of this Resolution;

6. **RESOLVED**, that the Rules and Regulations of the Association set forth in Exhibit D attached hereto are adopted and approved;

7. **RESOLVED**, that Silver Mountain Properties, Inc. is hereby appointed and shall serve as the Association’s Managing Agent and that the President is authorized to execute a contract for such services with the Managing Agent;

8. **RESOLVED**, that the following individuals are appointed as the initial members of the Architectural Control Committee pursuant to Section 4.4 of the Declaration: Lenn Haffeman, Jeff Spanel, and Jacques Machol.

9. **RESOLVED**, that a facsimile, electronic, telecopy, or other reproduction of this Consent may be executed by the Directors and shall be considered valid, binding and effective, for all purposes; and it is further resolved that this Consent may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, and that each Director may sign this Consent electronically; and

10. **RESOLVED**, that all actions of the Directors or Officers of the Association, on behalf of the Association, are hereby ratified, approved and confirmed in all respects.

IN WITNESS WHEREOF, the undersigned, constituting all the Members of the Board of Directors of the Association, hereby consent to, approve, and adopt the foregoing actions to be effective as of April 17, 2020.

BOARD OF DIRECTORS OF THOMPSON PARK HOMEOWNERS ASSOCIATION, INC., a Colorado nonprofit corporation

DocuSigned by:

DB37C8FE2DFC43C...
Jacques Machol, Director

DocuSigned by:

1227496B935840E...
Lenn Haffeman, Director


DocuSigned by:

9EE03F2B503E498...
David Bauer, Director

Exhibit A

BYLAWS
OF
THOMPSON PARK HOMEOWNERS ASSOCIATION, INC.
a Colorado nonprofit corporation

**BYLAWS
OF
THOMPSON PARK HOMEOWNERS ASSOCIATION**

The name of the corporation shall be Thompson Park Homeowners Association, Inc., a Colorado nonprofit corporation (the “**Association**”).

ARTICLE 1 PURPOSES, ASSENT OF OWNERS, AND DEFINITIONS

Section 1.1 Purposes. The Association is formed pursuant to the Colorado Revised Nonprofit Corporation Act, Colo. Rev. Stat. § 7-121-101 et seq. (the “**Nonprofit Act**”) and the Colorado Common Interest Ownership Act, Colo. Rev. Stat. § 38-33.3-101 et seq. (the “**Act**”), as each may be amended from time to time. The primary purposes for which the Association is formed are (a) to provide for the operation, administration, use, and maintenance of certain common areas and other property more fully described in the Declaration of Covenants, Conditions, Easements, and Restrictions for Thompson Park Subdivision, recorded in the office of the Clerk and Recorder of Garfield County, Colorado, at and as amended or supplemented from time to time (the “**Declaration**”); (b) to preserve, protect, and enhance the values and amenities of such property; and (c) to promote the health, safety, and welfare of members of the Association.

Section 1.2 Assent. All present or future Owners, Occupants, or any other Persons using the property or facilities of the Thompson Park Subdivision (“**Project**”) in any manner are subject to these Bylaws and any Rules and Regulations adopted by the Board of Directors pursuant to these Bylaws. Acquisition or rental of any Lot in the Project, or the mere act of occupancy of any Lot, shall constitute an acceptance and ratification of these Bylaws and an agreement to comply with said Rules and Regulations.

Section 1.3 Definitions. Unless otherwise specified, capitalized terms used in these Bylaws shall have the same meanings in these Bylaws as such terms have in the Declaration.

ARTICLE 2 MEMBERSHIP

Section 2.1 Membership. Ownership of a Lot is required in order to qualify for membership in the Association. There shall be one class of members in the Association.

Section 2.2 Responsibilities of Owners. Each membership is appurtenant to the fee simple title to a Lot. Any Person, including Declarant, upon becoming an Owner, shall automatically become a member of the Association (“**Member**”) and be subject to these Bylaws. Membership shall terminate without any formal Association action whenever such Person ceases to own a Lot, but such termination shall not relieve or release any former Owner from any liability or obligation incurred under these Bylaws, or in any way connected with the Association arising during the period of such ownership, and shall not impair any rights or remedies which the Board of Directors or others may have against such former Owner arising out of ownership of the Lot and membership in the Association and the covenants and obligations incident thereto. Following termination of the Project, the Association will consist of all Owners entitled to share in the distribution of proceeds of a sale of the Project pursuant to the Act.

Section 2.3 Membership Certificates. No certificates of stock shall be issued by the Association, but the Board of Directors may, if it so elects, issue membership cards to Owners. Such membership card shall be surrendered to the secretary of the Association whenever ownership of the Lot designated on the card is transferred and membership terminates.

Section 2.4 Voting Rights. Each Member shall have voting rights in the Association. The vote of any Member owning a Deed Restricted Unit or a Free Market Lot shall amount to one (1) vote. If

a Lot is owned by two or more Persons, then, pursuant to Section 5.2 of the Declaration, such Persons shall constitute one Member, and shall share and jointly control the voting rights allocated to such Lot. Declarant shall be entitled to vote with respect to any Lot owned by it. Cumulative voting shall not be allowed in the election of the Board of Directors or for any other purpose. The Association shall not have a vote with respect to any Lot which may be owned by it. Members' voting rights shall not be altered without prior approval from the Town of Carbondale Board of Trustees.

Section 2.5 Designated Person and Registered Address.

(a) If title to a Lot is held by more than one (1) individual, by a firm, corporation, partnership, company, association or other legal entity or any combination thereof, such individuals, entity, or entities shall, by written instrument executed by all such parties and delivered to the Association, appoint and authorize one (1) person to represent the Owner(s) of the Lot (the "**Designated Representative**"). Such representative shall be a natural person who is an Owner, or a designated board member or officer of a corporate Owner, or a general partner of a partnership Owner, or a comparable representative of any other entity, and such representative shall have the authority to make decisions and take actions relating to the Lot and to membership in the Association including, without limitation, the power to cast votes on behalf of the Owners as a member of the Association and serve on the Board of Directors if elected. The Designated Representative shall be the person to whom all notices and deliveries under the Declaration or Rules and Regulations are addressed.

(b) There shall be a single registered mailing address associated with each Lot. The Owner, or the Designated Representative of the Owners, of a Lot shall furnish such registered address to the Association within ten (10) days after transfer of title to the Lot to such Owner or Owners. Such registration shall be in written form and signed by the individual Owner or the Designated Representative, as applicable. If no address is registered, then any notice shall be deemed duly given if delivered to the Lot if a copy of such notice is held and available for the Owner at the principal office of the Association.

ARTICLE 3 MEETINGS OF MEMBERS

Section 3.1 Place of Meeting. Meetings of the Members shall be held at such place, within the State of Colorado, as the Board of Directors may determine. All or some of the Members may participate in a meeting by means of a conference telephone, electronic conferencing or similar communications equipment by which all Persons participating in the meeting can hear each other or read the words of each other at the same time. Such participation shall constitute presence in person at the meeting.

Section 3.2 Annual Meeting. Regular meetings of Members shall be held annually. The first annual meeting of the Members shall be held within one (1) year after the date of the adoption of these Bylaws. Thereafter, the annual meetings of the Members shall be held on a date and at a time selected by the Board of Directors each year. The purpose of the annual meetings is to (i) propose and/or review the Budget; (ii) elect the members of the Board of Directors as provided in Article 4 of these Bylaws; and (iii) transact such other Association business as may properly come before the Members at the meeting.

Section 3.3 Special Meetings. Calls for special meetings of the Members may be made (i) by the president of the Association, (ii) by a majority of the Board of Directors, or (iii) by written instrument signed by Members representing twenty percent (20%) of the total votes in the Association.

Section 3.4 Notice of Meetings. Written notice of each meeting shall be delivered to the registered address of each Member entitled to be represented by a vote not fewer than ten (10) nor more than fifty (50) days before the date of the meeting, by or at the direction of the president, or the secretary,

or the Persons calling the meeting as provided under these Bylaws. Such notice shall state (i) basic meeting information such as the place, day, and hour of the meeting and (ii) the items on the agenda for the meeting, including the general nature of any proposed amendment to the Declaration or these Bylaws, any proposal to remove an officer or member of the Board of Directors, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. No action shall be adopted at a meeting except as stated in the notice. Attendance at any meeting by a Member shall constitute a waiver of notice by that Member, except where a Member attends the meeting for the expressed purpose of objecting that the meeting was not lawfully called or convened. If electronic means are available, the Association shall provide notice of all regular and special meetings of Members by electronic mail to all Members who so request and who furnish the Association with their electronic mail addresses, as soon as possible but in all cases, at least twenty four (24) hours before such meetings. In addition to the requirements contained hereinabove and in addition to any electronic posting or electronic mail notices, the notice of any meeting shall be physically posted in a conspicuous place at the Project, to the extent that such posting is feasible and practicable.

Section 3.5 Meeting to Consider Annual Budget. The Budget shall be considered annually in accordance with the Declaration and the applicable provisions of the Act. The Budget proposed by the Board of Directors will be deemed approved unless vetoed as provided in the Act.

Section 3.6 Adjourned Meetings. If any meeting of the Members cannot be organized because a quorum, as defined below, is not present, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is obtained.

Section 3.7 Proxies. Votes allocated to a Lot may be cast pursuant to a proxy duly executed by a Member. A Member may not revoke a proxy given pursuant to this Section except by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates eleven months after its date, unless it provides otherwise. A form of proxy may be distributed to each Owner to afford the Owner(s) of such Lot the opportunity to cast the vote allocated to such Lot in absentia at a meeting of Members of the Association, provided that it meets the requirements for a written ballot set forth in Section 3.12 below and includes the name or names of the person(s) to whom the proxy is given and who expect to be in attendance in person at the meeting for the purpose of casting the vote to reflect the absent Member's vote.

Section 3.8 Multiple Owners-Proxy. If title to a Lot is held by more than one Person, and if only one of such multiple Owners of a Lot is present at a meeting of the Association, such Owner is entitled to cast the vote allocated to that Lot. If more than one of the multiple Owners of a Lot are present, in person or by proxy, and there is no Designated Representative as required under Section 2.5, the vote allocated to that Lot may be cast only in accordance with the agreement of a majority in interest of the Owners, which majority agreement may be assumed for all purposes if any one of the multiple Owners cast the vote allocated to that Lot without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Lot. If such protest is made, the vote allocated to the Lot may only be cast by written instrument executed by all Owners who are present at the meeting.

Section 3.9 Quorum. Except as otherwise provided in these Bylaws, the presence at the beginning of the meeting in person or by proxy of the Members possessing sufficient votes to constitute fifty percent (50%) of the total vote of all Members shall constitute a quorum, and such Members present in person or by proxy shall constitute the Members entitled to vote upon any issue presented at a meeting at which a quorum is present.

Section 3.10 Voting. Except as otherwise required by the Declaration, the Act or by these Bylaws, the votes of Members who are present either in person or by proxy at any duly convened meeting of the Association at which a quorum has been established and who cast a simple majority of the total votes eligible to be voted by such present or represented Members shall decide any question under consideration, and shall constitute the act of and be binding upon the Association. Notwithstanding the foregoing, the following matters require approval or rejection by a percentage of the total votes in the Association, rather than by those present at a meeting where quorum requirements have been satisfied, as further specified in the Declaration and the Act: (a) amendments of the Declaration, (b) termination of the condominium regime, (c) conveyance or encumbrance of Common Elements, and (d) vetoing the Budget. At the discretion of the Board of Directors, or upon the request of twenty percent (20%) of the Members who are present or represented by proxy at a meeting at which a quorum has been achieved, a vote upon any matter for which Members are entitled to vote shall be by secret ballot. In such event, ballots shall be counted by a neutral third party or by an Owner who is not a candidate, who attends the meeting at which the vote is held, and who is selected at random from a pool of two or more such Owners and the results of the vote shall be reported without reference to names, addresses or other identifying information.

Section 3.11 Waiver of Meeting and Consent to Action. Whenever the vote of Members at a meeting of the Association is required or permitted by any provision of these Bylaws to be taken in connection with any action of the Association (including, without limitation, an annual meeting or meeting to consider the Budget), the meeting and vote of Members may be dispensed with and the action in question may be approved if (a) notice of the proposed action is given to all Members eligible to vote, and (b) a sufficient number of Members eligible to vote concerning such matter consent in writing to dispense with the meeting and consent in writing to the action in question. A sufficient number is at least the number required to satisfy the voting power that would be necessary to approve the action at a meeting.

Section 3.12 Action by Written Ballot. Any action that may be taken at any annual or special meeting of Members (including, without limitation, an annual meeting or meeting to consider the Budget) may be taken without a meeting and through voting by written (including electronic) correspondence, if the following requirements are met:

(a) a written ballot is distributed to every Member entitled to vote on the matter, setting forth each proposed action and providing an opportunity to vote for or against each proposed action;

(b) the solicitation for votes by written ballot (i) indicates the number of responses needed to meet the quorum requirements for authorization or rejection of the proposed action (or, if the quorum provisions do not apply to the proposed action, as further set forth in Section 3.10 above, specifies the same); (ii) states the percentage of votes needed to authorize or reject each matter, other than election of the Board of Directors (or, if the proposed action is ratification of the Budget pursuant to Section 3.5 above, states that the Budget will be ratified unless rejected by sixty-seven percent (67%) or more of the total votes in the Association); (iii) specifies the time by which a ballot must be received by the Association in order to be counted; and (iv) is accompanied by written information (including, if applicable, a summary of any proposed Budget) sufficient to permit each Person casting such ballot to reach an informed decision on the matter; and

(c) the number of votes cast by written ballot in favor or against the proposed action equals or exceeds the number of votes in favor or against that would be required to authorize or reject the action at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot.

A written ballot delivered to the Association pursuant to this Section 3.12, may not be revoked. Action taken under this Section 3.12 has the same effect as action taken at a meeting of Members and may be described as such in any document.

Section 3.13 Representation of Mortgagees. All First Mortgagees or their representatives shall be entitled to attend Association meetings of the Members and shall have the right to address the Members regarding such First Mortgagees' issues and concerns relating to the Project.

Section 3.14 Meetings of Members. All Meetings of Members, including Designated Representatives, shall be open to every Owner and Designated Representative and all Owners and Designated Representatives shall be permitted to attend, listen and speak at an appropriate time during deliberations and proceedings.

Section 3.15 Record Date. The Board is authorized to fix a record date with respect to any annual meeting and special meeting of the Members for the purposes of determining the Members of the Association in good standing and entitled to notice of the meeting, for determining the Members entitled to vote at the meeting and for determining the Members entitled to exercise any right in respect of any other lawful action.

ARTICLE 4 BOARD OF DIRECTORS

Section 4.1 Number and Qualification. The affairs of the Association shall be governed by a Board of Directors, initially composed of three (3) natural persons. At the first meeting of the Association after the Period of Declarant Control, three (3) Owners or other persons shall be elected to the Board of Directors by the Members. The Members may, at any time after the Declarant Control period has ended, increase the number of Board Members to five (5).

Section 4.2 Required Election of Members. Not later than sixty (60) days after conveyance by Declarant of twenty-five percent (25%) of the 40 Lots approved for the Project to Owners other than Declarant, at least one (1) member and not fewer than twenty-five percent (25%) of the members of the Board of Directors shall be elected by Owners other than Declarant. Not later than sixty (60) days after conveyance of fifty percent (50%) of the 40 Lots approved for the Project to Owners other than Declarant, not fewer than thirty-three and one-third percent (33-1/3%) of the members of the Board of Directors must be elected by Owners other than Declarant. For the avoidance of doubt, the foregoing restrictions on Declarant are not intended to restrict the Declarant, to the extent it then owns one or more Lots, from voting or from running for the Board of Directors as a Lot Owner. Not later than the termination of the Period of Declarant Control, the Owners shall elect all members of the Board of Directors, at least a majority of whom shall be Owners other than Declarant or Designated Representatives of Owners other than Declarant.

The Board of Directors shall elect the officers. The members of the Board of Directors and officers shall take office upon election. Votes for contested elections to the Board of Directors shall be by secret ballot.

Section 4.3 Declarant Control of the Association. There shall be a Period of Declarant Control of the Association, during which time Declarant, or Persons designated by Declarant, may appoint and remove the officers of the Association and members of the Board of Directors (subject to the requirements of Section 4.2 above). The Period of Declarant Control shall commence upon filing of the Articles of Incorporation and shall terminate as set forth in the Act.

Declarant may voluntarily surrender the right to appoint and remove officers and members of the Board of Directors before termination of the Period of Declarant Control. In that event, Declarant may require,

for the duration of the Period of Declarant Control, that specified actions of the Association or Board of Directors, as described in a recorded instrument executed by Declarant, be approved by Declarant before they become effective.

The names and addresses of the Persons who are to initially act in the capacity of the members of the Board of Directors until their successors are duly elected and qualified are set forth in the organizational consent minutes of the Association, a copy of which was placed in the Association's minute book.

Section 4.4 Election and Term of Office. Until the first annual meeting after the Period of Declarant Control terminates, the terms of members of the Board of Directors appointed by Declarant shall continue until and expire on the date of the first meeting of the Members following termination of the Period of Declarant Control. All other members of the Board of Directors serving during the Period of Declarant Control shall serve three (3) year terms (subject to the provisions of the following sentence). At the first meeting of the Association after the Period of Declarant Control, the terms of all existing members of the Board of Directors shall be deemed to have expired, and an election shall be held for all members of the Board of Directors. The terms of the members of this initial Board of Directors elected by the Members shall be staggered so that one member shall be elected to serve a one (1) year term, one member shall be elected to serve a two (2) year term, and one member shall be elected to serve a three (3) year term. At the expiration of the initial term of office for each respective member of the Board of Directors, his or her successor shall be elected to serve a term of three (3) years. Notwithstanding any provision in this Section 4.4 to the contrary, members of the Board of Directors may be elected by written consent or ballot pursuant to the conditions set forth in Sections 3.11 or 3.12 above. Each member of the Board of Directors shall hold office until the election and qualification of his or her successor, unless such a member is removed or otherwise vacates in accordance with these Bylaws. At any meeting at which one or more members of the Board of Directors is to be elected, the Owners may, by resolution, adopt specific procedures which are not inconsistent with these Bylaws or the Nonprofit Act for conducting the elections.

Section 4.5 Removal of Members of the Board of Directors. A regular or special meeting of Members may be called for the purpose of considering the removal of any member of the Board of Directors. The Board of Directors shall designate by resolution or motion the date and time of such regular or special meeting after such meeting is properly set or called in accordance with these Bylaws. Any one (1) or more of the members of the Board of Directors, other than a member appointed by Declarant, may be removed with or without cause by an affirmative vote of sixty-seven percent (67%) of the voting power of the Members present in person or represented by proxy and eligible to vote. Any member of the Board of Directors whose removal has been proposed shall be given an opportunity to be heard at the meeting. Successors may then and there be elected by a majority of the remaining Board of Directors. If the entire Board of Directors is removed at once, an election by the Members present in person or represented by proxy and eligible to vote to fill the vacancies thus created shall be immediately held at the same meeting.

Section 4.6 Vacancies.

(a) During Period of Declarant Control. During the Period of Declarant Control, if a member of the Board of Directors appointed by Declarant dies or resigns, Declarant shall appoint a new member of the Board of Directors. If a member of the Board of Directors not appointed by Declarant dies or resigns during this period, such vacancy shall be filled as provided in subsection (b) below.

(b) After the Period of Declarant Control. After the Period of Declarant Control, any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of all of the remaining members of the Board of Directors (though the remaining members may be less than a

quorum of the Board of Directors). The term of the member of the Board of Directors so elected shall be coincident with the term of the replaced member of the Board of Directors.

Section 4.7 Quorum of the Board of Directors. A majority of the number of members of the Board of Directors fixed from time to time by these Bylaws shall constitute a quorum for the transaction of business. Any act by a majority vote of the Board of Directors in attendance where a quorum is present shall be an act of the Board of Directors.

Section 4.8 Place and Notice of the Board of Directors Meetings. Any regular or special meetings of the Board of Directors may be held at such place within or without the State of Colorado and upon such notice as the Board of Directors may prescribe. Any special meeting of the Board of Directors shall be preceded by at least two days' notice of the date, time and place of the meeting. The Board of Directors shall hold a regular meeting at least once each year and shall, in addition, meet as often as they deem necessary or desirable to perform their duties hereunder. Attendance of a member of the Board of Directors at any meeting shall constitute a waiver of notice of such meeting, except when a member of the Board of Directors attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Before, at, or after any meeting of the Board of Directors, any member of the Board of Directors may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the waiver of notice of such meeting. The Board of Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all members of the Board of Directors. Any action so approved shall have the same effect as though taken at a meeting of the Board of Directors. All or some of the members of the Board of Directors may participate in a meeting by means of a conference telephone, electronic conferencing or similar communications equipment by which all Persons participating in the meeting can hear each other or read the words of each other at the same time. Such participation shall constitute presence in person at the meeting.

Section 4.9 Powers and Duties. The Board of Directors shall have, subject to the limitations contained in the Declaration and the Act, the powers and duties necessary, desirable, or appropriate for the administration of the affairs of the Association and for the operation and maintenance of the Project, including (but not limited to) the powers and duties stated in the Declaration.

Section 4.10 Managing Agent. The Board of Directors may employ for the Association a Managing Agent at a compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize; provided, however, that the Board of Directors in delegating such duties shall not be relieved of its responsibilities under the Declaration. The Managing Agent shall maintain fidelity insurance coverage or a bond for the benefit of the Association in an amount of not less than fifty thousand dollars, or such higher amount as the Board of Directors may require. The Managing Agent shall maintain all funds and accounts of the Association separate from the funds and accounts of other associations managed by the Managing Agent and shall maintain all reserve accounts for the Association separate from the operational accounts of the Association. The Managing Agent shall provide an annual accounting for Association funds and a financial statement to the Association. Any contract that the Board of Directors enters into with a Managing Agent shall provide that the contract is terminable for cause without penalty to the Association and shall be subject to renegotiation from time to time.

Section 4.11 Compensation of the Members of the Board of Directors. Members of the Board of Directors shall not be paid any compensation for their services performed as members of the Board of

Directors unless a resolution authorizing such remuneration shall have been adopted by the members of the Association.

Section 4.12 Board of Directors Meetings. All meetings of the Board of Directors will be open to the Owners and Designated Representatives, and the Owners and Designated Representatives shall be permitted to attend, listen, and speak at an appropriate time during deliberations and proceedings. Owners or Designated Representatives who are not members of the Board of Directors may not participate in any deliberation or discussion unless expressly so authorized by a vote of a majority of a quorum of the Board of Directors. Further, the Board of Directors may place reasonable time restrictions upon those persons speaking during the meeting, but, at an appropriate time determined by the Board of Directors, shall permit the Owners and Designated Representatives to speak before the Board of Directors takes formal action on an item under discussion. If more than one person desires to address an issue and there are opposing views, the Board of Directors shall allow a reasonable number of persons to speak on each side of an issue.

Section 4.13 Executive Sessions. Meetings of the Board of Directors may be held in executive session(s), without giving notice and without the requirement that they be open to Owners, in the following situations:

- (a) matters pertaining to employees of the Association or involving the employment, promotion, discipline or dismissal of an officer, agent, or employee of the Association;
- (b) consultation with legal counsel concerning disputes that are the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client;
- (c) investigative proceedings concerning possible or actual criminal misconduct;
- (d) matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosure;
- (e) any matter the disclosure of which would constitute an unwarranted invasion of individual privacy; or
- (f) review of or discussion relating to any written or oral communications from legal counsel.

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

Section 4.14 Conflict of Interest. All conflicts of interest shall be handled in accordance with Section 7-128-501 of the Nonprofit Act.

OFFICERS AND THEIR DUTIES

Section 4.15 Enumeration of Officers. The officers of the Association shall be a president, vice president, secretary, and treasurer, and such other officers as the Board of Directors may from time to time by resolution create. The president must be a member of the Board of Directors.

Section 4.16 Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors and thereafter at the first meeting of the Board of Directors following each annual meeting of the Owners.

Section 4.17 Term. The officers shall be elected annually by the Board of Directors and each shall hold office for one (1) year unless such officer shall sooner die, resign, or shall be removed or otherwise disqualified to serve.

Section 4.18 Special Appointments. The Board of Directors may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board of Directors may from time to time determine.

Section 4.19 Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.20 Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

Section 4.21 Multiple Offices. Any two (2) or more offices may be held by the same person.

Section 4.22 Duties. The duties of the officers are as follows:

(a) President. The president shall preside at all meetings of the Members and of the Board of Directors; shall see that orders and resolutions of the Board of Directors are carried out; shall sign on behalf of the Association all leases, mortgages, deeds, notes and other written instruments; and shall exercise and discharge such other duties as may be required of the president by the Board of Directors. In addition, the president shall have all of the general powers and duties that are incident to the office of president of a nonprofit corporation organized under the laws of the State of Colorado, including but not limited to, the power to appoint committees from among the Owners from time to time as the president may decide is appropriate to assist in the conduct of the affairs of the Association. The president may fulfill the role of treasurer in the absence of the treasurer. The president may cause to be prepared and may execute amendments, attested by the secretary, to the Declaration (in accordance with the provisions of the Declaration) and these Bylaws on behalf of the Association, following authorization or approval of the particular amendment, as applicable.

(b) Vice President. The vice president shall act in the place and stead of the president in the event of his or her absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of the vice president by the Board of Directors.

(c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; keep the corporate stamp or seal of the Association, if any, and place it on all papers requiring said stamp or seal, if necessary; serve notice of meetings of the Board of Directors and of the Members; keep appropriate current records showing the Owners and Designated Representatives together with their addresses; and shall perform such other duties as may be required of the secretary by the Board of Directors.

(d) Treasurer. The treasurer shall receive and may endorse on behalf of the Association, for collection only, all checks, notes, and other obligations and shall deposit the same and all monies in appropriate bank accounts of the Association. The treasurer shall disburse such funds as directed by resolution of the Board of Directors; keep proper books of account; at the direction of the Board of Directors, cause an audit of the Association books to be made; and prepare the annual Budget and a statement of income and expenditures to be presented to the Members at the regular annual meeting of Members, and deliver a copy of each to the Members. Except for reserve funds described below, the treasurer may have custody of and shall have the power to endorse for transfer, on behalf of the Association, stock, securities, or other investment instruments owned or controlled by the Association or as fiduciary for others. Reserve funds of the Association shall be deposited in such segregated accounts or other investments as the Board of Directors decides in accordance with the Rules and Regulations. Funds may be withdrawn from these reserves for the purposes for which they were deposited, by check or order, by the Treasurer or another officer provided that the Board of Directors may adopt resolutions imposing limitations on the manner of withdrawal or requiring more than one signatory for certain types of withdrawals.

Section 4.23 Execution of Instruments. All agreements, contracts, deeds, leases, checks, notes and other instruments of the Association may be executed by any person or persons as may be designated by resolution of the Board of Directors, including the Managing Agent. Any officer may prepare, execute, certify and record duly adopted amendments to the Declaration on behalf of the Association. If appropriate, the Managing Agent or any officer of the Association may file an election under Section 528 of the Internal Revenue Code in any given year for the Association.

ARTICLE 5 INDEMNIFICATION OF MEMBERS OF THE BOARD OF DIRECTORS AND OFFICERS

Section 5.1 Actions Other than by or in the Right of the Association. The Association shall indemnify any Person who was or is a party, or is threatened to be made a party to any pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that such Person is or was a member of the Board of Directors or officer, who is or was serving at the request of the Association in such capacity, against expenses (including expert witness fees, attorneys' fees and costs) judgments, fines, amounts paid in settlement actually and reasonably incurred by such Person in connection with such action, suit or proceeding, if such Person acted in good faith and in a manner that he or she reasonably believed to be in the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. Determination of any action, suit or proceeding by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the Person did not act in good faith and in a manner such Person reasonably believed to be in the best interests of the Association and, with respect to any criminal action or proceeding, had reasonable cause to believe his or her conduct was unlawful.

Section 5.2 Actions by or in the Right of the Association. The Association shall indemnify any Person who was or is a party or who is threatened to be made a party to any pending or completed action or suit by or in the right of the Association to procure judgment in its favor by reason of the fact that such Person is or was a member of the Board of Directors or officer or is or was serving at the request of the Association in such capacity, against expenses (including expert witness fees, attorneys' fees and costs) actually and reasonably incurred by such Person in connection with the defense or settlement of such action or suit if such Person acted in good faith and in a manner that he or she reasonably believed to be in the best interests of the Association; but no indemnification shall be made in respect of any claim, issue or matter as to which such Person has been adjudged to be liable for negligence, recklessness, or

willful misconduct in the performance of his or her duty to the Association unless, and to the extent that, the court in which such action or suit was brought determines upon application that (despite the adjudication of liability), in view of all circumstances of the case, such Person is fairly and reasonably entitled to indemnification for such expenses.

Section 5.3 Successful on the Merits. To the extent that a member of the Board of Directors or officer of the Association has been wholly successful on the merits in defense of any action, suit or proceeding referred to in Section 5.1 or Section 5.2 of this Article 5, or in defense of any claim, issue or matter therein, such Person shall be indemnified against expenses (including expert witness fees, attorneys' fees and costs) actually and reasonably incurred by him or her in connection therewith.

Section 5.4 Determination Required. Any indemnification under Sections 5.1 or 5.2 of this Article 6 (unless ordered by a court) and as distinguished from Section 5.3 of this Article 5, shall be made by the Association only as authorized by the specific case upon a determination that indemnification of such Person is proper in the circumstances, because such Person has met the applicable standard of conduct set forth in Sections 5.1 or 5.2 above. Such determination shall be made by the Board of Directors by majority vote of those members of the Board of Directors who were not parties to such action, suit or proceeding or, if a majority of disinterested members of the Board of Directors so directs, by independent legal counsel or by members entitled to vote thereon. Such determination shall be reasonable, based on substantial evidence of record, and supported by a written opinion. The Board of Directors shall provide a copy of its written opinion to the Person seeking indemnification upon request.

Section 5.5 Payment in Advance of Final Disposition. The Association shall pay for or reimburse the reasonable expenses incurred by a former or current member of the Board of Directors or officer who is a party to a proceeding in advance of final disposition of the proceeding if: (a) such Person furnishes to the Association a written affirmation, executed personally or on such Person's behalf, of his or her good faith belief that he or she has met the standard of conduct described in Sections 5.1 or 5.2 of this Article 5; (b) such Person furnishes to the Association a written agreement, executed personally or on such Person's behalf, to repay the advance if it is ultimately determined that he or she did not meet the required standard of conduct; and (c) a determination is made that the facts then known to those making the determination would not preclude indemnification under this Article. The undertaking required in this paragraph shall be an unlimited general obligation of the Board of Directors but need not be accepted by a particular Board member or officer or may be accepted without reference to financial ability to make repayment.

Section 5.6 No Limitation of Rights. The indemnification provided by this Article 5 shall not be deemed exclusive of nor a limitation upon any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of the members or disinterested members of the Board of Directors, or otherwise, nor by any rights which are granted pursuant to the Act and the Nonprofit Act.

Section 5.7 Directors and Officers Insurance. As and to the extent provided in the Declaration, the Association shall purchase and maintain insurance on behalf of any Person who is or was a member of the Board of Directors or an officer of the Association against any liability asserted against him or her and incurred by such Person in any such capacity or arising out of his or her status as such, whether or not the Association would have the power to indemnify such Person against such liability under provisions of this Article.

ARTICLE 6 BYLAWS

Section 6.1 Amendments. These Bylaws may be amended by (i) a vote of a majority of a quorum of the Board of Directors at a regular or special meeting of the Board of Directors, or (ii) at any

regular meeting of the Members or at any special meeting called for the purpose of amending the Bylaws, by the affirmative vote of a majority of a quorum of Members present at the meeting in person or represented by proxy and eligible to vote. Any amendment shall be binding upon every Owner. Any provision of these Bylaws adopted at a regular or special meeting of the Members may thereafter only be amended at a regular or special meeting of the Members. Notwithstanding the above, neither the Board nor the Members shall have any power to amend the Bylaws in such a manner as to materially change the effect of the express provisions of the Declaration unless any standard for an amendment of such provisions in the Declaration is satisfied. No amendment shall serve to shorten the term of any member of the Board of Directors, or conflict with the Nonprofit Act or the Act or delete any provision which must be contained in these Bylaws under the terms of the Nonprofit Act or the Act, or conflict with the Articles of Incorporation of the Association.

Section 6.2 Compliance with the Act. These Bylaws are intended to comply with the requirements of the Act and the Nonprofit Act. If any of these Bylaws conflict with the provisions of the Act or the Nonprofit Act, the provisions of the Act or the Nonprofit Act, as applicable, will govern the Association.

Section 6.3 Conflict Between Documents. In the case of any conflict between or among the Declaration, these Bylaws, and the Rules and Regulations, the Declaration controls over the Articles of Incorporation, these Bylaws and the Rules and Regulations. The Articles of Incorporation control over these Bylaws and the Rules and Regulations. These Bylaws control over the Rules and Regulations.

ARTICLE 7 COMMITTEES

The Board of Directors may appoint such committees as deemed appropriate which, to the extent provided for in the resolution appointing the committee and allowed by law, shall have the powers of the Board of Directors in the management and affairs and business of the Association.

ARTICLE 8 INFORMATION, BOOKS AND RECORDS

Section 8.1 Statement of Unpaid Assessments. The Association shall provide statements of unpaid assessments in accordance with Section 33-33.3-316 of the Act, as described in the Declaration. The treasurer, a Managing Agent employed by the Association, or, in their absence, any officer having access to the books and records of the Association may prepare, certify, and execute such statements. The amount of any fee for preparing such statements of unpaid Assessments and the time of payment shall be set forth in the Rules and Regulations. Any such fee that is not paid when due may be assessed as a default Assessment against the Lot for which the certificate or statement is furnished.

Section 8.2 Owner Education. The Association or a Managing Agent employed by the Association shall provide to the Owners, at least one time per year, free of charge, education regarding the general operations of the Association as well as the rights and responsibilities of Owners, the Association and the Board of Directors under Colorado law.

Section 8.3 Disclosure of Basic Information. The Association or its Managing Agent shall provide to the Owners, at least one time per year, a written notice stating: (a) the name of the Association; (b) the name of the Project; (c) the initial date of recording for the Declaration and its reception number or book and page; (d) the name of the Association's Managing Agent, if any; and (e) a valid physical address and telephone number for both the Association and the Managing Agent.

Section 8.4 Turnover of Declarant Control - Deliveries from Declarant to Association. Within sixty (60) days after the Period of Declarant Control, the Declarant shall, to the extent they are in

Declarant's possession or control, deliver to the Association all property of the Owners and of the Association held by or controlled by the Declarant, including without limitation the following items:

(a) the original or a certified copy of the recorded Declaration and Map and any amendments thereto, the Articles of Incorporation, the Bylaws, minute books, other books and records, and any Rules and Regulations which may have been promulgated;

(b) an accounting for Association funds and financial statements, commencing on the date the Association first received funds and ending on the date the Period of Declarant Control ends. The financial statements shall be audited by an independent certified public accountant and shall be accompanied by the accountant's letter, expressing either the opinion that the financial statements present fairly the financial position of the Association in conformity with generally accepted accounting principles or a disclaimer of the accountant's ability to attest to the fairness of the presentation of the financial information in conformity with generally accepted accounting principles and the reasons therefor. The expense of the audit shall not be paid for by or charged to the Association;

(c) the Association funds or control thereof;

(d) all of the Declarant's tangible personal property that has been represented by the Declarant to be the property of the Association or all of the Declarant's tangible personal property that is necessary for, and has been used exclusively in, the operation and enjoyment of the Common Elements, together with an inventory of such property (if any) and the Declarant shall convey all personal property itemized in the inventory to the Association by bill of sale;

(e) a copy, for the non-exclusive use of the Association, of any plans and specifications used in the construction or renovation of the Improvements;

(f) all insurance policies then in force, in which the Owners, the Association or its members of the Board of Directors and officers are named as insured Persons;

(g) copies of any certificates of occupancy that may have been issued with respect to the Improvements;

(h) any permits issued by governmental bodies applicable to the Project and which are currently in force or which were issued within one year prior to the date on which Owners other than the Declarant took control of the Association;

(i) any written warranties of the contractor, subcontractors, suppliers, and manufacturers that are still effective;

(j) a roster of Owners and First Mortgagees and their addresses and telephone numbers, if known, as shown on the Declarant's records;

(k) employment contracts in which the Association is a contracting party; and

(l) any service contract in which the Association is a contracting party or in which the Association or the Owners have any obligation to pay a fee to the Persons performing the services.

Section 8.5 Disclosure of Financial Information To Owners by Association. Within ninety (90) days after the Association assumes control of the Board of Directors from the Declarant and within ninety (90) days following the end of each fiscal year thereafter, the Association or its Managing Agent

shall make the following information available to the Owners by: (1) a posting on an internet web page with accompanying notice of the web address via first class mail or electronic mail; (2) the maintenance of a literature table or binder at the Association's principal place of business; or (3) mail or personal delivery:

- (a) the date on which the fiscal year for the Association commences;
- (b) the Association's Budget for the current fiscal year;
- (c) a list, by Lot, of the Association's current Assessments, including Common Assessments, Special Assessments, and Specific Assessments;
- (d) the Association's annual financial statements, including any amounts held in reserve for the fiscal year immediately preceding the current annual disclosure;
- (e) the results of any financial audit or review pursuant to Section 8.10 for the fiscal year immediately preceding the current annual disclosure;
- (f) a list of all Association insurance policies which states, with respect to each insurance company: names, policy limits, policy deductibles, additional named insureds and expiration dates of policies listed, including but not limited to, property, general liability, director and officer professional liability and fidelity policies;
- (g) the Association's Bylaws, Articles, and any Rules and Regulations adopted by the Board of Directors;
- (h) the minutes of the meetings of the Board of Directors and of the Owners for the fiscal year immediately preceding the current annual disclosure; and
- (i) the Association's responsible governance policies adopted pursuant to Section 38-33.3-209.5 of the Act, if separate from the Rules and Regulations.

Section 8.6 Examination. The books and records maintained by the Association or the Managing Agent shall be available for examination and copying by any Owner or by any of their duly authorized representatives or requesting eligible First Mortgagees, in accordance with the Act and the Rules and Regulations; provided that a Roster (as defined in Section 8.8) or any other type of list of Owners, or any part thereof, may not be obtained or used by an Person for any purpose unrelated to an Owner's interest as an Owner without the consent of the Board of Directors.

Section 8.7 Records. The Association shall keep, in written form or another form capable of conversion into written form within a reasonable time such books and records as may be necessary to comply with the requirements of the Act and such other records as the Board of Directors may determine from time to time are necessary or desirable. In the event that the Act is amended to alter the records requirements currently set forth in this Section, these Bylaws may be modified accordingly by the Board of Directors.

Section 8.8 Roster. The Association shall annually compile a roster of the name and address of each of the Owners and Designated Representatives and the number of votes that each Lot is entitled to (the "**Roster**"). The Association shall provide a copy of the Roster to any Owner in accordance with the Rules and Regulations. Each Owner who requests and receives a copy of the Roster thereby agrees that he

or she will not make any commercial use of the Roster and will not distribute a copy of the Roster or any portion thereof to any third party.

Section 8.9 Disclosure of Information to Owners by Association. Within ninety (90) days after (1) the Association assumes control of the Board of Directors from the Declarant, and/or (2) the Association's address, designated agent, or management company changes, the Association shall make the following information available to the Owners:

- (a) The name of the Association;
- (b) The name of the Association's designated agent or management company, if any;
- (c) A valid physical street address and telephone number for both the Association and the designated agent or management company, if any;
- (d) The name of the common interest community;
- (e) The initial date of recording of the Declaration; and
- (f) The reception number or book and page for the main document that constitutes the Declaration.

Section 8.10 Audits and Review Reports. The cost of any audit or review shall be a General Common Expense, except as provided in Section 8.4(b) regarding the audit provided as part of the turnover of Declarant Control of the Association. An audit by a certified public accountant utilizing generally accepted auditing standards, or a review using statements on standards for accounting and review services by an independent and qualified person selected by the Board of Directors, shall be done at the discretion of the Board of Directors or upon the request of Members holding one-third of the of the total votes; provided that any such request by Members for an audit shall only be required if the Association then has annual revenues and expenditures of at least \$250,000.00. No later than thirty (30) days following completion, copies of any audit or review conducted pursuant to this Section shall be made available to any Owner who requests a copy.

ARTICLE 9 CORPORATE SEAL

The Association may have a seal or stamp in circular form having within its form the words: "Thompson Park Homeowners Association, Inc."

ARTICLE 10 FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation. The Board of Directors may by amendment to the Bylaws establish a different fiscal year for the Association.

ARTICLE 11 RULES AND REGULATIONS

The Board of Directors shall have the right to establish, amend, and enforce, from time to time, such Rules and Regulations as the Board of Directors may deem necessary and appropriate for the management, preservation, safety, control, and orderly operation of the Project for the benefit of all Owners and Occupants, and for facilitating the greatest and most convenient availability and use of the Lots and Common Elements by Owners and Occupants. Such Rules and Regulations may include

(without limitation) a system of late charges and/or interest for untimely payment of Assessments, fees for review by the Association of matters required under the Declaration, and fees and fines for noncompliance with the Rules and Regulations and other obligations set forth in the Declaration and these Bylaws. The Board of Directors shall provide notice of the adoption or amendment of any Rules and Regulations and make such amended Rules and Regulations available for inspection by all Owners, Occupants, contract purchasers, and First Mortgagees during convenient weekday business hours at the principal office of the Association. Such Rules and Regulations may, to the extent not in conflict with the provisions of the Declaration, the Articles of Incorporation, and these Bylaws, impose reasonable restrictions upon the use and occupancy of any portion of the Project as the Board of Directors, in its sole and absolute discretion, deems necessary and appropriate. Each Owner agrees that all such Owner's ownership rights shall be in all respects subject to the Rules and Regulations, and each Owner agrees to obey such Rules and Regulations as the same may lawfully be amended from time to time, and to ensure that the same are faithfully observed by Occupants of such Owner's Lot. Each Person who comes within the Project shall be subject to the Rules and Regulations for the duration of his presence therein. A copy of the Rules and Regulations, as amended from time to time, shall be made available to Owners, Occupants and contract purchasers upon request and payment of a reasonable fee.

ARTICLE 12 MEMBERSHIP RIGHTS AND PRIVILEGES

Section 12.1 Rights and Privileges of Members. No Member shall have the right, without the prior approval of the Board of Directors, to exercise any of the powers or to perform any of the acts delegated to the Board of Directors by these Bylaws or the Declaration. Each Member shall have all of the rights and privileges, including but not limited to property rights and easement rights of access over and use and enjoyment of the Common Elements, granted to Owners by the Declaration, subject to such limitations as may be imposed in accordance therewith.

Section 12.2 Suspension of Rights. The Association shall have the right to suspend the rights and privileges of an Owner as a member of the Association for the period during which any Assessment owed by such Owner remains unpaid and delinquent, all as further described in the Declaration.

ARTICLE 13 INTERPRETATION

The provisions of these Bylaws shall be liberally construed to effect the purpose of ensuring that the Project shall at all times be operated and maintained in a manner so as to optimize and maximize its enjoyment and utilization by each Owner and Occupant.

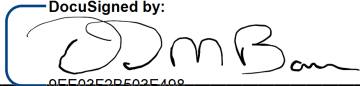
CERTIFICATION

The undersigned does hereby certify:

That I am the duly elected and acting Secretary of the Thompson Park Homeowners Association, Inc., a Colorado nonprofit corporation; and

That the foregoing Bylaws constitute the original Bylaws of the Association, as duly and unanimously adopted by the Board of Directors of the Association by unanimous written consent effective April 17, 2020.

Dated: April 17, 2020

DocuSigned by:

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David Bauer, Secretary

Exhibit B

Preliminary Budget for Thompson Park - 14 Units

	Budget	2020
Income		
Assessments Operating	\$	48,960.00
Assessments Reserve	\$	-
Bank Interest	\$	-
Late Fees	\$	-
Working Capital Income	\$	-
Total Income	\$	48,960.00
Expense		
Insurance Expense		
D & O Policy	\$	-
Fidelity Crime	\$	450.00
Business / Liability Policy	\$	12,000.00
Umbrella	\$	1,000.00
Total Insurance Expense	\$	13,450.00
Landscaping and Groundskeeping		
Cleaning	\$	-
Lawn Care		
Irrigation Start up/Shut down	\$	450.00
Spring and fall Cleanup	\$	1,500.00
Mow and Trim	\$	4,500.00
Fertilizing/Weed Killer	\$	600.00
Irrigation System Repairs	\$	400.00
Landscaping - Flower Beds	\$	-
Snow Mitigation		
Snow Plow Roadway	\$	1,700.00
Snow Shovel Driveway	\$	1,000.00
Ice Mitigation	\$	550.00
Total Landscaping and Groundskeeping	\$	10,700.00
General Expenses		
Finance Fees	\$	-
Office Supplies	\$	100.00
Postage	\$	150.00
Total General Expenses	\$	250.00
Professional Fees		
Property Management Fees	\$	12,960.00
Accounting - CPA	\$	500.00
Annual Filing Fees	\$	100.00
Annual Meeting Expenses	\$	500.00
Legal Fees	\$	500.00
Prof / Admin Services	\$	1,000.00
Total Professional Fees	\$	15,560.00

Repairs and Maintenance

Building Repairs	\$	1,000.00
Backflow Preventer Testing	\$	400.00
Fire Hydrant Testing	\$	400.00
Pest Control	\$	200.00
Supplies	\$	1,000.00
Contingency	\$	1,000.00

Total Repairs and Maintenance**\$ 4,000.00****Utilities**

Electric - Common	\$	1,500.00
Gas - Common	\$	-
Trash Removal	\$	-
Ditch - Company / Maintenance	\$	3,500.00

Total Utilities**\$ 5,000.00****TOTAL Expenses****\$ 48,960.00****Less Reserve Assessments****\$ -****Net Income****\$ -**

CAM Budget	Reserve Budget
\$ 48,960.00	\$ -

<i>Final Plat Lot #</i>	<i>Thompson Park Address</i>	<i>Unit Sq.Ft</i>	<i>Allocation Percentage</i>	<i>CAM DUES - 50% AH dues</i>	<i>RESERVE DUES 50% AH dues</i>	<i>Annual Dues</i>	<i>Quarterly Dues</i>
Parcel 2							
1	110	1381	5.24%	\$ 1,748.57	\$ -	\$ 1,748.57	\$ 437.14
1	108	1392	5.28%	\$ 1,748.57	\$ -	\$ 1,748.57	\$ 437.14
2	202 - A	1205	4.57%	\$ 1,748.57	\$ -	\$ 1,748.57	\$ 437.14
2	202 - B	1187	4.50%	\$ 1,748.57	\$ -	\$ 1,748.57	\$ 437.14
2	202 -C	1308	4.96%	\$ 1,748.57	\$ -	\$ 1,748.57	\$ 437.14
3	204	2215	8.40%	\$ 4,474.86	\$ -	\$ 4,474.86	\$ 1,118.71
4	206	2220	8.42%	\$ 4,484.96	\$ -	\$ 4,484.96	\$ 1,121.24
5	208	2220	8.42%	\$ 4,484.96	\$ -	\$ 4,484.96	\$ 1,121.24
6	210	2215	8.40%	\$ 4,474.86	\$ -	\$ 4,474.86	\$ 1,118.71
20	209	2215	8.40%	\$ 4,474.86	\$ -	\$ 4,474.86	\$ 1,118.71
21	207	2220	8.42%	\$ 4,484.96	\$ -	\$ 4,484.96	\$ 1,121.24
22	205	2174	8.24%	\$ 4,392.03	\$ -	\$ 4,392.03	\$ 1,098.01
23	111	2214	8.39%	\$ 4,472.84	\$ -	\$ 4,472.84	\$ 1,118.21
24	113	2214	8.39%	\$ 4,472.84	\$ -	\$ 4,472.84	\$ 1,118.21
Total sq. ft.		26,380	100.00%	\$ 48,960.00	\$ -	\$ 48,960.00	\$ 12,240.00

Total sq. ft. less AH units 19,907

Exhibit C

THOMPSON PARK HOMEOWNERS ASSOCIATION, INC.
POLICIES AND PROCEDURES

WHEREAS, The Colorado Common Interest Ownership Act, C.R.S. §§ 38-33.3-101, *et seq.* (“CCIOA”), including Section 209.5 thereof, requires that unit owners’ associations adopt certain policies, procedures, and rules and regulations concerning the following:

- (I) Collection of Unpaid Assessments;
- (II) Handling of Conflicts of Interest involving Board Members;
- (III) Conduct of Meetings;
- (IV) Enforcement of Covenants and Rules, including notice and hearing procedures and the schedule of fines;
- (V) Inspection and Copying of Association Records by Owners;
- (VI) Investment of Reserve Funds;
- (VII) Procedures for the Adoption and Amendment of Policies, Procedures, and Rules;
- (VIII) Procedures for Addressing Disputes arising between the Association and Owners; and
- (IX) Reserve Requirements;

WHEREAS, the Thompson Park Homeowners Association, Inc. (the “Association”) administers and manages the Thompson Park Subdivision (“Subdivision”) pursuant to the Declaration of Covenants, Conditions, Easements, and Restrictions for Thompson Park Subdivision recorded November 18, 2019, in the Garfield County real property records at Reception No. 928313 (“Declaration”) and the Association’s Bylaws;

WHEREAS, these responsible governance policies and procedures (collectively, “Policies”) have been duly adopted by the Association; and

WHEREAS, any capitalized terms in these Policies that are not defined herein shall have the meaning attributed to them in the Declaration.

I. Collection of Unpaid Assessments

A. *Due Dates.* Common Assessments assessed against the Owner of each Lot pursuant to the Declaration shall be due and payable in full on or before the first day of each fiscal quarter (i.e., January 1, April 1, July 1, October 1) unless changed by the Association. Special Assessments, Specific Assessments, and all other charges levied by the Association against an Owner or Lot, as determined by the Association pursuant to the Declaration, Bylaws, Articles of

Incorporation, or other governing documents, shall be paid at the time and in the manner reasonably determined by the Association, and, in any event, on such date indicated in the invoice to the Owner from the Association. Assessments, invoices, and other charges not paid in full to the Association on or before the due date shall be considered past due and delinquent and shall incur interest and late charges as provided below.

B. *Receipt Date.* The Association shall post payments effective the day that the payment is actually received by the Association.

C. *Late Charges Imposed on Delinquent Installments.* A quarterly installment of the Common Assessment shall be past due and delinquent if not paid by the 5th day of the month in which it is due. The Association shall impose a twenty dollar (\$20.00) late charge on the outstanding or past due balance then due the Association. An additional twenty-dollar (\$20.00) late charge shall accrue during each and every subsequent monthly period that the assessment remains unpaid.

D. *Interest.* Delinquent Assessments, fines, or other charges due the Association shall bear interest at the rate of twelve percent (12%) per annum from the due date until paid. All late charges and interest charges shall be due and payable immediately, without notice, in the manner provided for payment of assessments.

E. *Return Check Charges.* In addition to any and all charges imposed under the Declaration, these Policies, and/or the Rules of the Association, the Association may assess a fee of \$20.00 against an Owner in the event any check or other instrument attributable to or payable for the benefit of such Owner is not honored by the bank or is returned by the bank for any reason whatsoever, including, but not limited to, insufficient funds. Such return check charge shall be considered an assessment due and payable immediately, upon demand. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law. Returned check charges shall be effective on any payment of sums due under the Declaration and Rules. 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 the Assessment, fine, or other charge is not timely made within 10 days of the due date.

F. *Attorney's Fees on Delinquent Accounts.* As an additional expense permitted under the Declaration, Articles and Bylaws, the Association shall be entitled to recover its reasonable attorneys' fees incurred in the collection of Assessments or other charges due the Association from a delinquent owner.

G. *Notice of Delinquency.* Within forty-five (45) days of the Due Date, the Association shall issue a courtesy notice (the "Notice of Delinquency") reminding such Owner that the Due Date has passed, the account is late, and an interest charge of no more than twelve percent (12%) of the Assessment or other delinquent charge is then due, which the Association is authorized

and directed to charge to and collect from any delinquent Owner on behalf of the Association. The Notice of Delinquency sent by the Association to the delinquent Owner shall also state:

1. The total amount due, with an accounting of how the total was determined;
2. Whether the opportunity to enter into a payment plan exists pursuant to C.R.S. § 38-33.3-316.3 and instructions for contacting the Association to enter into such a payment plan;
3. The name and contact information for the individual the Owner may contact to request a copy of the Owner's ledger in order to verify the amount of the debt; and
4. That action is required to cure the delinquency and that failure to do so within thirty (30) days may result in the Owner's delinquent account being turned over to the Association's attorneys, a lawsuit being filed against the Owner, the filing and foreclosure of a lien against the Owner's Lot, or other remedies available under Colorado law.

H. *Circumstances and Terms of Payment Plan.* Unless the Owner does not occupy the Lot and has acquired the Lot as a result of (a) a default of a security interest encumbering the Lot or (b) foreclosure of the Association's Lien, the Association shall make a good-faith effort to coordinate with the Owner to set up a payment plan. However, in the event the Association and the Owner have previously entered into a payment plan, the Association is under no obligation to negotiate another payment plan. Any payment plan must permit the Owner to pay off the deficiency in equal installments over a period of at least six (6) months. The Owner shall sign a document describing the payment plan and the effective date of the first payment. In the event an Owner fails to comply with the terms of his or her payment plan, the Association may immediately begin pursuing legal action against such Owner. An Owner's failure to remit payment of an agreed-upon installment, or to remain current with the regular Assessments as they come due during the six-month period, constitutes a failure to comply with the terms of the Owner's payment plan.

I. *Use of Certified Mail/Regular Mail.* In the event the Association or its attorneys shall cause a collection letter or notices to be sent to a delinquent Owner by regular mail, the Association may also cause, but shall not be required to send, an additional copy of that letter or notice by certified mail.

J. *Liens.* The Association may, but is not required to, file a Notice of Lien against the Lot of any delinquent Owner in accordance with the terms of the Declaration, Articles, or Bylaws, in the event Assessments, installment payments thereof, or other Delinquency Costs are not paid as set forth in the Notice of Delinquency.

K. *Referral of Delinquent Accounts to Attorneys.* The Association may, but shall not be required to, refer delinquent accounts to its attorneys for collection. Upon referral to the attorneys, the attorneys shall take all appropriate action to collect the accounts referred. The Owner(s) of the Lot with the delinquent account shall be responsible for, and pay as an assessment on such Lot, any attorney's fees incurred as a result of said referral.

L. *Referral of Delinquent Accounts to Collection Agencies.* The Association may, but shall not be required to, refer delinquent accounts to one or more collection agencies for collection. Upon referral to a collection agency, the agency shall take all appropriate action to collect the accounts referred.

M. *Application of Payments.* All payments received on account of any Owner or the Owner's Lot (hereinafter collectively "Owner"), shall be applied to payment of any and all legal fees and costs (including attorneys' 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, these Policies, and/or the Rules, prior to application of the payment to any Common, Special, or Specific Assessments due or to become due with respect to such Owner.

N. *Ongoing Evaluation.* Nothing in this procedure shall require the Association to take specific actions other than to notify Owners of the adoption of these procedures. The Association has the option and right to continue to evaluate each delinquency on a case by case basis.

O. *Voting Rights.* In addition to the steps outlined above, the Association may elect to suspend the rights of any Owner whose account is past due at the time of such voting.

II. Board Members' Conflicts of Interest

A. DEFINITIONS

(1) "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 of the Association is a director or officer or has a financial interest.

(2) "Director" or "Board Member" means a member of the Association's Board of Directors.

(3) "Party related to a Director" means a spouse, a descendant, an ancestor, a sibling, the spouse or descendant of a sibling, an estate or trust in which the Director or a party related to a Director has a beneficial interest, or an entity in which a party related to a Director is a director or officer or has a financial interest.

B. POLICY

(1) Loans. No loans shall be made by the Association to its Directors or officers. Any Director or officer who assents to or participates in the making of any such loan shall be liable to the Association for the amount of the loan until it is repaid.

(2) If any contract, decision, or other action taken by or on behalf of the Board would financially benefit any Director or Party related to a Director, then, in advance of entering into that contract, making the decision or taking the action, that interested Board Member shall declare at an open meeting of the Board, that a conflict of interest exists and shall describe in detail all of the particular facts of the conflict of interest.

(3) After the interested Board Member makes such a declaration, the interested Board Member may participate in a discussion of the matter giving rise to the conflict of interest. However, the interested Board member may not vote on the issue giving rise to the conflict of interest.

(4) Interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee that authorizes, approves or ratifies the conflicting interest transaction.

(5) The conflicting interest transaction may not be void or voidable by an Owner or the Association if:

i. The facts about the conflicting interest transaction are disclosed to the Board and a majority of the disinterested Directors, even if less than a quorum, in good faith approves the conflicting interest transaction;

ii. The facts about the conflicting interest transaction are disclosed to the Owners entitled to vote on the matter, and the conflicting interest transaction is authorized in good faith by a vote of the Owners entitled to vote on the matter; or

iii. The conflicting interest transaction is fair to the Association.

III. Conduct of Meetings

A. *Member Meetings.* All meetings of the Association are open to every Member, or to any person designated by a Member in writing as the Member's representative, and Members or designated representatives so desiring shall be permitted to attend, listen, and speak at an appropriate time during the deliberations and proceedings.

B. *Board of Directors Meetings.* All meetings of the Board of Directors are open to every Member, or to any person designated by a Member in writing as the Member's representative. At an appropriate time determined by the Board, but before the Board votes on an issue under discussion, Members or their designated representatives shall be permitted to speak regarding the issue. The Board may place reasonable time restrictions on persons speaking during the meeting, to allow sufficient time for as many members as possible to comment within the time permitted. Unless otherwise determined by

the President or acting chair, the time limit will be three minutes per member. Members will only be allowed to speak more than once at any particular meeting if the Board so approves. If more than one person desires to address an issue and there are opposing views on that issue, the Board shall provide for a reasonable number of persons to speak on each side of the issue.

C. *Executive Session of Board.* Notwithstanding the foregoing, the Board or a committee thereof may hold an executive or closed door session and may restrict attendance to Board Members and other persons specified by the Board; provided that any such executive or closed door session may only be held in accordance with the provisions and requirements of CCIOA, as amended from time to time, or other applicable law. Matters for discussion by an executive or closed session are limited to:

- (1) Matters pertaining to employees of the Association or the managing agent's contract or involving the employment, promotion, discipline, or dismissal of an officer, agent, or employee of the Association;
- (2) Consultation with legal counsel concerning disputes that are the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client;
- (3) Investigative proceedings concerning possible or actual criminal misconduct;
- (4) Matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosure;
- (5) Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy;
- (6) Review of or discussion relating to any written or oral communication from legal counsel.

Prior to the time the members of the Board convene in executive session, the President or acting chair shall announce the general matter of discussion as enumerated in paragraphs (1) to (6) above. No rule or regulation of the Board shall be adopted during an executive session.

D. *Recording of Meetings.* Note taking is permitted, however, video or audio recording of all or any portion of any meeting by Members is prohibited.

E. *Member Conduct.* No Member is entitled to speak until recognized by the President or chair. There shall be no interruption of anyone who has been recognized, except by the chair. Specific time limits set for speakers shall be strictly observed. Personal attacks, whether physical or verbal, and offensive language will not be tolerated. All comments are to be directed to the chair and not other individual participants. All comments are to be restricted to the agenda item being discussed.

F. *Curtailment of Member Conduct.* Should the President or acting chair determine that any Member has spoken for the allocated amount of time or longer, or determine that the Member is in

violation of the provisions of this policy, the President or acting chair shall have the authority to instruct that Member to yield the floor, and that Member will be obligated to comply with the President's or acting chair's instruction.

IV. Enforcement of Covenants and Rules

A. *Initial Warning Letter.* If the Board finds an Owner has committed a violation of any provisions of the Declaration, Design Guidelines, Bylaws, these Policies, or the Rules, an initial warning letter shall be sent to the violator explaining the nature of the violation. The violator will be given a reasonable amount of time to comply based on the nature and severity of the violation, as determined in the sole discretion of the Board of Directors.

B. *Notice of Violation.* Subsequent to the initial warning letter, should the Owner not cure the violation to the satisfaction of the Board, a Notice of Violation of any provisions of the Declaration, Bylaws, these Policies, or the Rules shall be provided to the applicable Owner. The notice shall describe the nature of the violation, the fine, and notice of the opportunity for a hearing, and shall further state that the Board may seek to protect its rights as they are specified in the governing legal documents.

C. *Services of Notices.* Service of all notices required or permitted to be given hereunder shall be made as follows:

If to an Owner: By personal delivery to the Owner; or by U.S. Mail, postage prepaid, addressed to the last registered address of the Owner as contained in the Association's records; or by e-mail if the Owner has provided his or her e-mail address and agreed service of notice by e-mail.

If to the Association: By personal delivery or U.S. Mail, postage prepaid, addressed to the Association in care of its registered agent and office, as maintained with the Colorado Secretary of State or such other address as the parties may be advised of in writing.

Any notice personally delivered shall be deemed received on the date of delivery, and any notice mailed shall be deemed received on the third day following the date of mailing.

D. *Fines.* Any infraction of any covenant, rule, or regulation in which a fine is not already specifically stated will result in a fine per day and/or occurrence according to the following schedule:

First violation:	Warning letter
Second violation (of same covenant or rule):	\$100.00
Third violation (of same covenant or rule):	\$200.00
Fourth and subsequent violations (of same covenant or rule):	\$300.00

OR a monthly fine to be imposed at the discretion of the Board if the nature of the violation is continuous.

Third and subsequent covenant violations may be turned over to the Association's attorney to take appropriate legal action.

After the violation has been cured by the Owner to the satisfaction of the Board, the per- day fine will cease to accrue and any remaining unpaid balance will be subject to a one and one-half (1 ½ %) monthly finance charge that may begin the date the charges were imposed.

E. *Request for Hearing.* In the event any Owner desires to attend a hearing or Board meeting to challenge or contest any alleged violation and possible fine, said Owner must, within 14 days from receipt of the Notice of Violation, request such hearing by notifying the Association or its managing agent, in writing, of such hearing request. In the event a proper and timely request for a hearing is not made as provided herein, the right to a hearing shall be deemed forever waived. If a hearing is not requested within the aforementioned 14-day period, the Board shall determine if there was a violation, and if so, may continue to assess a reasonable fine within the guidelines contained in these Policies, all within 60 days of the expiration of the aforementioned 14-day period. The fine assessment is due and payable immediately upon receipt of notice of said assessment. The Association's managing agent shall give notice of said assessment to the applicable Owner as provided in these Policies. In requesting a hearing before the Association, an Owner shall state and describe the grounds and basis for challenging or denying the alleged violation as well as such other information the Owner deems pertinent.

F. *Discovery.* Upon written request to the Association, not later than ten days prior to the date of hearing, the Owner shall be entitled to: (a) obtain the names and addresses of witnesses, to the extent known to the Association, and (b) inspect and make copies of any statements, writings and investigative reports relative to the alleged violation contained in the Association's records. Nothing in this section shall, however, authorize the inspection or copying of any writing or other thing which is privileged from disclosure by law or otherwise made confidential or protected, such as attorney work product or attorney-client communications.

G. *Board to Conduct Hearing.* The Board shall hear and decide matters set for hearing pursuant to these Policies. The Board may appoint an officer or other Owner to act as the presiding officer (the "Presiding Officer") at any of the hearings.

H. *Conflicts.* It shall be incumbent upon each Board member to make a determination as to whether s/he is able to function in a disinterested and objective manner in consideration of each hearing before the Board. Any Board member incapable of objective and disinterested consideration of any hearing before the Association shall disclose such to the President of the Association prior to the hearing on the matter, if possible, or, if advance notice is not possible, then such disclosure shall be made at the hearing, and said Board member shall be disqualified from all proceedings with regard to the hearing. If disqualification of any Board member(s) results in an even number of remaining Board members eligible to hear a matter, the Presiding

Officer shall appoint an Association Member, in good standing, to serve as a voting member of the hearing board.

I. *Hearing.* Each hearing shall be held at the scheduled time, place and date, provided that the Presiding Officer may grant continuances for good cause. At the beginning of each hearing, the Presiding Officer shall explain the rules, procedures and guidelines by which the hearing shall be conducted and shall introduce the case before the Board by Reading the notice of hearing. The general procedure for hearing shall consist of opening statements by each party; presentation of testimony and evidence, including cross-examination of witnesses by each party; and closing statements by each party. Notwithstanding the foregoing, the Board may exercise its discretion as to the specific manner in which a hearing shall be conducted and shall be authorized to question witnesses, review evidence and take such other reasonable action during the course of the hearing which it may deem appropriate or desirable to permit the Board to reach a just decision in the case. Rules of law regarding trials and presentation of evidence and witnesses shall be applicable to the hearing insofar as the Presiding Officer deems adherence to such rules of law to be in the interests of justice; provided that evidentiary rules need not be strictly adhered to and any relevant evidence should be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the course of serious affairs. The decision of the Board at each hearing shall be based on the matters set forth in the notice of hearing, request for hearing and such evidence as may be presented at the hearing. Unless otherwise determined by the Board of Directors, all hearings shall be open to attendance by all members of the Association.

J. *Decision.* After all testimony and other evidence have been presented to the Board at a hearing, the Board shall render its decision thereon within ten (10) days after the hearing. A decision, either a finding for or against the Owner, shall be by a majority of the Board. The Board shall issue written findings of fact and conclusions, and, if applicable, shall impose a reasonable fine as provided in the Association's Rules or these Policies. The Board may also issue and present for recording with the Clerk and Recorder of Garfield County, Colorado, a notice of finding of violation. Upon satisfactory compliance with the Association's governing documents, the notice may be released by the Association's issuing and recording a release of notice of findings of violation.

K. *Enforcement and Attorney's Fees.* In accordance with the Declaration, Bylaws, and Rules, it is hereby declared to be the intention of the Association to enforce the provisions by of the Documents by any and all means available to the Association at law or in equity, and to seek recovery and reimbursement of all attorney's fees, Association expenses and costs incurred by the Association in connection therewith.

V. Inspection and Copying of Records

The Association will maintain, retain, and produce Association records in accordance with the procedures and requirements set forth in the Colorado Not-for-Profit Corporation Act, CCIOA, and the Association's governing documents, including the Declaration, articles of incorporation, Bylaws and these Policies. The following records policy (the "Records Policy")

conforms with C.R.S. §§ 38-33.3-209.4, 209.5 and 317, and shall apply to the inspection and copying of the Association's records:

1. All Association records must be maintained in a form that allows conversion into written form in a reasonable time.
2. The following records **will be maintained** at the Association's principal office and shall be considered the sole records of the Association for purposes of document retention and production to Owners:
 - a. Detailed records or receipts of expenditures affecting the operation and administration of the Association;
 - b. Records of claims for construction defects and amounts received pursuant to settlement of those claims;
 - c. Minutes of all meetings of the Members and of the Board, a record of all actions taken by the Members and by the Board without a meeting, and a record of all actions taken by any committee of the Board;
 - d. Written communications among, and votes cast by the Board that are: (i) directly related to an action taken by the Board without a meeting pursuant to C.R.S. § 7-128-202; or (ii) directly related to an action taken by the Board without a meeting pursuant to the Association's Bylaws;
 - e. The names of Owners in a form that permits preparation of a list of names of all Owners, the Lot(s) owned by each Owner, and the physical mailing addresses at which the Association communicates with them showing the number of votes each owner is entitled to vote;
 - f. The Association's current Declaration, Bylaws, Articles, Rules, Policies, and other policies adopted by the Board, and amendments to any of the foregoing;
 - g. Financial statements as described as in C.R.S. § 7-136-106 for the past three years and tax returns of the Association for the past seven years, to the extent available;
 - h. A list of the names, email addresses, and physical mailing addresses of the current Board members and officers;
 - i. The Association's most recent annual report (if any) delivered to the Secretary of State;
 - j. Financial records sufficiently detailed to enable the Association to comply with C.R.S. § 38-33.3-316(8) concerning statements of unpaid assessments, to

be sent by certified mail, return receipt requested, so they are received by the requesting party within fourteen days of the Association's receipt of a request;

- k. The Association's most current reserve study (if any);
 - l. Current written contracts to which the Association is a party and contracts for work performed for the Association within the immediately preceding two years;
 - m. Records of Board or the architectural control committee actions to approve or deny any requests for design or architectural approval from Owners;
 - n. Ballots, proxies and other records related to voting by owners for one year after the election, action or vote to which they relate;
 - o. Resolutions adopted by its Board relating to the characteristics, qualifications, limitations, and obligations of Members of any class or category of members; and
 - p. All written communications within the past three years to all Owners generally as Owners.
3. An Owner or Owner's authorized agent may inspect and copy Association records during normal business hours if the Owner or authorized agent has submitted a written request, describing with reasonable particularity the records sought, at least ten days prior to the inspection or production of documents. The Association's "Request to Inspect Records" form is attached to and made a part of these Policies. The Association may not condition the production of records upon the statement of a proper purpose.
4. Notwithstanding Paragraph 3 above, a membership list or any part thereof may not be obtained or used by any person for any purpose unrelated to an Owner's interest as an Owner without the consent of the Board. Without limiting the generality of this Paragraph 4, without the consent of the Board, a membership list or any part thereof may not be:
- a. Used to solicit money or property unless such money or property will be used solely to solicit the votes of Owners in an election to be held by the Association;
 - b. Used for any commercial purpose; or
 - c. Sold to or purchased by any person.
5. Records maintained by the Association **may be withheld** from inspection and

copying to the extent that they are or concern:

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

estate commission as of the date of the contract.

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

13. The Association will give written notice to the Owners of the following items by first class mail, personal delivery, a binder at the principal place of business, or posting on the Association's website, within 90 days of the change or occurrence thereof:
 - a. Name of the Association and the common interest community;
 - b. Name and address of the management company, if any;
 - c. Physical address and phone number for the Association and the designated agent or management company; and
 - d. Date of recording of the Declaration and recording information.

14. Within ninety days after the end of the Association's fiscal year, the Association will make the following information available to Owners by first class mail, personal delivery, a binder at the principal place of business, or posting on the Association's website:
 - a. Date the Association's fiscal year begins;
 - b. Operating budget for the current year;
 - c. List of current Common, Special, and Specific Assessments;
 - d. Annual financial statements, including reserves, if any;
 - e. Results of most recent audit or review;
 - f. List of all the Association insurance policies (property, general liability,

director and officer liability, fidelity), including companies, policy limits and deductibles, additional insureds, and expiration dates;

- g. The Association Bylaws, Articles, Rules, and these Policies; and
- h. Minutes of the Board and Member meetings for the prior fiscal year; and

VI. Standard of Care for Directors Investing Reserve Funds.

A. Directors and officers must meet the standards of care outlined in the Colorado Revised Nonprofit Code when investing Association reserve funds. The standards require Directors and officers to act:

- (1) in good faith;
- (2) with the care an ordinarily prudent person in a like situation would exercise under similar circumstances; and
- (3) in a manner the Director or officer reasonably believes to be in the best interest of the Association.

B. In discharging their duties, Directors and officers may rely on other people on matters that the Directors or officers reasonably believe are within that person's professional or expert competence.

VII. Adoption and amendment of policies, procedures, and rules.

The Board of Directors may from time to time adopt and amend these Policies and other policies, procedures, rules, and regulations concerning the Subdivision, except the new policy, procedure, rule, or amendment shall not amend the terms of the Declaration which may only be amended as provided therein. Such amendments are valid and enforceable against an Owner only if:

- (a) Their purpose is to promote the convenience, safety, or welfare of the Owners;
- (b) They are reasonably related to the purpose for which they are adopted;
- (c) They are not retaliatory or discriminatory in nature;
- (d) They are sufficiently explicit in prohibition, direction, or limitation of the Owner's conduct to fairly inform him or her of what he or she must or must not do to comply.

In order to adopt or amend a policy, procedure, rule, or regulation, the Board shall approve the same in accordance with the Bylaws and send notice of the newly-adopted policy, procedure, rule, or regulation to the Owners via first class mail or email (if the Owner has provided an email address to the Association). No policy, procedure, rule, or regulation shall be effective until sent to the Owners.

VIII. Alternative Dispute Resolution Policy

The following policy regarding Alternative Dispute Resolution (“ADR Policy”) is applicable except in the case of the Association’s collection of Assessments or enforcement of the Declaration, Bylaws, or rules and regulations of the Association by the Association:

A. *Meeting with Board.* In the event of any dispute involving the Association and an Owner, it is the intention of the Association to resolve the dispute informally and without the need for litigation. The Owner or the Association shall notify the other in writing of the claim, stating (i) the nature of the Claim, including the date, time, location, persons involved, (ii) the basis of the claim (i.e. the provisions of the Declaration, the Bylaws, the Articles, these Policies, the Rules, or other authority out of which the claim arises); (iii) what the claimant wants the other to do or not do to resolve the claim; and (iv) that claimant wishes to resolve the claim by mutual agreement and is willing to meet in person with the other at a mutually agreeable time and place to discuss in good faith ways to resolve the claim.

The parties shall make every reasonable effort to meet either in person or by conference call to resolve the claim by good faith negotiation.

B. *Mediation.* If a meeting is unsuccessful or does not occur, all claims or disputes, except in the case of the collection of Assessments, shall be initially submitted to mediation in good faith. The parties shall jointly appoint a mediator and will share equally in the cost of mediation. If a party does not respond within ten (10) days of receipt of a request to mediate or if the parties cannot agree on a mediator within ten (10) days of the request, the mediation requirement shall be deemed fulfilled. If mediation does occur, it shall be completed within thirty (30) days from the date of the request.

C. *ADR.* If mediation does not occur or the matter is not resolved by mediation or otherwise within thirty (30) days of the request for mediation, the parties may pursue their claims via the appropriate court or alternative dispute resolution (ADR) in the form of Binding Arbitration provided that both the Owner and the Association agree to ADR.

D. *Binding.* This ADR Policy is an agreement of the Association and Owners to mediate and/or arbitrate all claims except the stated exceptions and is specifically enforceable under the applicable arbitration law of the State of Colorado subject to subsection (C) of this ADR Policy. The arbitration shall be final and binding and judgment may be entered upon it in any court of competent jurisdiction to the fullest extent permitted under the laws of the State of Colorado.

E. *Costs.* If the claims are resolved through negotiation or mediation as provided above, each party shall bear all of its own costs incurred in resolving the claim, including its attorneys’ fees, unless the parties otherwise agree. If the claims are not resolved through negotiation or mediation, and the claim goes to arbitration or litigation, the prevailing party shall receive as a part of its award from the opposing party all of its costs, including attorneys’ fees, and any expenses incurred as a result of the dispute resolution procedures of this ADR Policy.

F. *Deviations.* The Board may deviate from the procedures set forth in this ADR Policy if in its sole discretion such deviation is reasonable under the circumstances.

G. *Amendment.* This ADR Policy may be amended from time to time by the Board of Directors.

IX. Reserve Requirements

A. *Reserve Studies.* The Association shall arrange for its initial reserve study to be completed as soon as practicable after the adoption of these Policies. Every five years thereafter, the Board of Directors shall arrange for an update of the reserve study.

(a) All reserve studies and updates shall be based on both a physical analysis and a financial analysis of the portions of the Subdivision which are maintained, repaired, replaced, and subject to improvement by the Association.

(b) All reserve studies and updates shall include an inventory, a condition assessment based on a site inspection, and contain an estimate of remaining useful life.

B. *Funding.* After receipt of the initial reserve study or any updates thereto, the Board of Directors shall establish a funding plan or update the funding plan and then adjust the Assessments allocated for the Reserve Fund to match the requirements identified by the reserve study or update. All assessments placed in the Reserve Fund shall be in accordance with the Association's policy then in effect regarding investment of reserve funds.

C. *Deviations.* The Board may deviate from the procedures set forth in this policy if, in its sole discretion, it finds such deviation is reasonable under the circumstances.

X. Miscellaneous.

A. Notwithstanding anything herein to the contrary, the Association reserves the right, at any time and from time to time hereafter, to modify, amend, repeal and/or re-enact these Policies in accordance with the Declaration, Bylaws, and applicable law. The Board or its management company shall send notice of the newly-adopted policy, procedure, or rule and regulation to the Owners via first class mail or email (if the Owner has provided an email address to the Association). No policy, procedure, or rule and regulation shall be effective until sent to the Owners.

B. The Board and its management company are empowered to enforce these Policies. All Policies shall be in effect at all times.

C. Failure by the Association, the Board, or any person to enforce any provision of these Policies shall in no event be deemed to be a waiver of the right to do so thereafter.

D. The provisions of these Policies shall be deemed to be independent and several, and the invalidity of anyone or more of the provisions hereof, or any portion thereof, by

judgment or decree of any court of competent jurisdiction, shall in no way affect the validity or enforceability of the remaining provisions, which provisions shall remain in full force and effect.

E. Unless the context provides or requires to the contrary, the use of the singular herein shall include the plural, the use of the plural shall include the singular and the use of any gender shall include all genders.

F. The captions to the sections are inserted herein only as a matter of convenience and for reference, and are in no way to be construed so as to define, limit or otherwise describe the scope of these policies and procedures or the intent of any provision hereof.

These Policies were duly and unanimously adopted by the Board of Directors of the Association by unanimous written consent effective April 17, 2020.

Thompson Park Homeowners Association, Inc.

DocuSigned by:
Jacques Machol
By: DB37C6FE2DEC43C
Jacques Machol, President

ATTEST:
DocuSigned by:
By: 9EE03F2B503E498
David Bauer, Secretary

ADDENDUM A

REQUEST TO INSPECT RECORDS

This written request is made pursuant to the Thompson Park Homeowners Association's Records Policy.

To: _____
c/o _____ (Management)

Address: _____

Email: _____

Date of this Request: _____, 20__

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

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

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

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

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

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

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

Exhibit D

THOMPSON PARK HOMEOWNERS ASSOCIATION RULES AND REGULATIONS

Effective April 17, 2020

Pursuant to the Declaration of Covenants, Conditions, Easements, and Restrictions for Thompson Park Subdivision (“Declaration”), the Board of Directors (“Board”) of the Thompson Park Homeowners Association, Inc. (“Association”) has adopted the following Rules and Regulations (“Rules”) to govern the use and enjoyment of the lots and units located in the Development. The Rules refer and apply to all Lots, Units, Common Elements, and Limited Common Elements in the Development. Unless otherwise specified, capitalized terms used in these Rules shall have the same meanings in these Rules as such terms have in the Declaration.

The Board desires to ensure the highest possible standards of living experience within the Development. In order to accomplish this, the Board requests the cooperation of all persons residing in or visiting the Development in the observance of the following:

1. Any common sidewalks, walkways, driveways, entrances, and passageways shall not be obstructed by any Owner for any other purpose than ingress to and egress from the Lots.
2. Except as to the area termed Limited Common Elements, no article or improvement shall be placed on or in any of the Common Elements except for those articles of personal property which are the common property of all Owners.
3. Owners, members of their families, their guests, residents, tenants, or lessees shall not use sidewalks, driveways, or entrances as a play area.
4. Parking:
 - a. Per Section 4.18 of the Declaration, the Owner of a Lot or Unit containing an enclosed garage or carport or surface parking space shall be required to park vehicles owned or leased by the Owner(s) and/or occupant(s) of such Lot or Unit in the parking spaces provided in the garage, carport, or surface parking space. Lot or Unit Owner(s) or occupant(s) shall not park his or her vehicle(s) on the street in front of the Lot or Unit. Additional parking restrictions may be contained within the Declaration.
 - b. Owners of Lots or Units with driveways leading to an enclosed garage, carport, or surface parking space may use the driveway area for guest parking only.
 - c. Storage in enclosed garages shall not impede or eliminate the ability to park one or two vehicles, as applicable, within the garage area.

- d. Vehicles parked in General Common Element parking areas may remain parked in said spaces for not more than 24 hours. Vehicles that remained parked in a General Common Element parking area for more than 24 hours may be booted or towed at the vehicle owner's expense.
 - e. No vehicle belonging to or under the control of an Owner or member of the family or a guest, tenant, lessee, their guests or families, employee, tradesperson or worker of any type of an Owner shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from a building or another Lot.
 - f. Vehicles shall be parked within designated parking areas with one vehicle per designated parking space. Any traffic flow markings and signs regulating traffic on the premises shall be strictly observed.
5. Fences and Screening:
- a. Except for any Limited Common Elements specifically designated as fenced areas on the Plat or as otherwise provided in these Rules, fences are not permitted within any yard or lawn area of any Lot.
 - b. No Owner shall have the authority to construct a fence or other enclosure within any Open Space Easement, utility easement, or setback area shown on any Plat.
 - c. Owners may fully or partially enclose ground-level patios located on the Owner's Lot, and the enclosure may extend up to five feet from each side of the original cement patio area.
 - d. Owners, at the Owners' cost and expense, shall be solely responsible for repairing and maintaining any fence or enclosure constructed by the Owner and the area within the fence or enclosure.
 - e. Permitted fences and enclosures shall not interfere with the use, repair, or maintenance of any utility lines, including, but not limited to, irrigation lines.
 - f. Owners must receive approval from the Architectural Control Committee prior to constructing a fence or enclosure permitted under these rules. The Architectural Control Committee shall review and approve, at a minimum, the location, height, and materials for the proposed fence or enclosure. All fences and other exterior enclosures shall comply with the requirements of the Design Guidelines.
6. Landscaping and Gardening:
- a. Except as provided in these Rules, the Association shall be responsible for installing, maintaining, and irrigating all yards, open spaces, and landscaping.

- b. Each Owner may install and maintain garden beds in areas adjacent to the Owner's Dwelling or on decks or patios. Owners, at the Owners' cost and expense, shall be solely responsible for watering and maintaining any such garden beds. Owners may not use or connect to the irrigation system owned and maintained by the Association to water garden beds.
7. Owners may rent their Dwellings in accordance with the Declaration and the Association's Rental Policy attached hereto as Appendix A.
8. Owners or their Lessee(s) may keep and house up to two household pets in any Lot or Unit. "Household pet" shall be limited to cats, dogs, and fish. Fish do not count towards the two-pet limit. All pets must be under the Owner's physical control at all times, including the use of leashes when on Common Elements. Owners shall be responsible for immediately cleaning up after their pets.
9. No construction will be permitted the Wednesday before Thanksgiving through the Sunday after Thanksgiving and December 20 through January 7. Construction will be limited Monday through Friday between the hours of 8 am and 5 pm. No construction materials will be stored in the Common Elements without prior Board approval. The foregoing shall not apply to any construction performed by or on behalf of the Declarant.
10. Containers for trash must be kept in Units or Unit garages. Containers may only be placed outside on the day designated by the Association for trash removal. All containers must be taken inside by 7 pm on the day designated for trash removal. In no event shall a trash container remain outside overnight. Any large trash items such as furniture or other large items must be disposed of by Owner's arrangement with a trash service directly and shall not be left outside. To the extent the foregoing conflict with trash regulations imposed by the Town of Carbondale, the more restrictive regulations shall apply.
11. The balconies, decks, and patios shall be used only for the purposes intended and shall not be used for hanging garments or other articles or for cleaning rugs, household articles, or other items. No rugs or other material shall be dusted from windows, balconies, decks, or patios by beating or shaking.
12. The following are allowed to be stored on decks and patios, designated as Limited Common Elements, provided they are stored in a neat and orderly manner:
 - a. Patio furniture in good condition and in an amount appropriate to the space.
 - b. One (1) cooking grill, in good working order, and not a fire hazard in accordance with the Declaration.
13. In all cases, the Board of Directors will be the final judge as to the condition of the common areas, in order to ensure a pleasing appearance to the Development. No one shall obstruct

damage or commit waste to any of the Common Elements.

14. The Association assumes no liability for nor shall be liable for any loss or damage to articles left or stored in any common or other storage area.
15. Any damage to the Common Elements or common personal property caused by the Owner, his family, guests, tenants or lessees, their family and guests, shall be repaired at the expense of that Owner.
16. With the consent of an Owner, the Managing Agent, or if there is no Managing Agent, then the Board of Directors, may retain a pass key to each Unit. In the event that the Owner does not so permit retention of a pass key, the Managing Agent, or if there is none, the Board of Directors, its employees and/or agents may make a forcible entry into such Unit when the Managing Agent or Board of Directors believe that an emergency requiring such entry exists. So long as entry is made upon a bona fide belief of emergency, the Owner shall have no recourse for any such forcible entry against Managing Agent or the Board of Directors or the person or persons who actually affect such forcible entry.
17. Nothing shall be done within the complex that would be in violation of any statute, rule, ordinance, regulation, permit, covenant or other validly imposed requirement of any governmental body, including the zoning, subdivision or building restriction.
18. Any personal property left in the General Common Elements or Limited Common Elements may be presumed abandoned and will be disposed of by the Association at no liability to the Association. The Association shall not be responsible for any loss, due to theft, damage or otherwise, to any personal property stored or otherwise left on any common element, whether allowed or prohibited by these Rules.
19. Owners and occupants shall exercise reasonable care to avoid making or permitting to be made loud, disturbing or objectionable noises and in using or playing or permitting to be used or played musical instruments, radios, phonographs, television sets, amplifiers and any other instruments or devices in such manner as may disturb or tend to disturb owners, tenants or occupants or other Units.
20. No noxious or offensive activity shall be carried on upon any part of the Development nor shall anything be done or placed on or in part of the Development which is or may become a nuisance or cause embarrassment, disturbance or annoyance to others. No sound shall be emitted on any part of the Development which is unreasonably loud or annoying. No odor shall be emitted on any part of the Development which is noxious or offensive to others. No light shall be emitted from any part of the Development which is unreasonably bright or causes unreasonable glare.
21. No unsightliness shall be permitted on or in any part of the Development. Without limiting

the generality of the foregoing, nothing shall be kept or stored on or in any of the Common Elements, nothing shall be hung or placed on any of the Common Elements, and nothing shall be placed on or in windows or doors of units which would or might create an unsightly appearance.

22. Residency restrictions are contained in the Declaration.

23. Signage restrictions are contained in the Declaration.

24. The Board of Directors reserves the power to establish, make, and enforce compliance with such additional rules and regulations as may be necessary for the operation, use, and occupancy of the Lots, Units, and Dwellings in the Development with the right to amend the same from time to time.

Thompson Park Homeowners Association, Inc.

DocuSigned by:
Jacques Machol
By: DB37C6FE2DFC43C...

Jacques Machol, President

ATTESTED:

DocuSigned by:
DMB
By: 9EE03F2B603E408...
David Bauer, Secretary

APPENDIX A RENTAL POLICY

An Owner's right to lease or rent a Dwelling under the Declaration is not absolute, but is subject to and conditioned upon compliance with the requirements of the Declaration and the following regulations adopted by the Board:

1. Each Owner shall notify the Association immediately upon the leasing or rental of all or a portion of its Dwelling and register with the Association the name(s) of the Lessee(s) and the email addresses, telephone numbers, and mailing information for notices to be sent from the Association directly to the Owner and Lessee(s). Owner is responsible for key exchanges.
2. All Lease/Rental Agreements (the "Agreements") including, without limitation, short term rentals and tenancies, shall be in writing, with a copy of the executed Agreement provided to the Association's managing agent (the "Manager") prior to the lease/rental start date. Included in the Agreement shall be (i) a copy of the Association's Rules and Regulations, signed by the Lessee and Owner and (ii) a section stating that failure of the Lessee, Lessee's family, and Lessee's guests or invitees to comply with the Association's Governing Documents will be considered a default under the Agreement, may result in the termination of the Agreement, and that the Association may take action to enforce any such default.
3. Lessee(s) of a Dwelling may park, collectively, up to two vehicles in the Development. All parking shall comply with the Association's Rules regarding parking.
4. Leasing or renting of a room, part of a Dwelling, or anything less than the entire Dwelling is strictly prohibited; provided, however, that an Owner may lease or rent a room or less than an entire Dwelling if the Owner also resides in the Dwelling.
5. Short-term Rentals
 - a. For the purposes of this Policy, "short-term rental" shall mean the lease or rental of a Dwelling for a period of less than thirty days.
 - b. For any short-term rental of a Dwelling, there shall be a designated responsible party, located within the Roaring Fork Valley, available to immediately respond to any issues arising from the short-term rental. The designated responsible party may be the Owner of the Dwelling. Owners are responsible for providing the name and contact information of their designated responsible party to the Association Manager before the commencement of each short-term rental.
 - c. Short-term rentals shall comply with all federal, state, and local laws and regulations applicable to short-term rentals and rental properties including, but not limited to, obtaining any necessary licenses or permits and paying all required taxes.

- d. In the event the short-term rental provisions included in this Policy conflict with any federal, state, or local regulation, the more restrictive will control.
6. Not more than two Lessees may occupy any one bedroom in a Dwelling and, in any event, no more than 5 persons unrelated by blood, marriage, or adoption may lease a Dwelling. This limitation applies to both short-term and long-term rentals.
7. Owners are fully responsible and liable for compliance with this Policy and all policies of the Association by their Lessees, guests, and invitees, and Owners are therefore advised to review all policies with prospective Lessees prior to entering into lease or rental agreements.
8. In addition to, and not in limitation of, any and all remedies available to the Association under its Governing Documents and applicable law, failure to comply with the requirements of this Rental Policy shall result in the imposition of the following fines to be levied against the noncompliant Owner in accordance with Section 5.7(e) of the Declaration:
 - a. First offense shall result in a warning letter and/or email notification from the Association notifying Owner that the next offense will result in a fine.
 - b. Second offense following written notification of non-compliance to Owner shall result in a fine of \$100 plus \$50 per day for each day the non-compliance continues;
 - c. Third offense shall result in a fine of \$200 plus \$50 per day for each day the non-compliance continues.
 - d. Fourth and further offenses shall result in a fine of \$300 plus \$50 per day for each day the non-compliance continues and may result in termination of the right to lease or rent the Dwelling and other actions permissible under the Declaration including, without limitation, loss of voting rights and privileges of membership.
9. Any and all costs incurred by the Association, including reasonable attorneys' fees, to implement and enforce this Policy with respect to a specific Dwelling shall be borne by the Owner of that Dwelling.
10. If a violation is caused by a Lessee, guest, or invitee, the Owner will be held financially responsible. Failure to pay a fine in a timely manner will be remedied as provided in the Association's Governing Documents. The Owner will have the right to appeal fines by submitting a written request for notice and hearing to the Board of Directors, in accordance with the Bylaws of the Association.
11. The Board of Directors of the Association hereby delegates the responsibility of and the authority to implement this policy to the Association's Manager.

12. This policy may be changed by the Association's Board of Directors from time to time.