**GRAND COLORADO ON PEAK 8 OWNERS’ ASSOCIATION**

a Colorado Nonprofit Corporation

**GOVERNANCE POLICY**

**GRAND COLORADO ON PEAK 8 OWNERS’ ASSOCIATION**

a Colorado Nonprofit Corporation

**ALTERNATIVE DISPUTE RESOLUTION POLICY**

The following Alternative Dispute Resolution policy ("Policy") has been adopted by the Board of Directors ("Board") of Grand Colorado on Peak 8 Owners Association ("Association") pursuant to the requirements set forth in C.R.S. §38-33.3-209.5. This Policy shall supersede and replace any alternative dispute resolution policy previously adopted by the Association. All capitalized terms used but not defined herein shall have the meaning set forth for such term in the Declaration.

General

It is the policy of the Association to encourage the use of Alternative Dispute Resolution to resolve disputes involving the Association and an Owner. Alternative Dispute Resolution ("ADR") is defined as a procedure for settling a dispute by means other than litigation, such as binding arbitration, non-binding arbitration, or mediation.

General Policy

In the event of any dispute between the Association and an Owner, except for those Exempted Claims defined herein, the Association and the Owner shall agree to resolve the dispute using the procedures set forth below prior to filing suit in any court or initiating proceedings before any administrative tribunal.

Exempt Claims

The following claims shall be exempt from the provisions of this Policy:

Any action by the Association against an Owner to collect assessments or other sums due to the Association, including foreclosure proceeding; and any action by the Association to enforce any provisions of the Association's Declaration, Bylaws, or rules and regulations; and any claim of the Association which, if not pursued by the filing of a lawsuit, would be deemed barred due to the applicable statute of limitations.

Procedure for All Other Claims

All Claims other than Exempt Claims shall be resolved using the following procedures in lieu of litigation:

The Association or any Owner having a claim ("Claimant") against an Owner or the Association, respectively ("Respondent"), other than an Exempt Claim, shall notify each Respondent, in writing, of the Claim ("Notice") stating:

1. the nature of the Claim, including the date, time, location, persons involved, and Respondent's role in the Claim,
2. the basis of the Claim (i.e., the provisions of the Association Declaration, the Bylaws, the Articles, Rules or Regulations or other authority out of which the Claim arises);
3. what Claimant wants Respondent to do or not do to resolve the Claim; and
4. that Claimant wishes to resolve the Claim by mutual agreement with Respondent, and is willing to meet in person with Respondent at a mutually agreeable time and place to discuss in good faith ways to resolve the Claim.

Negotiation

The parties shall make every reasonable effort to meet in person to resolve the Claim by good faith negotiation.

Mediation

1. If the parties do not resolve the Claim through negotiation within 20 days of the date of the Notice (or within such other period as may be agreed upon by the parties) ("Termination of Negotiations"), Claimant shall have 30 additional days to submit the Claim to mediation by an· independent mediation service agreed upon by the parties.
2. If Claimant does not submit the Claim to mediation within 30 days after Termination of Negotiations, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of the Claim.
3. If the parties do not settle the Claim within 45 days after submission of the matter to the mediation process, or within such time as determined reasonable or appropriate by the mediator, the mediator shall issue a notice of termination of the mediation proceedings ("Termination of Mediation"). The Termination of Mediation notice shall set forth when and where the parties met, that the parties are at an impasse, and the date that mediation was terminated.
4. Within 10 days of the Termination of Mediation, the parties shall again attempt to resolve the matter informally through negotiation.

Arbitration

1. If the parties do not resolve the Claim through negotiation, as provided for above, within 20 days of the Termination of Mediation, the Claimant shall then have 15 additional days to submit the Claim to arbitration in accordance with the appropriate rules of the American Arbitration Association, or the Claim shall be deemed abandoned, and Respondent shall be released and discharged from any and all liability to Claimant arising out of the Claim. However, nothing herein shall release or discharge Respondent from any liability to anyone not a party to the proceedings.
2. This Policy is an agreement of the Association and Owners to arbitrate all Claims except Exempt Claims and is specifically enforceable under the applicable arbitration law of the State of Colorado. If specifically agreed to by both parties to the arbitration, 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.

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 attorney fees and mediation expenses, unless the parties otherwise agree. If the Claims are not resolved through negotiation or mediation as provided above and the Claim goes to arbitration, the prevailing party shall receive as a part of its award from the opposing party all of its costs, including attorney fees, costs for other representatives in resolving such Claim, and any expenses incurred as a result of the dispute resolution procedures of this Policy.

Failure to Comply with Settlement

If the parties resolve any Claim through negotiation, mediation, or arbitration as set forth above, and the other party fails to abide by the terms of such agreement or award, then the other party may file suit or initiate administrative proceedings to enforce such agreement or award without need to comply with the provisions of this Policy. In such event, the party taking action to enforce the agreement or award shall be entitled to recover from the non-complying party all costs incurred in enforcing such agreement or award, including without limitation, attorney fees and costs.

Definitions

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

Supplement to Law

The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Association Declaration and the laws of the State of Colorado governing the Association.

Deviations

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

Amendment

This policy may be amended from time to time by the Board of Directors.

\* Service 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. 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 in the Notice. Any notice personally delivered shall be deemed received on the date of delivery, and any notice mailed shall be deemed received on the fifth day following the date of mailing.

Adopted on 11/2/2017 by the Board of Directors of Grand Colorado on Peak 8 Owners’ Association.

**GRAND COLORADO ON PEAK 8 OWNERS’ ASSOCIATION**

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**POLICY ON ADOPTION AND AMENDMENT OF POLICIES AND RULES**

The following Adoption and Amendment of Policies and Rules policy ("Policy") has been adopted by the Board of Directors ("Board") of Grand Colorado on Peak 8 Owners Association ("Association") pursuant to the requirements set forth in C.R.S. §38-33.3-209.5. This Policy shall supersede and replace any adoption and amendment of policies and rules policy previously adopted by the Association. All capitalized terms used but not defined herein shall have the meaning set forth for such term in the Declaration.

1. Adoption or amendment of any policy, procedure or rule shall be performed only at a meeting of the Board that is open to all Owners or their representatives. This policy does not apply to the adoption or amendment of the Association's Declaration of Covenants, Conditions, and Restrictions.

2. The Board shall consider the following criteria when adopting or amending a policy, procedure or rule:

a. Reasonableness and necessity;

b. Impact does not create separate groups of Owners;

c. Consistent with other Association and Breckenridge Grand Vacation policies in effect at the time;

d. Reasonably relates to the preservation, protection and enhancement of property values; and

e. Consistent with:

(i) the Association's governing documents;

(ii) applicable federal and state statutes and case law; and

(iii) local laws and ordinances.

3. Adoption or amendment of any policy, procedure, or rule and regulation requires an affirmative vote of a majority of the Board members who are in attendance at the meeting.

4. Any policy, procedure, rule and regulation and any amendment thereto shall be effective five (5) days after delivery of notice to Owners of its adoption (posting on the Association's web site or distribution to all Owners of record by mail is considered adequate notice).

Adopted on 11/2/2017 by the Board of Directors of Grand Colorado on Peak 8 Owners’ Association.

**GRAND COLORADO ON PEAK 8 OWNERS’ ASSOCIATION**

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**POLICY FOR BOARD MEMBER CONFLICT OF INTEREST**

The following POLICY FOR BOARD MEMBER CONFLICT OF INTEREST ("Policy") has been adopted by the Board of Directors ("Board") of Grand Colorado on Peak 8 Owners Association ("Association" or “GC8OA”) pursuant to the requirements set forth in C.R.S. §38-33.3-209.5. This Policy shall supersede and replace any Board Member conflict of interest policy previously adopted by the Association. All capitalized terms used but not defined herein shall have the meaning set forth for such term in the Declaration.

**Purpose**

1. The purpose of this Board conflict of interest Policy is to protect the Association's interests when it is contemplating entering into a transaction or arrangement that might benefit the private interests of an Officer or Director of the Association, or might result in a possible excess benefit transaction.

2. This Policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to Colorado nonprofit corporations or Common-Interest Associations.

3. This Policy is also intended to identify "independent" Directors.

**Definitions**

1. Interested person - Any Director, principal Officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial interest- A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

a. An ownership or investment interest in any entity with which the Association has a transaction or arrangement;

b. A compensation arrangement with GC8OA or with any entity or individual with which GC8OA has a transaction or arrangement; or

c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which GC8OA is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the Board decides that a conflict of interest exists, in accordance with this Policy.

3. Independent Director - A Director shall be considered "independent" for the purposes of this Policy if the Director:

a. is not, and has not been for a period of at least three years, an employee of GC8OA or any entity in which GC8OA has a financial interest;

b. does not directly or indirectly have a significant business relationship with GC8OA, which might affect independence in decision-making;

c. is not employed as an executive of another corporation where any of GC8OA's Officers or employees serve on that corporation's compensation committee; and

d. does not have an immediate family member who is an executive Officer or employee of GC8OA or who holds a position that has a significant financial relationship with GC8OA.

**Procedures**

1. Duty to Disclose - In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Board.

2. Recusal of Self - Any Director may recuse himself or herself at any time from involvement in any decision or discussion in which the Director believes he or she has or may have a conflict of interest, without going through the process for determining whether a conflict of interest exists.

3. Determining Whether a Conflict of Interest Exists -- After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board members shall decide if a conflict of interest exists.

4. Procedures for Addressing the Conflict of Interest

a. An interested person may make a presentation at the Board meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

b. The President of the Board shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

c. After exercising due diligence, the Board shall determine whether the Association can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board shall determine by a majority vote of the disinterested Directors whether the transaction or arrangement is in GC8OA's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

5. Violations of the Conflicts of lnterest Policy

a. If the Board has reasonable cause to believe a Director has failed to disclose actual or possible conflicts of interest, it shall inform the Director of the basis for such belief and afford the Director an opportunity to explain the alleged failure to disclose.

b. If, after hearing the Director's response and after making further investigation as warranted by the circumstances, the Board determines the Director has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

**Records of Proceedings**

The minutes of the Board and all committees with Board-delegated powers shall contain:

1. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's decision as to whether a conflict of interest in fact existed.

2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

**Compensation**

1. A voting member of the Board who receives compensation, directly or indirectly, from GC8OA for services is precluded from voting on matters pertaining to that member's compensation.

2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from GC8OA for services is precluded from voting on matters pertaining to that member's compensation.

3. No voting member of the Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from GC8OA, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

**Annual Statements**

1. Each Director, Officer and/or member of a committee with Board-delegated powers shall annually sign a statement which affirms such person:

a. Has received a copy of the conflict of interest Policy,

b. Has read and understands the Policy, and

c. Has agreed to comply with the Policy.

2. Each voting member of the Board shall annually sign a statement which declares whether such person is an independent Director.

3. If at any time during the year, the information in the annual statement changes materially, the Director shall disclose such changes and revise the annual disclosure form.

4. The Board shall regularly and consistently monitor and enforce compliance with this policy by reviewing annual statements and taking such other actions as are necessary for effective oversight.

**Periodic Reviews**

To ensure GC8OA operates in a manner consistent with all applicable laws and statutes, periodic reviews of the Association's conflict of interest policies, procedures, rules & regulations shall be conducted by the Board.

End

Adopted on 11/2/2017 by the Board of Directors of Grand Colorado on Peak 8 Owners’ Association.

**GRAND COLORADO ON PEAK 8 OWNERS’ ASSOCIATION**

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**COLLECTIONS POLICY AND PROCEDURES**

The following policy and procedure has been adopted by the Board of Directors ("Board") of Grand Colorado on Peak 8 Owners Association ("Association") pursuant to the requirements set forth in C.R.S. §38-33.3-209.5, for collection of unpaid assessments, default assessments, fees and fines. This Policy shall supersede and replace any collections policy previously adopted by the Association. All capitalized terms used but not defined herein shall have the meaning set forth for such term in the Declaration.

1. Due Date. The Association's Vacation Unit Assessments shall be billed on January 1 of each year and shall be due and payable on March 1 of each year. The Association shall bill each Owner annually, however, failure to receive an invoice shall not eliminate or delay Owner’s obligation to timely pay any Assessments. Assessments and other charges not received by the Association by the 30th day following initial date of billing, or other date(s) as established by a current assessment payment policy, shall be considered past due and delinquent.

2. Interest and Late Charges. Once assessments and other charges are past due and delinquent, a finance charge is assessed, accrued at an interest rate at not less than 1.5% per month until paid, or at such greater rate of interest as may be imposed from time to time by the Board. In addition to interest on an unpaid Assessment, the Association may impose a late fee of five percent (5%) of any unpaid Assessment. Finance and late charges will cease after the account is greater than 730 days delinquent.

3. Return Check Charges. In addition to any and all charges imposed under the Declaration, the Bylaws, the Rules and Regulations or the Articles of Incorporation (collectively, the "Governing Documents") or pursuant to Colorado statutes, or this Policy, a fifty dollar ($50.00) fee or other amount deemed appropriate by the Board shall be assessed against an Owner in the event any check or other instrument attributable to or payable for the benefit of such Owner is not honored by the bank or is returned by the bank for any reason whatsoever, including but not limited to insufficient funds. Such return check charge shall be due and payable immediately, upon demand. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law. Returned check charges shall be the obligation of the Owner(s) of the Unit or Vacation Estate for which payment was tendered to the Association. Returned check charges shall become effective on any instrument tendered to the Association for payment of sums due under the Governing Documents or this Policy.

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

5. Application of Payments made to the Association. Regardless of inscriptions or notations on the front of the check, all payments received on the account of any Owner shall be applied in the following order:

a) any and all attorney fees, legal fees and costs incurred for collection of assessments or for Owner's failure to comply with provisions of the Association's Governing Documents, including lien fees;

b) fines, late charges and interest;

c) returned check charges, and other costs owing or incurred with respect to such Owner pursuant to the Declaration, Colorado statutes, Rules and Regulations, or this Policy;

d) Past-due Assessments (if any);

e) Current Assessments. Checks containing a restrictive endorsement on the back will be returned to the Owner and the amount tendered shall be considered unpaid.

6. Payment Plan. Any Owner who becomes delinquent in payment of assessments, or other fees and charges owed to the Association, may enter into a payment plan with the Association, which plan shall be for a term of up to six (6) months or such other term as may be approved by the Board of Directors. Such payment plan shall be offered to each Owner prior to the Association referring any account to an attorney or collection agency for collection action. In the event the Owner defaults or otherwise does not comply with the terms and conditions of the payment plan, including the payment of ongoing assessments of the Association, the Association may, without additional notice, refer the delinquent account to an attorney or collection agency for collection action, or may take such other action as it deems appropriate in relation to the delinquency. The Owner may contact the Association's manager and/or bookkeeper during regular business hours in order to request a copy of the Owner's account ledger.

7. Collection Procedures/Time Frames. The following time frames shall be used in the collection of monthly installments of the annual assessment and other charges:

• Due Date (date payment due): the first (1st) day of March of each calendar year;

• Past Due Date (date payment is late if not received on or before that date, interest and late fees added): after the 30th day of the due date;

• First Notice (notice of (i) delinquent amount due, (ii) determination of amount, (iii) accrued late charges and interest, (iv) availability of a payment plan, if applicable, (v) contact information to obtain Owner ledger, and (vi) notice that failure to cure delinquency within 30 days may result in Owner’s account being turned over to collection agency, a lawsuit being filed against Owner, the filing and foreclosure of lien against the Owner’s Unit, or other remedies available under Colorado law): Any time after 30 days after due date;

• Second Notice (notice that late charges and interest have accrued): Any time after 45 days after due date;

• Notice of Intent to Lien: Any time after 60 days after due date;

• Third Notice (notice that late charges and interest have accrued): Any time after 70 days after due date;

• Delinquent account turned over to Association's attorney; Lien filed; Demand letter sent to Owner; commencement of foreclosure notice and proceedings: Any time after 90 days after due date.

8. Acceleration and Deceleration of Assessments. The Board reserves the right to accelerate and call due the entire unpaid annual assessment on any delinquent account including such assessments that may become due during the pendency of a payment plan as described above. Such acceleration shall result in the entire unpaid annual assessment being due to the Association immediately. The Board also reserves the right to decelerate any accelerated assessment.

9. Limit of Services. The Board may elect to limit Owner’s access to a Unit and Project amenities or any other service, the cost of which is covered by assessments, for an Owner's failure to pay assessments.

10. Foreclosure. The Board may choose to foreclose on the Association's lien in lieu of, or in addition to, suing an Owner in county court for a money judgment. The purpose of foreclosing is to obtain payment of all assessments owing in situations where either a money judgment lawsuit has been or is likely to be unsuccessful in obtaining payment, or in which other circumstances favor such action.

11. Ongoing Evaluation. Nothing in this policy shall require the Board to take specific actions at a specific time, but the Board shall not take any action in less than the time stated herein for a particular action. The Board has the option and right to continue to evaluate each delinquency on a case-by-case basis.

Adopted on 11/2/2017 by the Board of Directors of Grand Colorado on Peak 8 Owners Association.

**GRAND COLORADO ON PEAK 8 OWNERS’ ASSOCIATION**

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**POLICY FOR CONDUCT OF MEETINGS**

The Grand Colorado on Peak 8 Owners Association (the "Association"), through its Board of Directors ("Board") and in accordance with the powers set forth in the Declaration for the Association, hereby adopts the following Conduct of Meetings policy (this "Policy"), pursuant to the requirements set forth in C.R.S. §38-33.3-209.5. This Policy shall supersede and replace any conduct of meetings policies previously adopted by the Association. In accordance with Colorado State Statute, this Policy shall define and govern Association Board and Owner meetings. All capitalized terms used but not defined herein shall have the meaning set forth for such term in the Declaration.

**Purpose**

1. The Association Board believes it to be in the best interest of the Association to establish a uniform and systematic protocol for conducting meetings of the Association, for both Owner meetings and Board meetings, which will ensure equitable participation by the Owners, while permitting the Board to conduct the business of the Association; and

2. A policy regarding the conduct of meetings will also memorialize the circumstances under which the Board may convene into executive session.

**Conduct of Meetings Policy & Procedures**

1. Meeting Notices. The Association shall provide notices for Board meetings and Owners meetings pursuant to the Association's governing documents, specifically the Bylaws and the Declaration.

2. Open Meetings. All Owner Meetings are open to every Owner, or to any person designated by an Owner in writing as the Owner's representative, and Owners or designated representatives so desiring shall be permitted to attend, listen, and speak at an appropriate time during the deliberations and proceedings, provided the Owner is in good standing for annual dues and subject to the provisions of this policy. For regular and special meetings of the Board, Owners who are not Board members may not participate in any deliberation or discussion unless expressly so authorized by a vote of the majority of a quorum of the Board.

3. Restrictions on Speaking. The Board may place reasonable time restrictions on those persons speaking during the Board or Owner Meetings, but at Owner Meetings shall permit an Owner or an Owner's designated representative to speak before the Association takes formal action on an item under discussion, provided the Owner is in good standing for annual dues & subject to the provisions of this policy. At Owner Meetings, a reasonable number of persons shall be permitted to speak on each side of an issue.

4. Attorney-Client Privilege. Upon the final resolution of any matter for which the Board received legal advice or that concerned pending or contemplated litigation, the Board 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.

5. Attendance & Participation at Meetings. All regular and special meetings of the Board, or any committee thereto, shall be open to attendance by all Owners or to any person designated by an Owner in writing. At regular and special meetings of the Board, Owners who are not members of the Board may not participate in any deliberation or discussion unless expressly so authorized by a vote of the majority of a quorum of the Board.

6. Order of Business. The agenda for all meetings shall follow the order of business specified by the Association's Bylaws, and if none, in accordance with the order of business determined by the Board, which shall include an Owner open forum during which any Owner or Owner's designated representative who wishes to speak will have the opportunity to do so, provided the Owner is in good standing for annual dues and subject to the provisions of this policy.

7. Limits on Open Forum. The Board shall have the right to determine the length of time of the open forum. The President or acting chair of the meeting may place reasonable limitations upon the time given to each Owner seeking to comment to allow sufficient time for as many Owners as possible to comment within the time permitted. Unless otherwise determined by the President or acting chair, the time limit will be three (3) minutes per Owner. Owners will only be allowed to speak more than once during open forum at the discretion of the Board. No Owner may speak a second time until all Owners wishing to speak have had an opportunity to speak once.

8. Sign-Up Sheets. A sign-up sheet may be made available to Owners immediately prior to the meeting. Any Owner wishing to comment at the ensuing meeting may add his/her name to the sign-up sheet. Owners will be recognized for comment at the meeting in the same order as their names appear on the sign-up sheet. All Owners wishing to comment who have not placed their names on the sign-up sheet will nonetheless be permitted to speak, time permitting. The President of the Board or acting chair shall, to the best of his/her ability, allocate time to each Owner for comment so as to allow as many Owners as possible to speak.

9. Curtailment of Owner Conduct. Should the President or acting chair determine that any Owner has spoken for the allocated amount of time or longer, the President or acting chair shall have the authority to instruct that Owner to yield the floor, and that Owner will be obligated to comply with the President's or acting chair's instruction.

10. Executive Session. Notwithstanding the foregoing, the Board may hold an executive or closed-door session upon a motion, a second, and an affirmative vote to so do, 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 of Colorado law, including the Colorado Common Interest and Ownership Act as amended from time to time (the "Act"), or other applicable law. The matters to be discussed at such an executive session are limited to:

a. 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;

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 communication from legal counsel.

11. Limits on Executive Session. 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 (a) to (f) above. No rule or regulation of the Board shall be adopted during an executive session. A rule or regulation may be validly adopted only during a regular or special meeting or after the Board goes back into regular session following an executive session.

12. Disruptive or Unruly Behavior. Each Owner must speak in a calm manner and conduct themselves with respect to all those in attendance. Profanity, shouting and name-calling of any kind are prohibited. If an Owner refuses to stop talking after his/her allotted time has ended or otherwise disrupts the meeting, the following procedure will be followed:

a. The President or acting chair will issue an oral warning that if the Owner continues to speak or disrupt the meeting, either the meeting will be adjourned or law enforcement/security will be called to remove the individual;

b. If the Owner continues to speak or disrupt the meeting, the President or acting chair will call a recess and speak directly to the Owner, reiterating that either the meeting will be adjourned or law enforcement/security will be called to remove the individual;

c. If the Owner still refuses to cooperate, the President or acting chair may choose whether to adjourn the meeting to another time or to call law enforcement/security.

13. Voting by Proxy. An Owner may vote in Association matters by proxy. An Owner may appoint a proxy in accordance with Section 7-127-203 of the Colorado Nonprofit Act. Read with the Act, the procedures for appointing a proxy are generally as follows:

a. An Owner may appoint a proxy by signing an appointment form, either personally or by the Owner's attorney-in-fact;

b. The appointment form may be transmitted electronically as long as one can confirm that the Owner transmitted the form or authorized the transmission;

c. An appointment of a proxy is effective when received by the Secretary of the Association, and it is valid for eleven (11) months unless a different period is stated in the appointment form;

d. An Owner may revoke his or her appointment of a proxy only by giving actual notice of a revocation to the person presiding over a meeting of the Association; and

e. A proxy is void if it is not dated or purports to be revocable without notice.

14. Voting by Telephone, Electronic Mail, Facsimile, or US Mail. Upon advance notice and approval of the Association Board, transmission of votes may be made by telephone during the meeting, or in writing transmitted via US mail, facsimile, or electronic mail. The deadline for receipt of written votes from Board members or Owners participating by telephone shall be seven (7) days after the close of the meeting at which the vote occurred unless the Board decides to extend this deadline.

15. Secret Ballots

a. Casting Secret Ballots in Board Elections. Votes for contested positions on the Board of Directors must be taken by secret ballot.

b. Casting Secret Ballots in Other Matters. If the Board so directs, or if 20% of the Owners present at a meeting in person or by proxy so request, and if a quorum has been achieved, a vote on any matter coming before the Owners must be by secret ballot.

c. Keeping Ballots Secret. The results of a vote by secret ballot must be reported without reference to the names, addresses, or other identifying information of the Owners participating in the vote.

d. Counting of Secret Ballots. A neutral third party or a committee of volunteer Owners who are not Board members and, in the case of contested elections, candidates, and who are selected or appointed at an open meeting in a fair manner by the person presiding over the meeting, must count the ballots.

16. Hierarchy of Governing Documents. In the event of conflict between the provisions of Colorado Statutes, the Declaration, Articles of lncorporation, the Bylaws and this Policy, they shall prevail in that order.

Adopted on 11/2/17 by the Board of Directors of Grand Colorado on Peak 8 Owners’ Association.

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**POLICY FOR ENFORCEMENT OF COVENANTS, BYLAWS & RULES**

The following Policy for Enforcement of Covenants, Bylaws and Rules ("Policy") has been adopted by the Board of Directors ("Board") of Grand Colorado on Peak 8 Owners Association ("Association") pursuant to the requirements set forth in C.R.S. §38-33.3-209.5, for the enforcement of the Association's Declaration, Bylaws, Rules and Regulations, collectively referred to as the "Governing Documents". This Policy shall supersede and replace any covenant enforcement policies previously adopted by the Association. All capitalized terms used but not defined herein shall have the meaning set forth for such term in the Declaration.

1. **Scope**. All Unit Owners, by taking title to their Units, shall be deemed to understand and accept their obligations, pursuant to the Declaration and Rules and Regulations, to pay all monetary obligations, including, but not limited to, all general and special Assessments. Therefore, the procedures below shall not apply to any such monetary obligations, and, specifically, the Association shall not be required to provide any written or other notice to any Unit Owner, or to conduct a Hearing (as defined below), regarding such obligations.

2. **Notice of Violation**. Whenever the Board has reason to believe that any Unit Owner has violated any nonmonetary covenant, restriction or other obligation under any of the Governing Documents, the Board will direct that a Notice of Violation be sent to the Unit Owner. The Notice of Violation shall describe the nature of the violation or non-compliance, the penalties or fines imposed for such violation, the Owner’s right to a hearing to dispute such violation, and shall further state that the Association may seek to protect its rights as they are specified in the Governing Documents. Unless otherwise provided in the Governing Documents, the fine assessment is due and payable upon receipt of notice of the fine assessment and is considered late, and may be subject to interest and late fees, fifteen (15) days after the date of mailing.

3. **Service 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; by electronic mail to the Owner; or by U.S. Mail, postage prepaid for first class mail, addressed to the last registered address of the Owner as contained in the Association's records. 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, or such other address as the parties may be advised of in writing in the Notice. Any notice personally delivered, or delivered by electronic mail shall be deemed received on the date of delivery, and any notice mailed shall be deemed to have been delivered forty-eight (48) hours after a copy of the same has been deposited in the U.S. mail.

4. **Request for Hearing**. If an Owner desires a hearing to challenge or contest any alleged violation/non-compliance and possible fine, the Owner must request such hearing, in writing, within fifteen (15) days from receipt of the Notice of Violation. The request for hearing shall describe the grounds and basis for challenging the alleged non-compliance.

5. **Hearing**. The Board or Board-appointed committee shall inform the Owner of the scheduled time, place and date of the hearing, provided that the Presiding Officer, as appointed by the Board or Boar-appointed committee, 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 Violation. Each party may make opening statements, may present evidence and testimony, may present witnesses, and may make closing statements. Neither the complaining parties nor the Owner (or Owner's designee) must be in attendance at the hearing. However, the decision of the Board or Board-appointed committee at each hearing shall be based on the matters set forth in the Notice of Violation, Request for Hearing, and such evidence as may be presented at the hearing. Unless otherwise determined by the Board or Board­ appointed committee, all hearings shall be open to attendance by all members of the Association. All such hearings shall be recorded in writing for purposes of preservation and clarity.

6. **Decision**. After all testimony and other evidence has been presented to the Board or Board-appointed committee at a hearing, the Board or Board-appointed committee shall render its written findings and decision, and impose a reasonable fine, if applicable, within fifteen (15) days after the hearing. A decision, either a finding for or against the Owner, shall be by a majority of the members of the hearing board present at the hearing.

7. **Conflicts**. Any Board or Board-appointed committee member who is incapable of objective and disinterested consideration on any hearing before the Association shall disclose such to the President of the Board or Chairperson of Board-appointed committee prior to the hearing on the case, if possible, or, if advance notice is not possible, then such disclosure shall be made at the hearing, and the Board or Board­ appointed committee member shall be disqualified from all proceedings with regard to the hearing. If disqualification of any Board or Board-appointed committee member(s) results in an even number of remaining Board or Board-appointed committee members eligible to hear a case, the Board or Board-appointed committee may, by majority vote, appoint an Association member, in good standing, to serve as a voting member of the hearing board.

8. **Warnings and Fines**.

a. The Board, the Managing Agent, or their designees shall have the right to issue warnings, to assess fines of up to Two Hundred Fifty and no/100 Dollars ($250.00) per infraction or as otherwise provided in the Rules and Regulations.

b. Notwithstanding any provision of this policy to the contrary, the Board and the Managing Agent may summarily evict Vacation Owners and their guests for violation of the Rules and Regulations in order to protect the health, safety and quiet enjoyment of the Project by the Owners, guests and employees.

c. Notwithstanding any provision of this policy, the Association may use any legal means available at any time to enforce the terms of the Governing Documents. All fines imposed by the Association shall become an obligation of the Owner in the same manner as common expense assessments, as provided by Colorado statute.

d. Vacation Owners and their guests will be responsible for all damages to the Vacation Unit, common elements, and their furnishings, or to other areas of the Project as a result of their actions. The Association shall be entitled to recover reasonable costs and attorneys' fees in the event it prevails in an action brought against a Vacation Owner to enforce the Rules and Regulations.

9. **Owner Complaints**. Complaints against an alleged violator lodged by another Owner must be in writing and submitted to the Board or the Managing Agent. The complaint must include the nature of the violation and any pertinent facts supporting the complaint. The complaint must also contain the printed name and signature of the person lodging the complaint. The Board and Managing Agent shall determine, in their sole discretion, whether to proceed with a Notice of Violation to the Owner pursuant to the provisions of this policy. It is the general policy of the Association to maintain confidentiality of complaints, if possible. However, if a complaint becomes the subject of a hearing or litigation, or for any other reason, becomes a general public issue, confidentiality is not guaranteed.

Adopted on 11/2/17 by the Board of Directors of Grand Colorado on Peak 8 Owners’ Association.

**GRAND COLORADO ON PEAK 8 OWNERS ASSOCIATION**

a Colorado Nonprofit Corporation

**INVESTMENT OF RESERVES POLICY**

The following policy and procedure has been adopted the Board of Directors ("Board") of Grand Colorado on Peak 8 Owners Association ("Association") pursuant to the requirements set forth in C.R.S. §38-33.3- 209.5, for the Investment of Association Reserve funds ("Policy"). This Policy shall supersede and replace any investment of reserves policy previously adopted by the Association. All capitalized terms used but not defined herein shall have the meaning set forth for such term in the Declaration.

**PURPOSE**

The purpose of this policy is to institute proper guidelines for the ongoing management of the Association's investment of its reserve funds.

**INVESTMENT OBJECTIVES**

The principal represents the reserve funds for maintenance, repair, and replacement of those items for which the Association is responsible and must be periodically maintained, repaired, or replaced. Reserve funds shall be invested in a manner that assures maximum safety and appropriate liquidity and, secondarily, maximizes yield within such constraints. The investment objectives are, in order of priority, as follows:

1. Preservation and safety of principal;

2. Liquidity to meet expected and unexpected expenditures; and

3. Maximization of yield.

**INVESTMENT RESPONSIBILITIES**

The Board has sole authority to approve and amend, alter or otherwise make changes to this Policy. Any modifications to this policy shall be in writing and approved by the Board. The Board, in consultation with the Association Manager or other authorized person, shall have direct control with regard to opening appropriate bank accounts and establishing safekeeping accounts or other arrangements for the custody of securities and execute such documents as may be necessary. The Board may, in consultation with the Association Manager or other authorized staff person, employ the service of a qualified investment advisor to direct a portion or all of the investment activities of the Association consistent with guidelines set forth in this investment policy. The Board will monitor ongoing investment activities to ensure proper liquidity is being provided and that the investment strategy is consistent with the Association's objectives. The Board of Directors shall review investment performance no less than annually.

**INVESTMENT GUIDELINES**

A. Eligible Investments

The portfolio will be limited to the following investments:

1. Certificates of deposit (CDs);

2. Money market deposit accounts;

3. Money market funds; and

4. U.S. treasuries and U.S. treasury zero coupons.

B. Credit Quality Restrictions

All investments shall be AAA-rated or U.S. Treasury securities

C. Maturity Limits

The Association must structure its investment portfolio in order to meet anticipated cash requirements.

D. Strategy Investments shall be structured so they mature in successive years allowing the Association to minimize the interest rate risk.

E. Custodian Investments will be held in custodial accounts with approved banks or financial institutions federally insured either through FDIC or the US Government, with no more than $250,000.00 held in any single bank account (or other such limits per institution as may be set from time to time by FDIC or the US Government).

**PROCEDURES**

A. Transfers of budgeted additions to reserves shall be made as the Board-approved budget permits;

B. Reports of investment earnings shall be prepared by management, the financial advisor, or the treasurer, and presented at a Board meeting; and

C. In addition to any requirements provided by the Association's governing documents, the Association shall obtain coverage by fidelity insurance to protect the Association from loss due to theft for any person with access to its investments.

Adopted on 11/2/17 by the Board of Directors of Grand Colorado on Peak 8 Owners’ Association.

**GRAND COLORADO ON PEAK 8 OWNERS’ ASSOCIATION**

a Colorado Nonprofit Corporation

**INSPECTION & COPYING OF ASSOCIATION RECORDS POLICY**

The following policy and procedure has been adopted by the Board of Directors ("Board") of Grand Colorado on Peak 8 Owners Association ("Association") pursuant to the requirements set forth in C.R.S. §38-33.3-209.5, for the Inspection & Copying of Association Records ("Policy"). This Policy shall supersede and replace any inspection & copying of records policy previously adopted by the Association. All capitalized terms used but not defined herein shall have the meaning set forth for such term in the Declaration.

1. **Inspection of Association Books and Records by Owners**. An Owner or his/her authorized agent is entitled to inspect and copy, at the Owner's expense and during regular business hours at a reasonable location specified by the Association, any of the records or papers of the Association (except as specifically limited or excluded by Section 3 below) if the Owner gives the Association written demand at least five (5) business days before the date on which the Owner wishes to inspect and copy such records.

2. **Proper Purpose/Limitation**. Without the consent of the Board, an Ownership list or any part thereof may not be obtained or used by any person for:

2.1 Any purpose unrelated to an Owner's interest as an Owner; or

2.2 To solicit money or property unless such Ownership list will be used solely to solicit the votes of the Owners in an election to be held by the Association; or

2.3 Any commercial purpose; or

2.4 To be sold to or purchased by any person.

3. **Exclusions**. The following records and documents may be kept confidential by the Association:

3.1 Attorney-Client Confidential Documents. In order to protect the attorney/client privilege existent between the Association and its attorneys, all attorney created documents, including, but without limitation, memos, opinion letters, and draft documents prepared at the behest of the Board, are not available for the inspection or copying by any Owner or his/her authorized agent, without the consent and authority of the Board and upon advice of the legal counsel involved;

3.2 Personnel Confidential Documents. Documents pertaining to employees of the Association or involving employment, promotion, discipline, or dismissal of an officer, agent or employee.

3.3 Applicable Law. Any documents that are confidential under constitutional, statutory or judicially imposed requirements.

3.4 Individual Privacy. Any documents the disclosure of which would constitute an unwarranted invasion of individual privacy are confidential, including but not limited to documents containing social security numbers, phone numbers, and email addresses.

4. **Copy and other Document Fees**. The Association or its Manager will impose a reasonable charge, covering the costs for copies of any documents the Association provides to an Owner. The charge may not exceed the actual cost for copies as incurred by the Association, said cost to be determined from time to time by the Association and its Manager. Manager's current charges are: copies at $0.20 per page and labor at $60.00 per hour; postage at cost. Costs are subject to change without notice.

4.1. If an Owner requests copies of Association documents which are not in the possession of the Association, the Owner is responsible for whatever fees and costs are imposed by the entity (CPA, attorney, etc.) holding such records for copy and related costs, including but not limited to labor, materials and postage.

4.2. If an Owner requests a copy of an Association document which must be retrieved from archives, compiled, generated, certified or authenticated in any way, the Owner is responsible for all fees and costs incurred in the retrieval, compilation, generation, certification or authentication and reproduction (copying) of the requested document(s), including but not limited to labor, materials and postage. Manager's current charges for such services are as detailed in item 4 above, and are subject to change without notice.

Adopted on 11/2/17 by the Board of Directors of Grand Colorado on Peak 8 Owners’ Association.

**Grand Colorado on Peak 8 Owners Association**

a Colorado Nonprofit Corporation

**RESERVE STUDY POLICY**

The following Reserve Study policy ("Policy") has been adopted by the Board of Directors ("Board") of Grand Colorado on Peak 8 Owners Association ("Association") pursuant to the requirements set forth in C.R.S. §38-33.3-209.5. This Policy shall supersede and replace any reserve study policy previously adopted by the Association. All capitalized terms used but not defined herein shall have the meaning set forth for such term in the Declaration.

1. The Association Board, at its sole discretion, may have a Reserve Study prepared and/or updated from time to time in order to properly prepare for the maintenance, repair, rehabilitation, replacement, and improvement of all Property owned by the Association.

2. At the Association Board's sole discretion, and pursuant to Colorado statutes, the Reserve Study may be conducted internally by the Association's managing agent and/or by qualified staff or volunteer members of the Association, and the Reserve Study need not be performed by an outside business enterprise or consultant that provides reserve study services.

3. An Association Reserve Study shall be based on a physical and financial analysis of the property and or assets to be addressed.

4. The plan for the maintenance, repair, replacement, and improvement of the Property owned by the Association shall depend on the annual Capital Reserves Budget for the Association, as approved by the Board.

5. The funding for the maintenance, repair, replacement, and improvement of the Property owned by the Association shall be derived from the Capital/Maintenance Savings account for the Association, which are funds held in accordance with the Board’s investment policy that are expended and replenished according to the annual Capital Reserves Budget for the Association, as approved by the Board.

6. The Association shall, at all times, maintain and reserve from Assessments, sufficient reserves necessary to fund any current or proposed Common Expense for the repair, replacement or refurbishment of any Common Elements. In the event sufficient reserves are not available or identified for any proposed Common Expense for the repair, replacement or refurbishment of any Common Elements, the Association shall identify and budget the Assessments necessary to adequately fund reserves for such future Common Expense prior to any required repair, replacement or refurbishment of such Common Elements. Reserves shall always be funded at 100% for the current year. Future cash flow balances are recommended to be kept funded at a 2% minimum and not reach a negative balance.

Adopted on 11/2/17 by the Board of Directors of Grand Colorado on Peak 8 Owners’ Association.