

Grand Timber Lodge Owners' Association, Inc. Responsible Governance Policies

GRAND TIMBER LODGE OWNERS' ASSOCIATION, INC.
a Colorado Nonprofit Corporation

ALTERNATIVE DISPUTE RESOLUTION POLICY

The following Alternative Dispute Resolution policy ("Policy") has been adopted by the Board of Managers ("Board") of Grand Timber Lodge Owners' Association, Inc. ("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:

(i) the nature of the Claim, including the date, time, location, persons involved, and Respondent's role in the Claim,

(ii) 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);

(iii) what Claimant wants Respondent to do or not do to resolve the Claim; and

(iv) 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

(i) 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.

(ii) 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.

(iii) 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.

(iv) Within 10 days of the Termination of Mediation, the parties shall again attempt to resolve the matter informally through negotiation.

Arbitration

(i) 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.

(ii) 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 Managers.

* 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 3-7-18 by the Board of Managers of Grand Timber Lodge Owners' Association, Inc.

GRAND TIMBER LODGE OWNERS' ASSOCIATION, INC.

a Colorado Nonprofit Corporation

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 Managers ("Board") of Grand Timber Lodge Owners' Association, Inc. ("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 3-7-18 by the Board of Managers of Grand Timber Lodge Owners' Association, Inc.

GRAND TIMBER LODGE OWNERS' ASSOCIATION, INC.

a Colorado Nonprofit Corporation

POLICY FOR BOARD MEMBER CONFLICT OF INTEREST

The following POLICY FOR BOARD MEMBER CONFLICT OF INTEREST ("Policy") has been adopted by the Board of Managers ("Board") of Grand Timber Lodge Owners' Association, Inc. ("Association" or "GTLOA") 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" Managers.

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 GTLOA or with any entity or individual with which GTLOA has a transaction or arrangement; or
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which GTLOA 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 GTLOA or any entity in which GTLOA has a financial interest;

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

c. is not employed as an executive of another corporation where any of GTLOA'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 GTLOA or who holds a position that has a significant financial relationship with GTLOA.

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 Managers whether the transaction or arrangement is in GTLOA'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 Interest 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 GTLOA 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 GTLOA 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 GTLOA, 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 GTLOA 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.

Adopted on 3-7-18 by the Board of Managers of Grand Timber Lodge Owners' Association, Inc.

GRAND TIMBER LODGE OWNERS ASSOCIATION, INC.

a Colorado Nonprofit Corporation

COLLECTIONS POLICY AND PROCEDURES

Effective Date: August 10, 2022

The following policy and procedure has been adopted by the Board of Directors ("Board") of Grand Timber Lodge Owners Association, Inc. ("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. The Colorado Common Interest Ownership Act ("CCIOA") and this policy will control over any conflicting provisions in the Association governing documents. All capitalized terms used but not defined herein shall have the meaning set forth for such term in the Condominium Declaration and Plan of Vacation Ownership for Grand Timber Lodge, as recorded in the real property records of Summit County, Colorado (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. Payments will be deemed received on the date the payment is received in the Association's office or the Association's payment processor's office; provided, however, if the Owner's name or the Unit address for which payment is made is not identified on or with the payment, payment will not be deemed received until such time as the Owner and Unit to which payment should be credited are determined.

2. **Interest and Late Charges.** The Association may impose a late charge for any assessment, fine, or other charge not paid within 30 days of the due date without further notice to the Owner. The late charge is a personal obligation of the Owner and a lien on the Unit. The Association is entitled, but is not required, to impose interest on any delinquent assessment, fine or other charge at rate of 8% per annum from the due date without further notice to the Owner. Interest may be added to the Owner's account thirty (30) days following the due date. Interest is a personal obligation of the Owner and a lien on the Unit.

3. **Lien.** Under Colorado law and the terms of the Declaration, there is a lien for any unpaid assessment. The lien may include late charges, interest, attorney fees, and a \$50 administrative fee to cover the cost of recording the lien. The Association reserves the right to record a notice of lien in the county records at any time after an assessment becomes delinquent. The Association may delegate authority to the Association's attorney to sign and acknowledge the notice of assessment lien. This delegation may be withdrawn at any time by sending written notice to the Association's attorney of the withdrawal.

4. Administrative Expenses. Collection costs imposed by the Association or its managing agent for delinquent accounts will be the obligation of the Owner and may be posted to the Owner's account. Examples include, but are not limited to, certified mailings and costs to physically post a notice or translate a notice to a language other than English.

5. Return Check Charges.

A. If any check or other instrument payable to or for the benefit of the Association is not honored by the bank or is returned by the bank for any reason, including, but not limited to insufficient funds, the Owner is liable to the Association for one of the following amounts, at the option of the Association:

i. An amount equal to the face amount of the check, draft, or money order and a return check charge of: (a) \$20.00; or (b) 20% of the face amount of the check, draft, or money order, but not less than \$20.00, if it has been assigned to a collection agency for collection; or (c) an amount equal to the actual charges incurred by the Association levied by the party returning the check, whichever is greater; or

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

B. If two or more of an Owner's checks are returned within any fiscal year, the Association may require that future payments, for a period of one year, be made by certified check or money order.

6. 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.

7. Application of Payments made to the Association. If an Owner who has both unpaid assessments and unpaid fines, fees, or other charges makes a payment to the Association, the Association will apply the payment first to assessments and any remaining amount of the payment to the fines, fees, or other charges owed.

8. Monthly Statements Required. On a monthly basis, the Association will send to each Owner who has any outstanding balance an itemized list of all assessments, fines, fees, and charges that the Owner owes to the Association (i.e., an account ledger). The monthly statement will be sent by first-class mail to the Owner's registered address, and if the Association has a relevant email address, by email. If the account has been referred to a collection agency or to any attorney, the statement will also specify that the balance may not include all attorney's fees and costs that have been incurred as of the statement

date but not yet invoiced to the Association and posted to the account. No fees or other charges will be assessed for providing statements required under this Section.

9. Collection Process. In the event an owner fails to time pay assessments, fines or other charges as provided herein, the owner's delinquent account may ultimately be turned over to an attorney or a collection agent for legal action. However, prior to commencement of legal action as set forth below, the Association, by or through its managing agent if applicable, may send such reminders, notices, re-billing statements or other communications to an owner regarding the status of the owner's account as the Association determines.

A. Delinquency Notice. If payment in full is not received within thirty (30) days of the due date, the Association will send a notice of delinquency to the owner who is delinquent in payment.

B. Notice of Intent to Record Lien. If payment in full is not received within sixty (60) days of the due date, the Association will send a notice to the owner that a lien will be filed if the delinquency is not promptly cured. No such notice is a prerequisite either to the filing of a Notice of Lien or to the effectiveness of the lien itself and all Association rights are expressly reserved.

C. Lien. If payment in full is not received within ninety (90) days of the due date, the Association is entitled to record a Notice of Lien against the Unit of the delinquent owner.

10. Notice of Delinquency Prior to Referral to Attorney or Collection Agency. Before the Association turns over a delinquent account of an Owner to a collection agency or refers it to an attorney for legal action, the Association must send the Owner a notice of delinquency specifying:

A. The total amount due, with an accounting of how the total was determined;

B. Whether the opportunity to enter into a payment plan exists as provided in this collection policy, and instructions for contacting the Association to enter into a payment plan, if available;

C. The name and contact information for the individual the Owner may contact to request a copy of the Owner's ledger to verify the amount of the debt;

D. A statement that action is required to cure the delinquency, and that failure to do so within 30 days may result in the Owner's delinquent account being turned over to a collection agency, a lawsuit being filed against the Owner, the filing and foreclosure of a lien against the Owner's property, or other remedies available under Colorado law;

E. Whether the delinquency concerns unpaid assessments; unpaid fines, fees, or charges; or both unpaid assessments and unpaid fines, fees, or charges; and if the notice of delinquency concerns unpaid assessments, the notice of delinquency must notify the Owner that the unpaid assessments may lead to foreclosure;

F. The steps the Association must take before the Association may take legal action against the Owner, including a description of the Association's cure process; and

G. A description of what legal action the Association may take against the Owner, including a description of the types of matters that the Association or Owner may take to small claims court, including injunctive matters for which the Association seeks an order requiring the Owner to comply with the declaration, bylaws, covenants, or other governing documents of the Association.

11. Owner Contact and Delivery of Notice. Before the Association turns over a delinquent account of an Owner to a collection agency or refers it to an attorney for legal action, the Association will:

A. Send a copy of the delinquency notice described in Section 10 by certified mail, return receipt requested and physically post a copy of this delinquency notice at the Owner's Unit; and

B. Contact the Owner by one of the following means:

i. First-class mail;

ii. Text message to a cellular number that the Association has on file that the Owner has provided to the Association; or

iii. Email to an email address that the Association has on file that the Owner provided to the Association.

C. Notices from the Association will be sent in English; provided, however, that the Owner may send written notice to the Association with an alternate language preference. The Association will attempt to provide an accurate translation of the original English version, but due to nuances in translating to a foreign language, slight differences may exist.

D. An Owner may send written notice to the Association identifying another person to serve as a designated contact for the Owner for notices and correspondence. The Association will send the same written communications to the designated contact that it sends to the Owner. If the Owner wishes to change or cease the designated contact, the Owner must send the Association written notice.

12. Record of Notification. The Association will maintain a record of the contact(s) it has made with an Owner regarding a delinquency, including the type of communication used to contact the Owner and the date and time the contact was made. As this record relates to a particular Unit, it will not be deemed to be a record available to all Owners under Colorado law.

13. Payment Plans.

A. Before the Association turns over a delinquent account of an Owner to a collection agency or refers it to an attorney for legal action, it will make a good faith effort to

coordinate with the Owner to set up a payment plan. An Owner may enter into a payment plan to pay off a deficiency in equal installments over a minimum period of 18 months or such other longer period as authorized by the Board.

B. If the Owner fails to comply with the terms of the payment plan (fails to remit payment of three or more agreed-upon installments during the payment plan term), the Association may pursue legal action subject to the notice requirements above.

C. The Association is not obligated to negotiate a payment plan with:

i. an Owner who has previously entered into a payment plan pursuant to this policy, or

ii. an Owner who does not occupy the Unit and acquired the Unit because of a default of a security interest encumbering the Unit or a foreclosure of the Association's lien.

D. Before the Association initiates a foreclosure proceeding based on the Owner's unpaid assessments, it will provide the Owner with a written offer to enter into a repayment plan of at least 18 months. Under the repayment plan, the Owner may choose the amount to be paid each month, so long as each payment must be in an amount of at least \$25.00. The Owner may elect to pay the remaining balance under the repayment plan at any time during the duration of the repayment plan.

E. All payment plans involving accounts referred to an attorney for collection will be set up and monitored through the attorney in consultation with the President of the Board or other person designated by the Board.

14. Board Action to Refer Delinquent Account. Before a delinquent account is referred to a collection agency or attorney, a majority of the Board must vote to refer the matter by recorded vote conducted in executive or closed session.

15. Referral of Delinquent Accounts to Attorneys. After an account has been referred to the Association's attorney, the account remains with the attorney until it is settled, has a zero balance, or is otherwise resolved. Once accounts are turned over to the Association's attorney, Owners will make payments to the Association at the attorney's address. The Association's attorney is authorized to take whatever action is necessary, in consultation with the Board President or other person designated by the Board, believed to be in the Association's best interest.

After a delinquent account has been referred to the Association's attorney, all communication with the delinquent Owner will be handled through the Association's attorney. Neither the manager, if any, nor any member of the Board may discuss the collection of the account directly with an Owner after it has been turned over to the Association's attorney unless the attorney is present or has consented to the contact. Action by the Association's attorney may include the following:

A. Notice of Lien. If not already recorded, a notice of lien may be recorded against the delinquent Owner's property to provide record notice of the Association's claim against the property.

B. Filing Lawsuit. The Association may file a lawsuit against the delinquent Owner seeking a money judgment. If a personal judgment is entered against the delinquent Owner, the Association may pursue remedies such as garnishing the Owner's wages or bank account to collect judgment amounts.

C. Judicial Foreclosure. The Association may foreclose on its lien in lieu of or in addition to suing an Owner for a money judgment. The purpose of foreclosing is to obtain payment of all assessments owing in situations where either a money judgment lawsuit has been or is likely to be unsuccessful or in other circumstances that may favor such action. If the Association forecloses on its lien, the Owner will lose the Owner's Unit, having the same effect as if a first mortgagee institutes a foreclosure action against the property (though the procedure is different).

The Association will not commence a judicial foreclosure action unless the balance of the assessments and charges secured by its lien (which may include late fees, fines, and other charges as well as other assessments) equals or exceeds 6 months of common expense assessments based on the Association's periodic budget. Additionally, the Association will not pursue foreclosure against an Owner solely based on fines owed to the Association and/or collection costs or attorney's fees the Association incurred that are only associated with such fines. Prior to filing a foreclosure action, the Board will resolve by a recorded vote in executive session to authorize the filing of the foreclosure action against the particular Unit against which the foreclosure action will be filed.

D. Receivership. A receiver is a disinterested person, appointed by the court, who manages rental of the Owner's property and collects the rents according to the court's order. The purpose of a receivership for the Association is to obtain payment of current assessments, reduce past-due assessments, and prevent waste deterioration of the property.

E. Bankruptcy Filings. Filing necessary claims, documents, and motions in Bankruptcy Court to protect the Association's claim.

16. Certificate of Status of Assessment/Estoppel Letter. The Association will furnish to an Owner, or such Owner's designee, upon written request delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the Association's registered agent, a written statement setting forth the amount of unpaid assessments currently levied against the Owner's Unit. The statement will be delivered within 14 calendar days after receipt of the request personally or by certified mail, first-class postage prepaid, return receipt requested. If the Owner's account has been turned over to the Association's attorney, the statement will include any attorney's fees incurred in providing the statement.

17. 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.

18. Bankruptcies and Public Trustee Foreclosures. Upon receipt of any bankruptcy notice or a foreclosure notice by any holder of an encumbrance against any Unit within the Association, the Association may advise the Association's attorney of the same and turn the account over to the Association's attorney.

19. Severability. Whenever possible, each provision of this policy shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this policy is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this policy.

20. Waivers. The Association may modify these procedures as the Association determines appropriate under the circumstances. Any accommodation may be documented in the Association's files. Failure to require strict compliance with this policy is not deemed a waiver of the Association's right to require strict compliance and will not be deemed a defense to payment of assessment fees or other charges, late charges, return check charges, attorney's fees, and/or costs as described and imposed by this policy.

Adopted on 10-15-22 by the Board of Directors of Grand Timber Lodge Owners Association, Inc.

GRAND TIMBER LODGE OWNERS ASSOCIATION, INC.

a Colorado Nonprofit Corporation

POLICY FOR CONDUCT OF MEETINGS

The Grand Timber Lodge Owners Association, Inc. (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 including a disciplinary hearing regarding a unit owner and any referral of delinquency; except that of a unit owner who is the subject of a disciplinary hearing or referral of delinquency may request and receive the results of any vote taken at the relevant meeting; 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 an earlier 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. Hierarchy of Governing Documents. In the event of conflict between the provisions of Colorado Statutes, the Declaration, Articles of Incorporation, the Bylaws and this Policy, they shall prevail in that order.

Adopted on 4-12-23 by the Board of Directors of Grand Timber Lodge Owners Association.

**GRAND TIMBER LODGE OWNERS ASSOCIATION, INC.
A COLORADO NONPROFIT CORPORATION**

POLICY FOR ENFORCEMENT OF COVENANTS, BYLAWS & RULES

EFFECTIVE DATE: AUGUST 10, 2022

The following Policy for Enforcement of Covenants, Bylaws and Rules ("Policy") has been adopted by the Board of Directors ("Board") of Grand Timber Lodge Owners Association, Inc. ("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. The Colorado Common Interest Ownership Act ("CCIOA") and this policy will control over any conflicting provisions in the Association governing documents. All capitalized terms used but not defined herein shall have the meaning set forth for such term in the Declaration.

1. Enforcement Procedure. The Association will not impose fines, suspend voting, suspend any rights of an Owner, or commence legal action for violations of the governing documents unless and until the Association has followed the procedures set forth below. The procedures described herein are not required in order for the Executive Board to impose any sanction or penalty for nonpayment of assessments.

2. Complaints.

A. Any owner or resident may send the Association a written complaint. Complaints must be in writing and submitted to the Executive Board or Hearing Committee through the Association's managing agent or directly to an officer of the Association. The complaint must identify the complainant, the alleged violation (if known), and set forth a statement describing the violation, referencing the specific provisions which are alleged to have been violated, when the violation was observed, and any other pertinent information. Non-written complaints or written complaints failing to include any information required by this provision may not be investigated or prosecuted at the discretion of the Association.

B. Complaints may also be initiated by the manager, any member of the Executive Board, or committee members. Complaints by a member of the Executive Board, a committee member, or the managing agent, if any, may be made in writing or by any other means deemed appropriate by the Board if such violation was observed by a Board member or managing agent.

3. Notice of Violation.

A. The Association will send a written notice of any asserted violation of any provisions of the governing documents to the Owner in accordance with this policy. The Board may also, at its option, provide a copy of the notice to any non-Owner violator. The notice will describe: (i) the nature of the violation; (ii) the action or actions required to cure (abate) the violation; (iii) a time period of not less than thirty (30) days during which the violation may be cured without further sanction; (iv) any fines that may be imposed; (v) the right to request a hearing to contest the violation or possible fine, and (vi) if a hearing is requested, a date by which such request must be received and a timeline for the hearing process ("Notice of Violation").

B. Notices from the Association will be sent in English; provided, however, that the Owner may send written notice to the Association with an alternate language preference. The Association will attempt to provide an accurate translation of the original English version, but due to nuances in translating to a foreign language, slight differences may exist.

C. An Owner may send written notice to the Association identifying another person to serve as a designated contact for the Owner for notices and correspondence. The Association will send the same written communications to the designated contact that it sends to the Owner. If the Owner wishes to change or cease the designated contact, the Owner must send the Association written notice.

D. For the purpose of this policy to comply with Colorado law, a notice is deemed received when sent by and according to the following timelines:

- i. Email or text – Upon successful transmission of electronic mail or text;
- ii. Certified Mail/First-Class Mail – three (3) business days after deposit for delivery;
- iii. Posting – Upon physical posting at the Owner's Unit; or
- iv. Actual Notice – Upon hand-delivery.

4. Violations That Threaten Public Safety or Health.

A. If the Association reasonably determines that a violation threatens the public safety or health, the Association will send the Owner a written Notice of Violation informing the Owner that the Owner has seventy-two (72) hours to cure the violation, or the Association may impose a fine. The written Notice of Violation must be sent by first-class, registered or certified mail, but the Association may send additional notice by email; text message; or hand-delivery.

B. After seventy-two (72) hours from receipt of notice, the Association will inspect the Unit and determine whether the violation has been cured. If the Owner has not cured the violation, the Association may impose fines on the Unit Owner every other day in accordance with the fine schedule below and/or commence legal action to enforce the governing documents and cure the violation.

5. Violations That DO NOT Threaten Public Safety or Health.

A. If the Association reasonably determines that a violation occurred, other than a violation that threatens the public safety or health, the Association will send the Owner a Notice of Violation informing the Owner that the Owner has thirty (30) days to cure the violation, or the Association, after conducting an inspection and determining that the violation has not been cured, may impose a fine. The Notice of Violation must be sent by certified mail, return receipt requested. The Association may send additional copies of the notice by first-class mail, email, text message to a cellular number that the Association has on file because the Owner has provided the number to the Association, and/or hand-delivery.

B. After thirty (30) days, if the Association has not received notice from the Owner that the violation has been cured, the Association will inspect the Unit within seven (7) days of the initial 30-day cure period. After inspection, if the Association determines that the violation has not been cured, the Association may impose the fine stated in the Notice of Violation and will send a second Notice of Violation with a second 30-day cure period.

C. After the second 30-day cure period, if the Association has not received notice from the Owner that the violation has been cured, the Association will inspect the Unit within seven (7) days of the second 30-day cure period. After inspection, if the Association determines that the violation has not been cured, the Association may impose a second fine in accordance with fine schedule below, send additional notices and opportunity to cure, and/or commence legal action. The Association may not commence legal action until the second 30-day cure period has elapsed.

D. If an Owner cures the violation within the required cure period, the Owner may notify the Association in writing, including visual evidence that the violation has been corrected. If the Owner provides visual evidence of the cure, the violation will be deemed cured on the date the Owner sends the notice. If the Owner does not provide visual evidence of the cure, the Association will inspect the Unit as soon as practicable to determine if the violation has been cured. If the visual evidence provided is insufficient for the Association to determine if a violation has been cured, at the Association's sole discretion, the Association can provide notice to the Owner that it intends to inspect the Unit to verify the violation has been cured.

6. Additional Required Notices. If an Owner cures a violation, the Association will notify the Owner: (i) of any outstanding fine balance owed to the Association, and (ii) that the Owner will not be further fined

with regard to the violation.

7. Request for Hearing. If an Owner desires a hearing to contest any alleged violation and possible fine or to discuss any mitigating circumstances, the Owner must request the hearing, in writing, prior to the deadline stated in the Notice of Violation. The request for hearing should describe the grounds and basis for challenging the alleged violation or the mitigating circumstances. If a timely request for a hearing is not made, the right to a hearing is deemed forever waived. If a hearing is not requested by the deadline, the Executive Board will determine if there was a violation based upon the information available to it, and if so, assess a fine as set forth in the fine schedule upon expiration of any applicable cure period(s).

8. Executive Board to Conduct Hearing. The Executive Board will hear and decide cases set for hearing pursuant to the procedures set forth in this policy. The Board may appoint an officer or other Owner to preside at any hearing.

9. Conflicts. Any Owner who desires a hearing will be afforded a fair and impartial fact-finding process by "impartial decision makers" (persons with authority to make a decision on a claimed covenant, rule, or architectural violation and without a direct personal or financial interest in the outcome of the hearing). Any decision-maker who is incapable of objective and disinterested consideration will disclose this to the presiding officer prior to the hearing, if possible. If advance notice is not possible, the disclosure will be made at the hearing, and the decision-maker will be disqualified from all proceedings related to the hearing. If disqualification of any decision-maker results in an even number of individuals eligible to hear a case, the presiding officer may appoint an Association member, in good standing, to serve as a voting member of the hearing panel.

10. Hearings.

A. The hearing will be held pursuant to the notice, affording the Owner a reasonable opportunity to be heard. Prior to the effectiveness of any sanction, proof of notice and the invitation to be heard will be placed in the minutes of the meeting. Such proof will be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered such notice. The notice requirement will be deemed satisfied if the Owner appears at the meeting.

B. Hearings may be conducted during or subsequent to any applicable cure period(s). At the beginning of each hearing, the presiding officer will explain the rules, procedures, and guidelines by which the hearing will be conducted. The complaining parties and the Owner will have the right, but not the obligation, to attend the hearing. Each party may present evidence, testimony, and witnesses. The presenting party will provide copies of any written evidence to the other party or parties.

C. Unless otherwise requested by the Owner, all hearings will be conducted during executive session. If a complaining party is unable to attend the hearing, the complainant may submit a letter to the Executive Board explaining the basis of the complaint.

11. Decision. After all testimony and other evidence has been presented, the Board will render its written findings and decision, and impose a fine, if applicable, upon expiration of any applicable cure period(s). The minutes of the hearing meeting will contain a written statement of the results of the hearing and the sanction, if any, imposed. The decision of the Executive Board will be final.

12. Appeal. The Executive Board may, in its sole discretion, appoint a Hearing Committee to hear the matter. In such event, the procedures above will apply except that either party may appeal the decision of the Hearing Committee to the Executive Board by written notice to the Hearing Committee, the other party, and the Executive Board. The Executive Board will consider the minutes of the hearing and report the decision of the Executive Board within a reasonable period of time not exceeding sixty (60) days after receipt of the notice. The decision of the Executive Board will be final.

13. Fine Schedule.

A. Limitation on Fines. With the exception of violations that threaten public safety or health, CCIOA provides that the total amount of fines imposed for each violation of the governing documents may not exceed \$500. However, the Association reserves the right to impose fines greater than \$500 for violations that threaten public safety or health. In accordance with limitations set forth in CCIOA, the Association has adopted the following schedule of fines. These fines supersede and replace any existing fines greater than \$500 adopted prior to the date of this policy.

B. General Fine Schedule.

Unless otherwise specified in the governing documents, the following fines may be imposed for each violation of the governing documents occurring within a one-year period:

First violation:	\$ 50
Second violation:	\$150
Third violation:	\$300

A Notice of Violation may be sent for any first violation. Additional or subsequent violations of the same covenant or rule occurring within one year from the date of the first Notice of Violation will be considered repeat or recurring violations, subject to additional fines as set forth above. After the one-year period, any subsequent occurrence of the same violation will be treated as a new first violation.

C. Continuing Violation Fine Schedule. For any violation that does not threaten public safety or health and is continuing in nature, the Association may impose fines in accordance with the general fine schedule or the Association may impose fines on a weekly or monthly basis in the amount of \$25 per week or \$100 per month up to a maximum of \$500.00. The Association may impose a fine every other day in the amount of \$100 for violations that threaten public safety or health until the violation is cured.

For purposes of this policy, a violation is considered "continuing in nature" if the violation is uninterrupted by time or, by the nature of the violation, it occurs at such frequency to create a continuous pattern of occurrence. Examples of continuing violations include failure to paint your house, unsightly yard, unauthorized improvements, parking an unauthorized vehicle in community on a nightly basis, etc.

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

15. Other Enforcement Means. This fine schedule and the enforcement process is adopted in addition to all other enforcement means which are available to the Association through the Declaration, Articles of Incorporation, Bylaws and Colorado law. The use of this process does not preclude the Association from using any other enforcement means.

16. Exceptions. Notwithstanding any provision of this policy to the contrary, the Board and the Managing Agent may:

- A. 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;
- B. 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.
- C. 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. 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.

17. Failure to Enforce. The Association's failure to enforce the governing documents is not a waiver of the right to enforce for any subsequent violations.

18. Severability. Whenever possible, each provision of this policy shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this policy is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this policy.

19. Administrative Expenses. Enforcement costs, imposed by the Association or its managing agent, related to covenant and rule enforcement will be the obligation of the Owner and may be posted to the Owner's account. Examples include but are not limited to, certified mailings or costs to translate a notice to a language other than English.

15th This Policy for Enforcement of Covenants, Bylaws and Rules was adopted by the Board on this day of October, 2022.

GRAND TIMBER LODGE OWNERS ASSOCIATION, INC.
a Colorado nonprofit corporation,

By: 

Marc Block, GTLOA Board President

GRAND TIMBER LODGE OWNERS' ASSOCIATION, INC.

a Colorado Nonprofit Corporation

INVESTMENT OF RESERVES POLICY

The following policy and procedure has been adopted the Board of Managers ("Board") of Grand Timber Lodge Owners' Association, Inc. ("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 Managers 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 3-7-18 by the Board of Managers of Grand Timber Lodge Owners' Association, Inc.

GRAND TIMBER LODGE OWNERS ASSOCIATION, INC.

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 TIMBER LODGE Owners Association, Inc. ("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. **Limitation.** Without the consent of the Board, the Roster (as defined in the Bylaws) or any part thereof may not be obtained or used by any person for:

2.1 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

2.2 Any commercial purpose; or

2.3 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 **Contracts.** Contracts, leases, bids, or records related to transactions to purchase or provide goods and services that are currently in or under negotiation.

3.4 Applicable Law. Any documents where disclosure would be in violation of constitutional, statutory, judicially imposed requirements, or other law.

3.5 Executive Sessions. Records of executive session of the Board.

3.6 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. Architectural drawings, plans, and designs, unless released upon the written consent of the legal owner of the drawings, plans or designs. Records related to individual units other than those of the requesting Owner.

3.7 Vacation Owners. The names and physical mailing addresses of Vacation Owners.

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 4-12-23 by the Board of Directors of GRAND TIMBER LODGE Owners Association

Grand Timber Lodge Owners' Association, Inc.
a Colorado Nonprofit Corporation

RESERVE STUDY POLICY

The following Reserve Study policy ("Policy") has been adopted by the Board of Managers ("Board") of Grand Timber Lodge Owners' Association, Inc. ("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 3-7-18 by the Board of Managers of Grand Timber Lodge Owners' Association, Inc.