

**CHESTNUT VILLAGE CONDOMINIUM ASSOCIATION, INC.**  
**POLICY FOR INVESTMENT OF RESERVE FUNDS**  
**Effective: November 10, 2009**

**1. Introduction.**

The Board of Directors (the "Board") of Chestnut Village Condominium Association, Inc., a Colorado non-profit corporation (the "Association"), acting pursuant to the powers set forth in the Association's Bylaws, Articles of Incorporation, the Condominium Declaration for Chestnut Village Condominiums (the "Declaration") (such documents being collectively referred to as the "Association Documents"), and the Colorado Common Interest Ownership Act ("CCIOA"), has enacted the following Policy effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. This Policy supersedes any previously adopted Policy on the same subject matter.

**2. Policy Purposes.**

The purposes of this Policy are to:

2.1 Manage the Association's reserve funds in a prudent manner to promote the preservation of those funds for their intended uses.

2.2 Structure the maturities of investments to ensure the Association will have liquid assets available for its anticipated needs.

2.3 Realize appropriate returns on the Association's investments.

**3. Segregated Accounts.**

All liquid and non-liquid reserve fund investments shall be maintained in an account or accounts separate from the Association's operating account or accounts.

**4. Types of Investments.**

The Board shall invest the Association's reserve funds in one or more of the following types of investments:

4.1 FDIC-insured interest bearing liquid bank accounts (money market deposit accounts) with no more than \$100,000 in any one financial institution.

4.2 FDIC-insured certificates of deposit with no more than \$100,000 in any one financial institution.

4.3 Money market funds that invest only in United States Treasuries and Treasury-backed securities.

4.4 Treasury bills, notes or bonds purchased with the intent to hold to maturity.

4.5 Any other type of investment that is (a) FDIC-insured or guaranteed by the United States government (but only to the extent of such insurance or guarantee), or (b) an obligation of the United States government.

5. **Liquidity.**

The Board shall maintain from time to time a sufficient portion of its reserve funds in one or more liquid accounts to meet required expenditures for repairs or replacement that the Association will incur before its non-liquid assets mature.

6. **Laddering of Non-Liquid Investments.**

The Association's non-liquid investments should be structured with laddered maturity dates so that the investments mature during successive time periods. The length of maturities should be based on market conditions and the Association's anticipated repair and replacement needs. This laddering strategy is intended to provide the Association with the benefit of longer term interest rates, which are customarily higher than short-term rates, while maintaining sufficient liquidity from time to time to meet the Association's repair and replacement schedule.

7. **Investment Advisor.**

The Board may retain a professional investment advisor to assist in investing its reserve funds pursuant to this Policy.

8. **Control and Review of Investments.**

All reserve fund investments will be made in the name of the Association. Any withdrawal or transfer of reserve funds requires the signatures of at least two Association officers or Board members. The Board will review the periodic account statements sent to the Association for the reserve fund investments at the next Board meeting following the Association's receipt of the statements. Based on this review, the Board may make any adjustments to the investments as necessary to maintain competitive yields.

9. **Reserve Studies.**

To determine the appropriate level of the Association's reserve funds, the Board may commission from time to time reserve studies evaluating the life expectancy of those areas of the community maintained by the Association, and the anticipated cost of maintaining, repairing and replacing those areas.

10. **Variances.**

The Board may from time to time vary from the requirements set forth in this Policy if the Board determines in its sole discretion that such variance is reasonable under the circumstances.

11. **Amendment.**

This Policy may be amended from time to time by the Board.

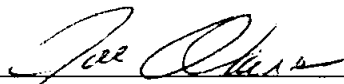
**CERTIFICATION**

The undersigned, being the duly elected and acting Secretary of the Chestnut Village Condominium Association, Inc. (the "Association") certifies that the foregoing Policy for Investment of Reserve Funds was approved by the vote of at least a majority of the Association's Directors at a meeting of the Association's Board of Directors held on November 5, 2009.

Dated this 10<sup>th</sup> day of November, 2009.

CHESTNUT VILLAGE  
CONDOMINIUM ASSOCIATION,  
INC.

By:

  
\_\_\_\_\_  
Joe Akers, Secretary/Treasurer

**CHESTNUT VILLAGE CONDOMINIUM ASSOCIATION, INC.**  
**POLICY FOR HANDLING CONFLICTS OF INTEREST**  
**OF BOARD MEMBERS**

**Effective: November 10, 2009**

**1. Introduction.**

The Board of Directors (the "Board") of Chestnut Village Condominium Association, Inc., a Colorado non-profit corporation (the "Association"), acting pursuant to the powers set forth in the Association's Bylaws, Articles of Incorporation, the Condominium Declaration for Chestnut Village Condominiums (the "Declaration") (such documents being collectively being referred to as the "Association Documents"), and the Colorado Common Interest Ownership Act ("CCIOA"), has enacted the following Policy effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. This Policy supersedes any previously adopted Policy on the same subject matter.

**2. Policy Purposes.**

The purposes of this Policy are:

2.1 To set forth procedures and rules to identify and handle conflict of interest situations involving Board members

2.2 To provide a framework for appropriate education of existing and new Board members as to (a) their responsibilities in terms of timely disclosing conflict of interest situations and (b) the limits CCIOA places upon the participation of a Board member with a conflict of interest; and

2.3 To provide a mechanism for the Board to take up and reconsider any decision or action which may inadvertently be rendered without appropriate disclosure and handling of a Board member conflict of interest.

**3. Identification and Disclosure of Conflict of Interest Situations.**

3.1. Definition of Conflict of Interest. Unless the Declaration provides a more expansive definition, in which case the Declaration controls, a "conflict of interest" exists pursuant to CCIOA where a contract, decision or other action being considered by the Board would financially benefit:

- a. Any Board member; or,
- b. Any person who is a Board member's parent, grandparent, spouse, child, sibling; or, who is the parent or spouse of one of these persons.

3.2 Declaration and Disclosure of Conflict of Interest. A Board member who has a conflict of interest regarding any contract, decision or other action shall declare and disclose the conflict of interest in an open meeting before the Board conducts any

substantive discussion of the issue. In making such declaration and disclosure, the affected Board member shall:

a. Identify, by agenda item or otherwise with such particularity as necessary to identify the issue in question, the specific pending contract, decision or other action as to which the conflict of interest arises; and

b. Describe the person or person(s) among those described above in the definition of "conflict of interest" who would financially benefit from the contract, decision or other action; and

c. Disclose the nature and magnitude of the financial benefit that would arise out of or as a function of the Board's decision on the contract, decision or other action.

**4. Limits on Participation by Board Member Who has Disclosed a Conflict of Interest.**

4.1 Discussion. Unless the Association Documents provide for stricter limits on participation, in which case such stricter limits control, a Board member who has a conflict of interest may, after identifying and disclosing the conflict, participate in the Board's discussion of the pending contract, decision or other action. However, upon either (a) the voluntary decision of the Board member who has declared a conflict; or (b) the vote of a majority of the then present Board members who do not have a conflict, the Board member with a conflict may be excused from the discussion of the pending contract, decision or other action, in which case such Board member shall not be present or participate in the Board's evaluation of the issue.

4.2 Voting. A Board member who has a conflict of interest shall not vote on any matter related to consideration of the contract, decision or other action implicated by the conflict of interest.

**5. Reconsideration of Decisions Impacted by Improperly Handled Conflict of Interest.**

5.1 Effect of Non-Compliance. Any contract, decision or other action of the Board which is adopted subject to a conflict of interest in violation of the identification, disclosure, and participation limitations set forth above shall be void and unenforceable.

5.2 Reconsideration/Ratification. Where the Board identifies a previous contract, decision or other action which was adopted in violation of the identification, disclosure and participation limits above, the Board shall, at an open meeting, take the matter up for reconsideration. At such meeting:

a. The Board member with a conflict of interest shall fully identify and disclose the conflict as provided above; and

b. The Board shall discuss the reason(s) why the identification, disclosure or participation limitations above were overlooked or otherwise improperly handled during previous adoption of the decision; and

c. The Board shall discuss whether, after having considered the foregoing considerations, the contract, decision or other action should be ratified by a new vote in compliance with this Policy; and

d. The Board shall conduct a new vote on the question of ratification, with the Board member(s) affected by the conflict of interest abstaining from participation in such vote, as required by this Policy.

**6. Board Member Education.**

6.1 Existing Board Members. Upon adoption of this Policy, the Association Secretary shall provide all existing Board members with a copy of this Policy.

6.2 New Board Members. Following adoption of this Policy, the Association Secretary shall promptly provide all new members of the Board elected or otherwise seated on the Board with a copy of this Policy.

6.3 Annual Refresher. At least annually, the Board shall discuss this Policy and its requirements.

**7. Variances.**

The Board may from time to time vary from the requirements set forth in this Policy if the Board determines in its sole discretion that such variance is reasonable under the circumstances.

**8. Amendment.**

This Policy may be amended from time to time by the Board.

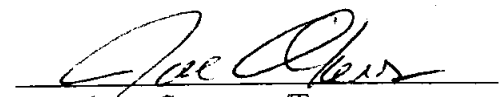
**CERTIFICATION**

The undersigned, being the duly elected and acting Secretary of the Chestnut Village Condominium Association, Inc. (the "Association") certifies that the foregoing Policy for Handling Conflicts of Interest was approved by the vote of at least a majority of the Association's Directors at a meeting of the Association's Board of Directors held on November 5, 2009.

Dated this 10<sup>th</sup> day of November, 2009.

CHESTNUT VILLAGE  
CONDOMINIUM ASSOCIATION,  
INC.

By:

  
Joe Akers, Secretary/Treasurer

**CHESTNUT VILLAGE CONDOMINIUM ASSOCIATION, INC.**  
**POLICY FOR CONDUCTING ASSOCIATION MEETINGS**  
**Effective: November 10, 2009**

**1. Introduction.**

The Board of Directors (the "Board") of Chestnut Village Condominium Association, Inc., a Colorado non-profit corporation (the "Association"), acting pursuant to the powers set forth in the Association's Bylaws, Articles of Incorporation, the Condominium Declaration for Chestnut Village Condominiums (the "Declaration") (such documents being collectively referred to as the "Association Documents"), and the Colorado Common Interest Ownership Act ("CCIOA"), has enacted the following Policy effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. This Policy supersedes any previously adopted Policy on the same subject matter.

**2. Policy Purpose.**

The purpose of this Policy is to emphasize that meetings of the Association's Board and its Members must be conducted in accordance with the Association Documents and applicable law. The Association Documents (in particular, its Bylaws), CCIOA and the Colorado Revised Nonprofit Corporation Act (the "Nonprofit Act") contain numerous provisions governing meetings of the Association's Members and Directors including, without limitation, provisions regarding notices, quorums, proxies, voting and Member participation in the meetings. It is not the intent of this Policy to restate those provisions, but rather to provide overall guidance on the requirements governing the conduct of Association meetings.

**3. Member Meetings.**

3.1 Governing Documents and Laws. Meetings of the Association's Members shall be conducted in accordance with the requirements of the Association Documents (especially the Bylaws), CCIOA and the Nonprofit Act, to the extent applicable.

3.2 Parliamentary Procedure. Unless otherwise provided in the Association Documents, and except as set forth in the code of conduct below, meetings of the Members shall be conducted in accordance with (a) Robert's Rules of Order Newly Revised, or (b) such other generally recognized rules of parliamentary procedure as may be adopted by resolution of the Board.

3.3 Code of Conduct. The following code of conduct shall apply to meetings of the Members:

3.3.1 Anyone wishing to speak must first be recognized by the meeting chair.

3.3.2 Members shall not interrupt anyone who validly has the floor.

3.3.3 When speaking, Members shall abide by any time limits set by the meeting chair for comment.

3.3.4 Members shall at all times speak and otherwise behave with common courtesy and civility. In particular, Members shall refrain from personal attacks, and from using profane, rude or threatening language.

3.3.5 Any comments should be relevant to the agenda item being discussed.

3.3.6 No Member may speak for a second time on an issue until everyone who wants to speak about that issue has been given the chance to speak once.

3.3.7 Members may not speak more than twice on any one issue, subject to the discretion of the meeting chair.

3.3.8 Members shall obey all orders made by the meeting chair, including an order to step down (i.e., an order to stop speaking and yield the floor).

3.4 Order of Business. Unless otherwise provided in the Association Documents, or unless a different order of business is set forth in any meeting agenda established by the Board, the order of business at meetings of the Members will be the following:

- Establish quorum.
- Call meeting to order.
- Approval of minutes of prior meeting.
- Reports of committees/officers.
- Election of directors (if annual meeting).
- Old business.
- New business.
- Adjournment.

3.5 Meeting Minutes. Minutes of Member meetings will be taken by (a) the Association Secretary, (b) in the absence of the Secretary, any other officer designated by the President, or (c) a representative of the Association's management company, provided that the Secretary must review and sign the minutes prepared by such representative, and further provided that the Secretary is ultimately responsible for the accuracy of the minutes. The minutes will be maintained in the Association's permanent records. Because minutes of Member meetings will be taken, and in order to encourage full discussion by the Members, no Member meeting may be recorded by audio or video means unless otherwise allowed by the Board in its sole discretion.



4. **Board Meetings.**

4.1 Governing Documents and Laws. Meetings of the Association's Board shall be conducted in accordance with the requirements of the Association Documents (especially the Bylaws), CCIOA and the Nonprofit Act, to the extent applicable.

4.2 Parliamentary Procedure. Unless otherwise provided in the Association Documents, and except as set forth in the code of conduct below, meetings of the Board shall be conducted in accordance with (a) Robert's Rules of Order Newly Revised or (b) such other generally recognized rules of parliamentary procedure as may be adopted by resolution of the Board.

4.3 Code of Conduct. The following code of conduct shall apply to meetings of the Board:

4.3.1 Board members shall conduct themselves in a professional and businesslike manner.

4.3.2 No personal attacks may be made against other Board members, Association Members, residents or managing agents.

4.3.3 Board members shall at all times speak and otherwise behave with common courtesy and civility. In particular, Board members shall refrain from personal attacks, and from using profane, rude or threatening language.

4.3.4 Though differences of opinion are inevitable, they must be expressed in a professional and businesslike manner.

4.4 Order of Business. Unless otherwise provided in the Association Documents, or unless a different order of business is set forth in any meeting agenda established by the Board, the order of business at meetings of the Board will be the following:

- Establish quorum.
- Call meeting to order.
- Approval of minutes of prior meeting.
- Reports of committees/officers.
- Election of officers (if annual meeting).
- Old business.
- New business.
- Adjournment.

4.5 Meeting Minutes. Minutes of Board meetings will be taken by (a) the Association Secretary, (b) in the absence of the Secretary, any other officer designated by the President, or (c) a representative of the Association's management company, provided that the Secretary must review and sign the minutes prepared by such representative, and further provided that the Secretary is ultimately responsible for the

accuracy of the minutes. The minutes will be maintained in the Association's permanent records. Because minutes of Board meetings will be taken, and in order to encourage full discussion by the Board members, no Board meeting may be recorded by audio or video means unless otherwise allowed by the Board in its sole discretion.

4.6 Executive Sessions. Executive or closed-door sessions of the Board shall be conducted in accordance with CCIOA (CRS §38-33.3-308).

5. Variations.

The Board may from time to time vary from the requirements set forth in this Policy if the Board determines in its sole discretion that such variance is reasonable under the circumstances.

6. Amendment.

This Policy may be amended from time to time by the Board.

### CERTIFICATION

The undersigned, being the duly elected and acting Secretary of the Chestnut Village Condominium Association, Inc. (the "Association") certifies that the foregoing Policy for Conducting Association Meetings was approved by the vote of at least a majority of the Association's Directors at a meeting of the Association's Board of Directors held on November 5, 2009.

Dated this 10<sup>th</sup> day of November, 2009.

CHESTNUT VILLAGE  
CONDOMINIUM ASSOCIATION,  
INC.

By:

  
Joe Akers, Secretary/Treasurer

**CHESTNUT VILLAGE CONDOMINIUM ASSOCIATION, INC.**  
**POLICY FOR COLLECTION OF UNPAID ASSESSMENTS**  
**Effective: November 10, 2009**

**1. Introduction.**

The Board of Directors (the "Board") of Chestnut Village Condominium Association, Inc., a Colorado non-profit corporation (the "Association"), acting pursuant to the powers set forth in the Association's Bylaws, Articles of Incorporation, the Condominium Declaration for Chestnut Village Condominiums (the "Declaration") (such documents being collectively referred to as the "Association Documents"), and the Colorado Common Interest Ownership Act ("CCIOA"), has enacted the following Policy effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. This Policy supersedes any previously adopted Policy on the same subject matter.

**2. Policy Purpose.**

The purpose of this Policy is to emphasize that collection of unpaid Assessments is an important part of governing the Association and such collection must be done in a uniform manner in accordance with the Association Documents and CCIOA. It is the intent of this Policy to provide a framework for the collection of past due Assessments in a timely and efficient manner.

**3. Collection of Unpaid Assessments.**

To assist with the collection of unpaid Assessments in a timely and efficient manner, the Association shall do the following:

a. Late Fees. A late fee of \$25 will be assessed to an Owner's account if payment for monthly dues or other assessments is not received on or before the fifteenth (15<sup>th</sup>) day of the month following the assessment. This late fee shall continue and be assessed for a period of up to three months.

A late fee of \$50 will be assessed to an Owner's account if an outstanding payment is not received on or before the fifteenth (15<sup>th</sup>) day of the fourth (4<sup>th</sup>) month following the assessment, and continue for each subsequent month payment is not received.

b. Assessment Lien. In the event an Owner's account has a total outstanding balance which equals or exceeds the cumulative amount of three (3) monthly assessments for association dues on the fifteenth (15<sup>th</sup>) of any month, the Association shall provide written notice to the Owner, via first class mail to the Owner's address of record, of their intent to file an assessment lien pursuant to Article 23 of the Declaration. The Owner shall have fifteen (15) days from the mailing date to bring their account current. Failure to do so will cause the Association to initiate the lien filing process. A \$150 legal fee will be assessed to the Owner's account upon such lien filing with the Clerk and Recorder of Larimer County, Colorado.

c. Judgment Against Owner/Foreclosure. In the event an Owner's account has a total outstanding balance which equals or exceeds the cumulative amount of six (6) monthly assessments for association dues on the fifteenth (15) of any month, the Association shall provide written notice to the owner, via first class mail to the Owner's address of record, of their intent to pursue a judgment against the Owner and/or foreclosure proceedings pursuant to Article 23 of the Declaration. The Owner shall have fifteen (15) days from the mailing date to bring their account current. Failure to do so will cause the Association to file suit against the Owner for a personal judgment and/or foreclosure of the assessment lien.

d. Interest. In addition to the above, all outstanding balances on an Owner's account shall bear an 18% per annum interest penalty from the date due thereof.

e. No Waiver of the Association's Rights. If the Association fails to follow the procedures set forth above it shall not be construed as any waiver or release of a delinquent Owner's obligation to pay Assessments or the Association's right to collect the Assessments in accordance with the Association Documents and CCIOA.

**4. Association's Attorney Fees and Costs.**

Any delinquent Owner shall be responsible for attorney fees and costs incurred by the Association in the collection of past due Assessments, whether or not a lawsuit is commenced, in accordance with the Association Documents and CCIOA.

**5. Foreclosure and Bankruptcy Notices.**

If the Association receives any bankruptcy or foreclosure notice regarding an Owner with unpaid Assessments, the Association may seek advice from its attorney regarding the appropriate action to be taken.

If the Association, through its attorney, has sent a demand letter, filed a lien or commenced legal proceedings against an Owner in order to collect unpaid Assessments, the Association shall forward any bankruptcy or foreclosure notice received to the attorney.

**6. Variances.**

The Board may from time to time vary from the requirements set forth in this Policy if the Board determines in its sole discretion that such variance is reasonable under the circumstances.

**7. Amendment.**

This Policy may be amended from time to time by the Board.

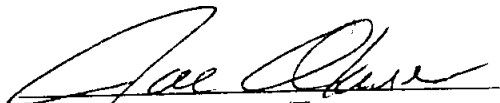
## CERTIFICATION

The undersigned, being the duly elected and acting Secretary of the Chestnut Village Condominium Association, Inc. (the "Association") certifies that the foregoing Policy for Collection of Unpaid Assessments was approved by the vote of at least a majority of the Association's Directors at a meeting of the Association's Board of Directors held on November 5, 2009.

Dated this 10<sup>th</sup> day of November, 2009.

CHESTNUT VILLAGE  
CONDOMINIUM ASSOCIATION,  
INC.

By:

  
Joe Akers, Secretary/Treasurer

**CHESTNUT VILLAGE CONDOMINIUM ASSOCIATION, INC.**  
**POLICY FOR ENFORCEMENT OF COVENANTS AND RULES**  
**(INCLUDING NOTICE AND HEARING PROCEDURES AND SCHEDULE OF FINES)**  
**Effective: November 10, 2009**

**1. Introduction.**

The Board of Directors (the "Board") of Chestnut Village Condominium Association, Inc., a Colorado non-profit corporation (the "Association"), acting pursuant to the powers set forth in the Association's Bylaws, Articles of Incorporation, the Condominium Declaration for Chestnut Village Condominiums (the "Declaration") (such documents being collectively referred to as the "Association Documents"), and the Colorado Common Interest Ownership Act ("CCIOA"), has enacted the following Policy effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. This Policy supersedes any previously adopted Policy on the same subject matter.

**2. Policy Purposes.**

The purposes of this Policy are to:

2.1 Set forth procedures and rules to promote the consistent enforcement of the Association Documents;

2.2 Provide a framework for mediation of disputes between the Association and Owners, except those related to collection of past due assessments or matters that may require an injunction, restraining order or protection order; and

2.3 Provide Owners with notice of the schedule of fines for violations of the Association Documents.

**3. Mediation.**

3.1. Request for Mediation. In the event of a dispute between the Association and any Owner, except disputes regarding past due assessments or any matter that may require an injunction, restraining order or protection order, either the Association or an Owner may request mediation by an independent, third-party mediator. A request for mediation (the "Request") must be in writing and mailed to the Association or Owner by U.S. Mail, first class postage prepaid to such address for the recipient shown by the public records. The Request shall be considered effective three days following deposit in the mail. The parties shall make reasonable efforts to select a mediator and schedule mediation of the dispute within 30 days after the effective date of the Request, or such longer time as the parties may agree upon in writing. If the mediation does not occur within 30 days (or longer if so agreed in writing), or the parties are unable to settle the dispute through mediation, the Association or Owner may pursue any other lawful remedy allowed by the Association Documents or Colorado law.

3.2 Mediation Fees and Costs. Fees and costs associated with the mediation, including payment of fees to the mediator, shall be paid as follows:

a. The requesting party shall pay the mediator in advance for the first two hours of mediation.

b. If the mediation lasts more than two hours, the mediator's fees for time beyond the first two hours shall be divided equally between the Association and Owner(s), and paid at the conclusion of the mediation.

c. The Association and any participating Owner may be represented by their respective attorneys at the mediation. Each party shall pay their respective attorney fees associated with the mediation.

d. If an Owner requests mediation but fails to appear at the date and time scheduled for the mediation, the Owner shall pay all expenses of the Association related to the mediation, including attorney fees and costs, and those expenses shall be assessed against the Owner as part of the Owner's Assessment.

3.3. Continuation of Hearing and Imposition of Fines. A request for mediation shall not suspend or stay any hearing or imposition of fines in accordance with the Fine Policy set forth below. Any fines imposed prior to or after a request for mediation shall remain in place or continue to accrue (in the event of a continuing violation where a daily fine is imposed) pending mediation of the dispute. Unless otherwise agreed at mediation, such fines shall remain legally collectable as Assessments in accordance with the Association Documents and Colorado law.

3.4. Continuation of Legal Proceedings. If a lawsuit for the collection of Assessments or enforcement of the Association Documents is commenced prior to receiving a request for mediation, such request shall not suspend or stay the lawsuit. The lawsuit shall continue forward, in addition to the mediation process described above, unless otherwise agreed upon by the parties in writing.

#### **4. Fine Policy, Notice and Hearing Procedures.**

4.1 Fine Policy. The Association may levy fines for violations of the Association Documents in accordance with the following notice and hearing procedures.

4.2 Notice of Violation ("Notice"). The Notice of Violation process is as follows:

a. The Association or any member of the Association may note a violation. If noted by a member, the member should report the violation in writing to the Association at the Association's address.

b. The Board will verify the violation and issue a written Notice to the violating Owner. The Notice will describe the nature of the violation, the time frame for correcting the violation (expressed as a certain number of days after the

effective date of the Notice as determined below), and state that the Association may seek to remedy the violation and otherwise protect its rights as specified in the Association Documents and as provided by law.

c. The Notice, together with a copy of this Policy, will be sent via U.S. Mail, first class postage prepaid, addressed to the last registered address of the Owner as listed in the Association's records. The Notice will be considered effective three days after it is deposited in the mail.

d. The Owner receiving the Notice then has the amount of time specified in the Notice to correct the violation.

e. If the violation is not corrected within the specified time, a fine is levied starting on the first day after the time period for correcting the violation expires, subject to the Request for Hearing provisions below.

4.3 Requests for Hearing. Any Owner who believes the Notice was sent in error, or who feels there are mitigating circumstances, has the right to request a hearing before the Board. To request a hearing, the Owner must contact the Association in writing within four days after the effective date of the Notice. The Association's Board shall then set a date for the hearing. If the hearing, for whatever reason, cannot be held prior to the date when the fine is otherwise scheduled to commence, the date the fine begins shall be extended to the day following the hearing. The Board will decide if any potential conflict of interest exists on a case-by-case basis. The purpose of the hearing is to 1) determine if there was a mistake made in issuing the Notice; 2) determine if there are mitigating circumstances; and 3) make arrangements for bringing the violation into compliance over a period of time if warranted.

The hearing process will not and cannot be used to determine if a particular provision of the Association Documents is desirable.

4.4 Hearing Procedure. The general procedure for the hearing is as follows:

a. The presiding Board member shall (1) establish a quorum, (2) explain the Fine Policy and procedures, and (3) describe the nature of the violation as specified in the Notice.

b. The Owner may then provide rebuttal to the Notice using witnesses or any other information deemed relevant and necessary.

c. After all testimony and other evidence has been presented, the Board shall decide whether or not the Notice was justified, or whether there were mitigating circumstances. If the Board finds the Notice was justified, a fine shall then be assessed by the Board or mutually agreeable arrangements made with the Owner to ensure correction of the violation and compliance in the future. If the Board finds the Notice was not justified, no fine shall be assessed.



4.5 Fines. If an Owner fails to timely correct a violation, the Board has the right to assess a one-time fine in the amount of \$100 to \$5,000 (as the Board deems reasonable and necessary to promote correction of the violation). In addition, the Board may assess daily fines for any continuing or persistent violation in the amount of \$15 to \$25 per day (as the Board determines to be reasonable and necessary to promote correction of the violation) until the Owner has corrected the violation. The Owner is responsible for notifying the Association in writing if and when the violation has been corrected. Any daily fine shall continue at the stated rate until the earlier of (a) the date on which the Owner gives written notice of correction, regardless of when the violation was corrected, or (b) 120 days after commencement of the daily fine.

4.6 Injunction. If the violation has not been corrected within 120 days after commencement of a daily fine, or after imposition of a one-time fine, the Association may commence the necessary legal proceedings under the Association Documents or under Colorado law to compel correction of the violation as well as to recover any unpaid fines, court costs, attorneys' fees and other Association expenses arising from the violation. Nothing in this paragraph shall preclude the Association from commencing legal proceedings to correct the violation prior to expiration of the 120 day period.

4.7 Collection of Fines. Assessed fines shall be billed to the Owner by U.S. Mail, and are legally collectable as Assessments in accordance with the Association Documents and Colorado law. The fines are the personal obligation of the violating Owner and, in addition, constitute a lien against such Owner's property. Furthermore, the violating Owner is responsible for all costs and reasonable attorney fees incurred by the Association as a result of the violation.

4.8 Repeat Violations. A "repeat violation" is a violation committed by an Owner which is the same as the original violation committed by that Owner, and which occurs within twelve months after the original violation. A repeat violation is considered a continuation of the original violation, and thus an Owner committing a repeat violation is not entitled to the same hearing procedures set forth above. However the Association shall provide Notice of the repeat violation to the Owner in accordance with Section 4.2 above. If the repeat violation has not been corrected within the time period specified in the Notice for correction of the violation, then the fine (which will be determined by the board and may be up to double the amount of the fine assessed for the original violation) will commence upon the expiration of the correction time period, notwithstanding any other provisions of this Fine Policy to the contrary. An Owner committing a repeat violation shall have no right to a hearing on such repeat violation before the Board.

4.9 Fines Not Exclusive Remedy. Fines levied under this Policy are not the Association's exclusive remedy for addressing a violation. Nothing in this Fine Policy precludes the Association from pursuing any other remedy provided under the Association Documents or under Colorado law for correcting the violation.

5. **Variances.**

The Board may from time to time vary from the requirements set forth in this Policy if the Board determines in its sole discretion that such variance is reasonable under the circumstances.

6. **Amendment.**

This Policy may be amended from time to time by the Board.


**CERTIFICATION**

The undersigned, being the duly elected and acting Secretary of the Chestnut Village Condominium Association, Inc. (the "Association") certifies that the foregoing Policy for Enforcement of Covenants and Rules (Including Notice and Hearing Procedures and Schedule of Fines) was approved by the vote of at least a majority of the Association's Directors at a meeting of the Association's Board of Directors held on November 5, 2009

Dated this 10<sup>th</sup> day of November, 2009.

CHESTNUT VILLAGE  
CONDOMINIUM ASSOCIATION,  
INC.

By:

  
\_\_\_\_\_  
Joe Akers, Secretary/Treasurer

**CHESTNUT VILLAGE CONDOMINIUM ASSOCIATION, INC.  
PROCEDURES FOR THE ADOPTION AND AMENDMENT OF  
POLICIES, PROCEDURES AND RULES**

**Effective: November 10, 2009**

**1. Introduction.**

The Board of Directors (the "Board") of Chestnut Village Condominium Association, Inc., a Colorado non-profit corporation (the "Association"), acting pursuant to the powers set forth in the Association's Bylaws, Articles of Incorporation, the Condominium Declaration for Chestnut Village Condominiums (the "Declaration") (such documents being collectively referred to as the "Association Documents"), and the Colorado Common Interest Ownership Act ("CCIOA"), has enacted the following Procedures effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. These Procedures supersede any previously adopted Policy on the same subject matter.

**2. Purpose of Procedures.**

The purpose of these Procedures is to clarify that the Association's power to adopt and amend policies, procedures, rules and regulations (collectively, the "Policies") rests with the Board, while also providing that Owners will receive notice and the opportunity to comment on such Policies before they are adopted or amended.

**3. Power to Adopt or Amend.**

The Board shall have the sole power to adopt and amend the Policies of the Association.

**4. Notice to Owners.**

Except as otherwise required by the Association Documents, prior to the adoption or amendment of Policies, the Board shall provide notice of the proposed adoption or amendment to all Owners. Notice shall be provided by mailing the proposed Policies to each Owner at least 10 days prior to the meeting at which the Board intends to adopt or amend the Policies. Owners may provide written comments or attend the meeting and provide comments prior to the Board's vote. The Board may consider Owner comments, but is not bound to act on those comments. The Board shall have the discretion and final authority to adopt or amend all Policies in accordance with the Association Documents and Colorado law. A copy of all Policies adopted or amended by the Board shall be mailed to all Owners.

**5. Variances.**

The Board may from time to time vary from the requirements set forth in these Procedures if the Board determines in its sole discretion that such variance is reasonable under the circumstances.

6. **Amendment.**

These Procedures may be amended from time to time by the Board.

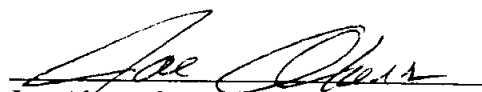
**CERTIFICATION**

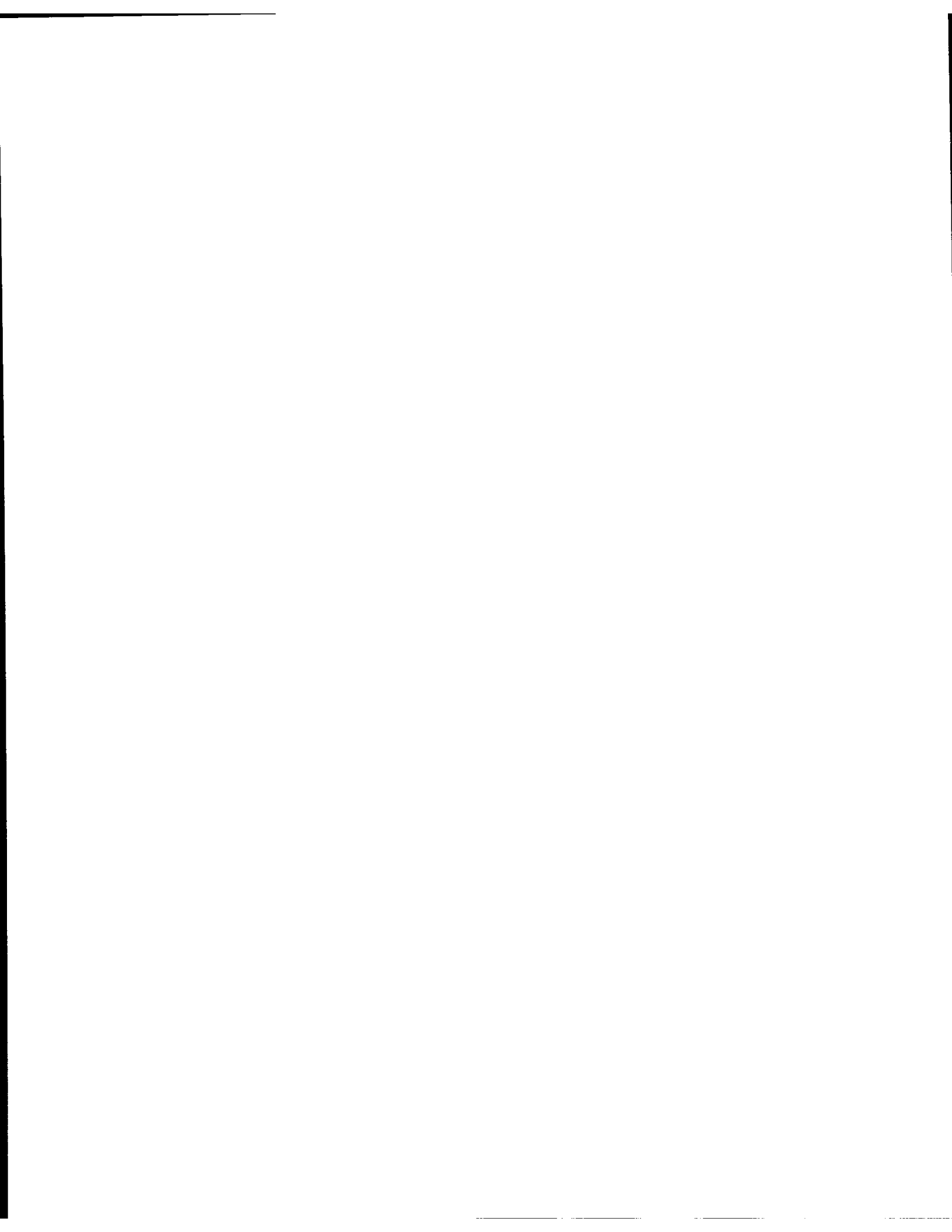
The undersigned, being the duly elected and acting Secretary of the Chestnut Village Condominium Association, Inc. (the "Association") certifies that the foregoing Procedures for the Adoption and Amendment of Policies, Procedures and Rules was approved by the vote of at least a majority of the Association's Directors at a meeting of the Association's Board of Directors held on November 5, 2009.

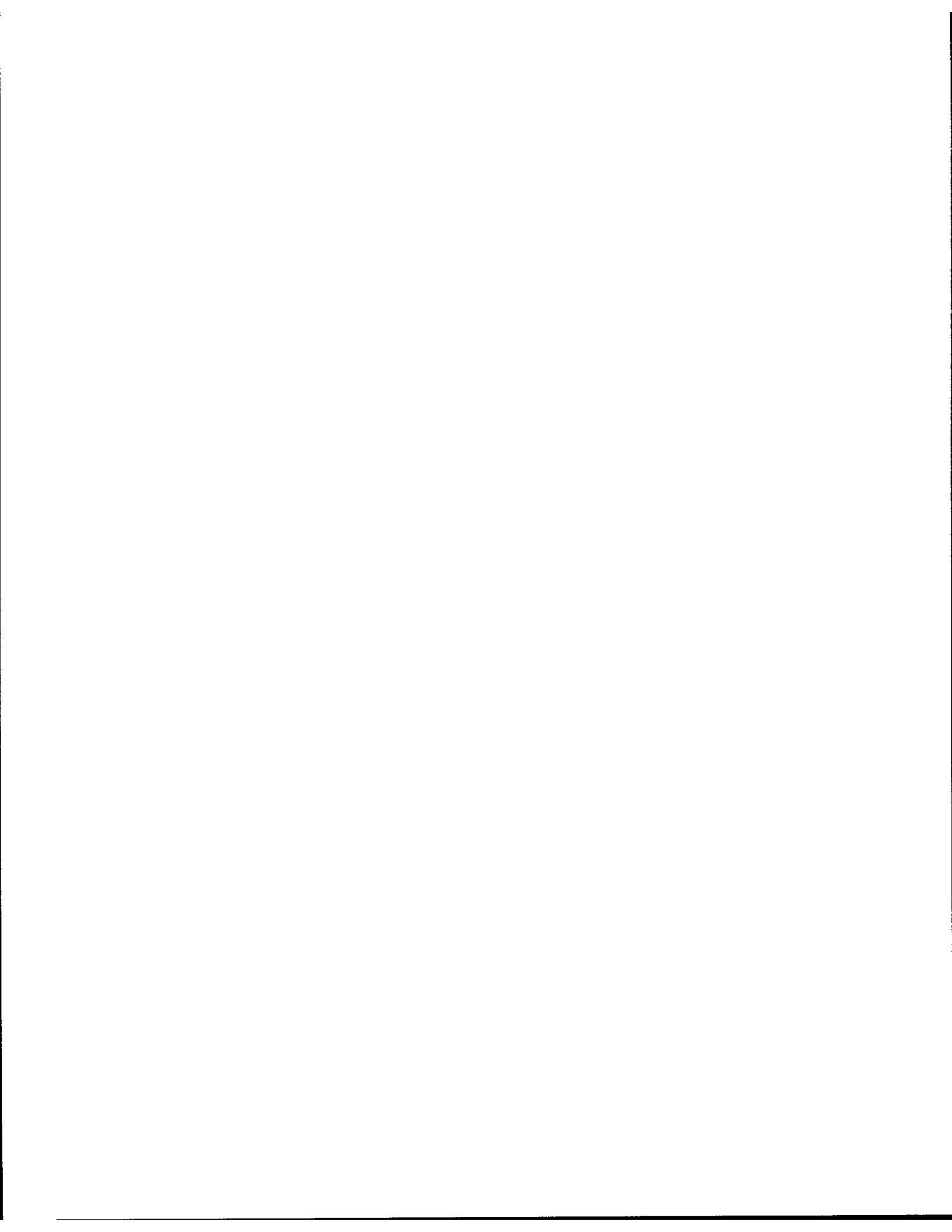
Dated this 10<sup>th</sup> day of November, 2009.

CHESTNUT VILLAGE  
CONDOMINIUM ASSOCIATION,  
INC.

By:

  
Joe Akers, Secretary/Treasurer





6. **Amendment.**

These Procedures may be amended from time to time by the Board.

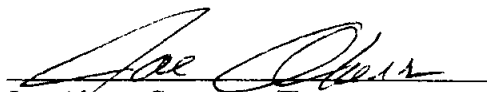
**CERTIFICATION**

The undersigned, being the duly elected and acting Secretary of the Chestnut Village Condominium Association, Inc. (the "Association") certifies that the foregoing Procedures for the Adoption and Amendment of Policies, Procedures and Rules was approved by the vote of at least a majority of the Association's Directors at a meeting of the Association's Board of Directors held on November 5, 2009.

Dated this 10<sup>th</sup> day of November, 2009.

CHESTNUT VILLAGE  
CONDOMINIUM ASSOCIATION,  
INC.

By:

  
Joe Akers, Secretary/Treasurer

**CHESTNUT VILLAGE CONDOMINIUM ASSOCIATION, INC.  
PROCEDURES FOR THE ADOPTION AND AMENDMENT OF  
POLICIES, PROCEDURES AND RULES**

**Effective: November 10, 2009**

**1. Introduction.**

The Board of Directors (the "Board") of Chestnut Village Condominium Association, Inc., a Colorado non-profit corporation (the "Association"), acting pursuant to the powers set forth in the Association's Bylaws, Articles of Incorporation, the Condominium Declaration for Chestnut Village Condominiums (the "Declaration") (such documents being collectively referred to as the "Association Documents"), and the Colorado Common Interest Ownership Act ("CCIOA"), has enacted the following Procedures effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. These Procedures supersede any previously adopted Policy on the same subject matter.

**2. Purpose of Procedures.**

The purpose of these Procedures is to clarify that the Association's power to adopt and amend policies, procedures, rules and regulations (collectively, the "Policies") rests with the Board, while also providing that Owners will receive notice and the opportunity to comment on such Policies before they are adopted or amended.

**3. Power to Adopt or Amend.**

The Board shall have the sole power to adopt and amend the Policies of the Association.

**4. Notice to Owners.**

Except as otherwise required by the Association Documents, prior to the adoption or amendment of Policies, the Board shall provide notice of the proposed adoption or amendment to all Owners. Notice shall be provided by mailing the proposed Policies to each Owner at least 10 days prior to the meeting at which the Board intends to adopt or amend the Policies. Owners may provide written comments or attend the meeting and provide comments prior to the Board's vote. The Board may consider Owner comments, but is not bound to act on those comments. The Board shall have the discretion and final authority to adopt or amend all Policies in accordance with the Association Documents and Colorado law. A copy of all Policies adopted or amended by the Board shall be mailed to all Owners.

**5. Variiances.**

The Board may from time to time vary from the requirements set forth in these Procedures if the Board determines in its sole discretion that such variance is reasonable under the circumstances.



5. **Variances.**

The Board may from time to time vary from the requirements set forth in this Policy if the Board determines in its sole discretion that such variance is reasonable under the circumstances.

6. **Amendment.**

This Policy may be amended from time to time by the Board.

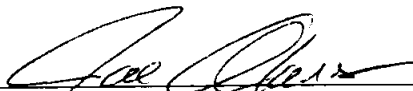
**CERTIFICATION**

The undersigned, being the duly elected and acting Secretary of the Chestnut Village Condominium Association, Inc. (the "Association") certifies that the foregoing Policy for Enforcement of Covenants and Rules (Including Notice and Hearing Procedures and Schedule of Fines) was approved by the vote of at least a majority of the Association's Directors at a meeting of the Association's Board of Directors held on November 5, 2009

Dated this 10<sup>th</sup> day of November, 2009.

CHESTNUT VILLAGE  
CONDOMINIUM ASSOCIATION,  
INC.

By:

  
\_\_\_\_\_  
Joe Akers, Secretary/Treasurer

4.5 Fines. If an Owner fails to timely correct a violation, the Board has the right to assess a one-time fine in the amount of \$100 to \$5,000 (as the Board deems reasonable and necessary to promote correction of the violation). In addition, the Board may assess daily fines for any continuing or persistent violation in the amount of \$15 to \$25 per day (as the Board determines to be reasonable and necessary to promote correction of the violation) until the Owner has corrected the violation. The Owner is responsible for notifying the Association in writing if and when the violation has been corrected. Any daily fine shall continue at the stated rate until the earlier of (a) the date on which the Owner gives written notice of correction, regardless of when the violation was corrected, or (b) 120 days after commencement of the daily fine.

4.6 Injunction. If the violation has not been corrected within 120 days after commencement of a daily fine, or after imposition of a one-time fine, the Association may commence the necessary legal proceedings under the Association Documents or under Colorado law to compel correction of the violation as well as to recover any unpaid fines, court costs, attorneys' fees and other Association expenses arising from the violation. Nothing in this paragraph shall preclude the Association from commencing legal proceedings to correct the violation prior to expiration of the 120 day period.

4.7 Collection of Fines. Assessed fines shall be billed to the Owner by U.S. Mail, and are legally collectable as Assessments in accordance with the Association Documents and Colorado law. The fines are the personal obligation of the violating Owner and, in addition, constitute a lien against such Owner's property. Furthermore, the violating Owner is responsible for all costs and reasonable attorney fees incurred by the Association as a result of the violation.

4.8 Repeat Violations. A "repeat violation" is a violation committed by an Owner which is the same as the original violation committed by that Owner, and which occurs within twelve months after the original violation. A repeat violation is considered a continuation of the original violation, and thus an Owner committing a repeat violation is not entitled to the same hearing procedures set forth above. However the Association shall provide Notice of the repeat violation to the Owner in accordance with Section 4.2 above. If the repeat violation has not been corrected within the time period specified in the Notice for correction of the violation, then the fine (which will be determined by the board and may be up to double the amount of the fine assessed for the original violation) will commence upon the expiration of the correction time period, notwithstanding any other provisions of this Fine Policy to the contrary. An Owner committing a repeat violation shall have no right to a hearing on such repeat violation before the Board.

4.9 Fines Not Exclusive Remedy. Fines levied under this Policy are not the Association's exclusive remedy for addressing a violation. Nothing in this Fine Policy precludes the Association from pursuing any other remedy provided under the Association Documents or under Colorado law for correcting the violation.

effective date of the Notice as determined below), and state that the Association may seek to remedy the violation and otherwise protect its rights as specified in the Association Documents and as provided by law.

c. The Notice, together with a copy of this Policy, will be sent via U.S. Mail, first class postage prepaid, addressed to the last registered address of the Owner as listed in the Association's records. The Notice will be considered effective three days after it is deposited in the mail.

d. The Owner receiving the Notice then has the amount of time specified in the Notice to correct the violation.

e. If the violation is not corrected within the specified time, a fine is levied starting on the first day after the time period for correcting the violation expires, subject to the Request for Hearing provisions below.

4.3 Requests for Hearing. Any Owner who believes the Notice was sent in error, or who feels there are mitigating circumstances, has the right to request a hearing before the Board. To request a hearing, the Owner must contact the Association in writing within four days after the effective date of the Notice. The Association's Board shall then set a date for the hearing. If the hearing, for whatever reason, cannot be held prior to the date when the fine is otherwise scheduled to commence, the date the fine begins shall be extended to the day following the hearing. The Board will decide if any potential conflict of interest exists on a case-by-case basis. The purpose of the hearing is to 1) determine if there was a mistake made in issuing the Notice; 2) determine if there are mitigating circumstances; and 3) make arrangements for bringing the violation into compliance over a period of time if warranted.

The hearing process will not and cannot be used to determine if a particular provision of the Association Documents is desirable.

4.4 Hearing Procedure. The general procedure for the hearing is as follows:

a. The presiding Board member shall (1) establish a quorum, (2) explain the Fine Policy and procedures, and (3) describe the nature of the violation as specified in the Notice.

b. The Owner may then provide rebuttal to the Notice using witnesses or any other information deemed relevant and necessary.

c. After all testimony and other evidence has been presented, the Board shall decide whether or not the Notice was justified, or whether there were mitigating circumstances. If the Board finds the Notice was justified, a fine shall then be assessed by the Board or mutually agreeable arrangements made with the Owner to ensure correction of the violation and compliance in the future. If the Board finds the Notice was not justified, no fine shall be assessed.

3.2 Mediation Fees and Costs. Fees and costs associated with the mediation, including payment of fees to the mediator, shall be paid as follows:

a. The requesting party shall pay the mediator in advance for the first two hours of mediation.

b. If the mediation lasts more than two hours, the mediator's fees for time beyond the first two hours shall be divided equally between the Association and Owner(s), and paid at the conclusion of the mediation.

c. The Association and any participating Owner may be represented by their respective attorneys at the mediation. Each party shall pay their respective attorney fees associated with the mediation.

d. If an Owner requests mediation but fails to appear at the date and time scheduled for the mediation, the Owner shall pay all expenses of the Association related to the mediation, including attorney fees and costs, and those expenses shall be assessed against the Owner as part of the Owner's Assessment.

3.3. Continuation of Hearing and Imposition of Fines. A request for mediation shall not suspend or stay any hearing or imposition of fines in accordance with the Fine Policy set forth below. Any fines imposed prior to or after a request for mediation shall remain in place or continue to accrue (in the event of a continuing violation where a daily fine is imposed) pending mediation of the dispute. Unless otherwise agreed at mediation, such fines shall remain legally collectable as Assessments in accordance with the Association Documents and Colorado law.

3.4. Continuation of Legal Proceedings. If a lawsuit for the collection of Assessments or enforcement of the Association Documents is commenced prior to receiving a request for mediation, such request shall not suspend or stay the lawsuit. The lawsuit shall continue forward, in addition to the mediation process described above, unless otherwise agreed upon by the parties in writing.

#### **4. Fine Policy, Notice and Hearing Procedures.**

4.1 Fine Policy. The Association may levy fines for violations of the Association Documents in accordance with the following notice and hearing procedures.

4.2 Notice of Violation ("Notice"). The Notice of Violation process is as follows:

a. The Association or any member of the Association may note a violation. If noted by a member, the member should report the violation in writing to the Association at the Association's address.

b. The Board will verify the violation and issue a written Notice to the violating Owner. The Notice will describe the nature of the violation, the time frame for correcting the violation (expressed as a certain number of days after the

**CHESTNUT VILLAGE CONDOMINIUM ASSOCIATION, INC.**  
**POLICY FOR ENFORCEMENT OF COVENANTS AND RULES**  
**(INCLUDING NOTICE AND HEARING PROCEDURES AND SCHEDULE OF FINES)**  
**Effective: November 10, 2009**

**1. Introduction.**

The Board of Directors (the "Board") of Chestnut Village Condominium Association, Inc., a Colorado non-profit corporation (the "Association"), acting pursuant to the powers set forth in the Association's Bylaws, Articles of Incorporation, the Condominium Declaration for Chestnut Village Condominiums (the "Declaration") (such documents being collectively being referred to as the "Association Documents"), and the Colorado Common Interest Ownership Act ("CCIOA"), has enacted the following Policy effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. This Policy supersedes any previously adopted Policy on the same subject matter.

**2. Policy Purposes.**

The purposes of this Policy are to:

2.1 Set forth procedures and rules to promote the consistent enforcement of the Association Documents;

2.2 Provide a framework for mediation of disputes between the Association and Owners, except those related to collection of past due assessments or matters that may require an injunction, restraining order or protection order; and

2.3 Provide Owners with notice of the schedule of fines for violations of the Association Documents.

**3. Mediation.**

3.1. Request for Mediation. In the event of a dispute between the Association and any Owner, except disputes regarding past due assessments or any matter that may require an injunction, restraining order or protection order, either the Association or an Owner may request mediation by an independent, third-party mediator. A request for mediation (the "Request") must be in writing and mailed to the Association or Owner by U.S. Mail, first class postage prepaid to such address for the recipient shown by the public records. The Request shall be considered effective three days following deposit in the mail. The parties shall make reasonable efforts to select a mediator and schedule mediation of the dispute within 30 days after the effective date of the Request, or such longer time as the parties may agree upon in writing. If the mediation does not occur within 30 days (or longer if so agreed in writing), or the parties are unable to settle the dispute through mediation, the Association or Owner may pursue any other lawful remedy allowed by the Association Documents or Colorado law.

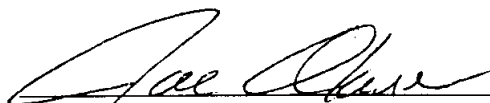
## CERTIFICATION

The undersigned, being the duly elected and acting Secretary of the Chestnut Village Condominium Association, Inc. (the "Association") certifies that the foregoing Policy for Collection of Unpaid Assessments was approved by the vote of at least a majority of the Association's Directors at a meeting of the Association's Board of Directors held on November 5, 2009.

Dated this 10<sup>th</sup> day of November, 2009.

CHESTNUT VILLAGE  
CONDOMINIUM ASSOCIATION,  
INC.

By:



Joe Akers, Secretary/Treasurer

c. Judgment Against Owner/Foreclosure. In the event an Owner's account has a total outstanding balance which equals or exceeds the cumulative amount of six (6) monthly assessments for association dues on the fifteenth (15) of any month, the Association shall provide written notice to the owner, via first class mail to the Owner's address of record, of their intent to pursue a judgment against the Owner and/or foreclosure proceedings pursuant to Article 23 of the Declaration. The Owner shall have fifteen (15) days from the mailing date to bring their account current. Failure to do so will cause the Association to file suit against the Owner for a personal judgment and/or foreclosure of the assessment lien.

d. Interest. In addition to the above, all outstanding balances on an Owner's account shall bear an 18% per annum interest penalty from the date due thereof.

e. No Waiver of the Association's Rights. If the Association fails to follow the procedures set forth above it shall not be construed as any waiver or release of a delinquent Owner's obligation to pay Assessments or the Association's right to collect the Assessments in accordance with the Association Documents and CCIOA.

4. **Association's Attorney Fees and Costs.**

Any delinquent Owner shall be responsible for attorney fees and costs incurred by the Association in the collection of past due Assessments, whether or not a lawsuit is commenced, in accordance with the Association Documents and CCIOA.

5. **Foreclosure and Bankruptcy Notices.**

If the Association receives any bankruptcy or foreclosure notice regarding an Owner with unpaid Assessments, the Association may seek advice from its attorney regarding the appropriate action to be taken.

If the Association, through its attorney, has sent a demand letter, filed a lien or commenced legal proceedings against an Owner in order to collect unpaid Assessments, the Association shall forward any bankruptcy or foreclosure notice received to the attorney.

6. **Variances.**

The Board may from time to time vary from the requirements set forth in this Policy if the Board determines in its sole discretion that such variance is reasonable under the circumstances.

7. **Amendment.**

This Policy may be amended from time to time by the Board.

**CHESTNUT VILLIAGE CONDOMINIUM ASSOCIATION, INC.**  
**POLICY FOR COLLECTION OF UNPAID ASSESSMENTS**

Effective: 1/29, 2015

1. **Introduction.** The Board of Directors (“Board”) of Chestnut Village Condominium Association, Inc., a Colorado nonprofit corporation (“Association”), acting pursuant to the powers set forth in the Association’s Bylaws, Articles of Incorporation, the Condominium Declarations for Chestnut Village Condominiums (“Declaration”) (such documents being collectively referred to as the “Association Documents”), and the Colorado Common Interest Ownership Act, as amended (“CCIOA”), has enacted the following Policy effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. This Policy supersedes any previously adopted Policy on the same subject matter.

2. **Policy Purpose.** The purpose of this Policy is to emphasize that collection of unpaid Assessments is an important part of governing the Association and such collection should be done in a uniform manner in accordance with the Association Documents and CCIOA. It is the intent of this Policy to provide a framework for the collection of past due Assessments in a timely and efficient manner.

3. **Collection of Unpaid Assessments.** To assist with the collection of unpaid Assessments in a timely and efficient manner, the Association shall do the following:

3.1 **Due Date/Delinquent Payments.** Assessments are due upon the date specified by the Board. A late fee of \$25 will be assessed to an Owner’s account if payment for monthly dues or other assessments is not received on or before the fifteenth (15<sup>th</sup>) day of the month following the assessment. This late fee shall continue and be assessed for a period of up to three months. A late fee of \$50 will be assessed to an Owner’s account if an outstanding payment is not received on or before the fifteenth (15<sup>th</sup>) day of the fourth (4<sup>th</sup>) month following the assessment, and continue for each subsequent month payment is not received.

3.2 **Returned Check Charge.** In addition to any other charges under the Association Documents and this Policy, if an Owner makes payment of Assessments to the Association by a check which is not honored by the bank on which it was written or is returned by such bank for any reason whatsoever, including but not limited to insufficient funds, the Owner shall immediately pay the Association, as part of the Owner’s Assessment, a reasonable returned check charge not to exceed \$20.00.

3.3 **Notice to Owner/Payment Plan.** If any Assessments are 30 days past due, and before the Association turns over a past due account to a collection agency or an attorney for legal action, the Association must send the delinquent Owner a letter via First Class U.S. Mail notifying the Owner of the delinquency and specifying:

- The total amount due, with a copy of the Owner’s ledger showing how the total was determined;



- That unless the Owner acquired the Owner's Unit or Lot through a foreclosure and does not occupy the Unit or Lot, the Owner will have a one-time opportunity to enter into a payment plan that allows the Owner to pay off the past due amount in equal payments over a period of at least six months. Under such a payment plan, the Owner will be required to make payment of the past due Assessments and also remain current with payment of the regular Assessments as they come due during the term of the payment plan. If the Owner does not comply with the payment plan, the Association can then pursue legal action against the Owner.
- The contact information for the Association's property manager in the event the delinquent Owner wishes to enter into a payment plan or has any other questions about the amount owing to the Association.
- That action is required to cure the Owner's delinquency and if the Owner fails to do so within 30 days following the date of the Association's letter, the Owner's past due account may be turned over to a collection agency or an attorney, a lawsuit may be filed against the Owner, a lien may be filed and foreclosed against the Owner's Unit or Lot, and the Association may pursue any other remedies available under Colorado law.

3.4 Application of Payments on Delinquent Accounts. All payments received with regard to a delinquent Owner's account shall be applied to the Association's attorneys' fees and costs, expenses of enforcement and collection, late charges, interest, returned check charges, and other costs owing under the Association Documents prior to being applied to payment of any Assessments then due.

3.5 Collection Remedies. In the event payment is not received from any delinquent Owner within 30 days after the date of the Association's letter referenced above, the Association may pursue any one or all of the following remedies:

3.5.1 File an Assessment lien against the delinquent Owner's Unit or Lot;

3.5.2 Commence and maintain legal proceedings (lawsuits seeking personal judgments and foreclosure actions) for the recovery of delinquent Assessments, late fees, interest, attorney fees and costs as may be allowed by the Association Documents or CCIOA;

3.5.3 Pursue collection of a judgment obtained against an Owner;

3.5.4 Take all other lawful action necessary to collect delinquent Assessments in accordance with the Association Documents and Colorado law; and

3.5.5 Suspend the voting rights of the delinquent Owner during the duration of the delinquency.

If the Association fails to follow the procedures set forth above it shall not be construed as any waiver or release of a delinquent Owner's obligation to pay Assessments or the Association's right to collect the Assessments in accordance with the Association Documents and CCIOA.

4. **Association's Attorney Fees and Costs.** Any delinquent Owner shall be responsible for attorney fees and costs incurred by the Association in the collection of past due Assessments, whether or not a lawsuit is commenced, in accordance with the Association Documents and CCIOA.

5. **Foreclosure and Bankruptcy Notices.** If the Association receives any bankruptcy or foreclosure notice regarding an Owner with unpaid Assessments, the Association may seek advice from its attorney regarding the appropriate action to be taken.

6. **Variations.** The Board may from time to time vary from the requirements set forth in this Policy if the Board determines in its sole discretion that such variance is reasonable under the circumstances.

7. **Amendment.** This Policy may be amended from time to time by the Board.

### CERTIFICATION

The undersigned, being the duly elected and acting President or Secretary of the Chestnut Village Condominium Association, Inc., a Colorado nonprofit corporation ("Association") certifies that the foregoing Policy for Collection of Unpaid Assessments was approved by the vote of a majority of the Association's Directors at a meeting of the Association's Board of Directors held on 11/5/2014.

Chestnut Village Condominium Association, a  
Colorado nonprofit corporation

By: 

**CHESTNUT VILLAGE CONDOMINIUM ASSOCIATION, INC.**  
**POLICY REGARDING INSPECTION AND COPYING OF ASSOCIATION RECORDS**  
Effective: 1/29, 2015

**1. Introduction.**

The Board of Directors (“Board”) of Chestnut Village Condominium Association, Inc., a Colorado nonprofit corporation (“Association”), acting pursuant to the powers set forth in the Association’s Bylaws, Articles of Incorporation, the Condominium Declarations for Chestnut Village Condominiums (“Declaration”) (such documents being collectively referred to as the “Association Documents”), and the Colorado Common Interest Ownership Act, as amended (“CCIOA”), has enacted the following Policy effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. This Policy supersedes any previously adopted Policy on the same subject matter.

**2. Policy Purposes.** The purposes of this Policy are to:

- 2.1 Identify records to be maintained by the Association;
- 2.2 Set forth procedures and rules to promote the consistent and predictable handling of requests by Owners for the inspection and copying of Association records;
- 2.3 Protect the Association and its members from abusive records requests which fail to describe with reasonable particularity the records sought, or which seek records legally protected from disclosure on the basis of privilege or other valid grounds for confidentiality.

**3. Association Records to be Maintained.** The Association shall maintain in electronic or paper format the following records, which are considered the Association’s sole records for purposes of document retention and production to Owners, at the Association’s office or the office of the Association’s managing agent:

- 3.1 Operating budget for the current fiscal year, and detailed records of receipts and expenditures affecting the operation and the administration of the Association.
- 3.2 Records of claims for construction defects and amounts received in settlement of those claims.
- 3.3 Minutes of all Board and Owner meetings, a record of any Board or Owner action taken without a meeting, and a record of action taken by any Board committee.
- 3.4 Written communications among, and the votes cast by, Board members that are directly related to an action taken by the Board without a meeting pursuant to the Colorado Revised Nonprofit Corporation Act, as amended (“Nonprofit Act”), or the Association’s Bylaws.

- 3.5 A list of the names of all Owners and the physical mailing addresses at which the Association communicates with them, showing the number of votes each Owner is entitled to cast.
- 3.6 A list of the names, email addresses and physical mailing addresses of current Association Board members and officers.
- 3.7 The Association's current Declaration, Bylaws, Articles of Incorporation, Rules and Regulations, Responsible Governance Policies and any other Policies adopted by the Board.
- 3.8 Financial statements for the past three years and Association tax returns for the past seven years, to the extent available.
- 3.9 The most recent annual report filed by the Association with the Colorado Secretary of State.
- 3.10 A list of current assessments by type of Unit or Lot, and financial records sufficiently detailed to enable the Association to provide an Owner with a written statement listing the amount of unpaid assessments currently levied against that Owner's Unit or Lot.
- 3.11 The Association's most recent reserve study, if any.
- 3.12 Current written contracts to which the Association is a party, and contracts for work performed for the Association within the preceding two years.
- 3.13 Records of Board or Committee action to approve or deny any Owner request for design or architectural approval.
- 3.14 Ballots, proxies and other records relating to voting by Owners for a period of one year after the election, action or vote.
- 3.15 Board resolutions relating to the characteristics, qualifications, rights, limitations, and obligations of Owners.
- 3.16 All written communications within the past three years from the Association to all Owners generally as Owners.
- 3.17 Results of the most recent available financial audit or review, if any.
- 3.18 A list of all Association insurance policies, including insurance company names, policy limits, policy deductibles, additional named insureds and expiration dates.

#### **4. Inspection and Copying of Records.**

4.1 Availability of Records. Except for the records described in Section 5 below, the records required to be maintained by the Association shall be made available for inspection and copying by either an Owner or that Owner's authorized agent (such as an attorney or other representative of the Owner).

4.2 Written Request. Any Owner wishing to inspect and copy Association records shall submit a written request in substantially the form of the attached Request for Inspection and Copying of Association Records ("Request") to the Association through its managing agent, if applicable, or if the Association has no acting managing agent, then through the Association's secretary. The Request shall describe with reasonable particularity the records sought.

4.3 Time for Inspection and Copying. The Request must be received by the Association at least ten days prior to inspection or copying of the records. Any inspection and copying of records shall be conducted during normal business hours.

4.4 Cost. Any Owner requesting copies of Association records shall pay the Association, in advance, for the Association's labor and material costs related to producing and copying the records. If requested by an Owner, the Association may provide copies of records to the Owner via email, if available.

4.5 No Obligation to Compile or Synthesize. The Association is not obligated to compile or synthesize information.

4.6 No Use for Commercial Purposes. Association records and the information contained within those records shall not be used for commercial purposes.

#### **5. Exclusions.**

5.1 List of Owners. Notwithstanding anything in this Policy to the contrary, a list of Owners, or any part of such list, may not be obtained or used for any purpose unrelated to an Owner's interest as an Owner without the consent of the Board. More specifically, a list of Owners, or any part of such list, may not be (a) used to solicit money or property unless such money or property will be used solely to solicit the votes of the Owners in an election to be held by the Association, (b) used for any commercial purpose, or (c) sold to or purchased by any person or entity.

5.2 Other Excluded Records. The following records are not subject to inspection and copying:

5.2.1 Architectural drawings, plans, and designs, unless the owner of those drawings, plans or designs authorizes their release in writing.

5.2.2 Contracts, leases, bids or records related to the purchase or provision of goods or services currently under negotiation.

- 5.2.3 Communications with the Association's attorney that are protected by the attorney-client privilege or attorney work product doctrine.
- 5.2.4 Records (other than publicly filed pleadings) relating to pending, potential or threatened litigation, mediation or arbitration.
- 5.2.5 Records the disclosure of which would be in violation of the law.
- 5.2.6 Records of any executive session of the Board.
- 5.2.7 Records requested by an Owner relating to a Lot or Unit owned by someone else.
- 5.2.8 Personnel, salary or medical records relating to specific individuals.
- 5.2.9 Personal identification and account information of Owners, including bank account information, telephone numbers, email addresses, driver's license numbers and Social Security Numbers
- 5.2.10 Any records that are otherwise confidential under constitutional, statutory or judicial imposed requirements.

**6. Variances.**

The Board may from time to time vary from the requirements set forth in this Policy if the Board determines in its sole discretion that such variance is reasonable under the circumstances.

**7. Amendment.**

This Policy may be amended from time to time by the Board.

**CERTIFICATION**

The undersigned, being the duly elected and acting President or Secretary of the Chestnut Village Condominium Association, Inc., a Colorado nonprofit corporation ("Association") certifies that the foregoing Policy Regarding Inspection and Copying of Association Records was approved by the vote of a majority of the Association's Directors at a meeting of the Association's Board of Directors held on 11/5/2014.

Chestnut Village Condominium Association, Inc., a  
Colorado nonprofit corporation

By: 



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**REQUEST FOR INSPECTION AND COPYING OF ASSOCIATION RECORDS**

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Owner's Name: \_\_\_\_\_ Date: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone #: \_\_\_\_\_

**I HEREBY REQUEST THAT CHESTNUT VILLAGE CONDOMINIUM ASSOCIATION, INC. ("ASSOCIATION") ALLOW INSPECTION AND/OR COPYING OF THE ASSOCIATION RECORDS DESCRIBED BELOW.**

1. Describe with Reasonable Particularity the Records Sought: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Type of Review: (choose one)

I wish to inspect records at the Association's location without having the Association make copies of the records.

I wish to pay the Association's labor and material costs for copies of the records I have requested.

3. Certification and Acknowledgement of Association Records Policy:

I certify that I will not use any Association records and the information contained within those records for any commercial purpose.

I acknowledge and accept the Association's Policy Regarding Inspection and Copying of Association Records ("Policy"), and agree that I have been provided with an opportunity to review that Policy. I acknowledge and agree that the records will be made available to me in accordance with the Policy and I will comply with the Policy. I agree that I will be responsible for paying the Association's labor and material costs for copies of Association records and acknowledge that I must prepay these costs before the copies are provided.

Owner Signature: \_\_\_\_\_

**CHESTNUT VILLAGE CONDOMINIUM ASSOCIATION, INC.  
POLICY FOR HANDLING CONFLICTS OF INTEREST  
OF BOARD MEMBERS**

**Effective: November 10, 2009**

**1. Introduction.**

The Board of Directors (the "Board") of Chestnut Village Condominium Association, Inc., a Colorado non-profit corporation (the "Association"), acting pursuant to the powers set forth in the Association's Bylaws, Articles of Incorporation, the Condominium Declaration for Chestnut Village Condominiums (the "Declaration") (such documents being collectively being referred to as the "Association Documents"), and the Colorado Common Interest Ownership Act ("CCIOA"), has enacted the following Policy effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. This Policy supersedes any previously adopted Policy on the same subject matter.

**2. Policy Purposes.**

The purposes of this Policy are:

2.1 To set forth procedures and rules to identify and handle conflict of interest situations involving Board members

2.2 To provide a framework for appropriate education of existing and new Board members as to (a) their responsibilities in terms of timely disclosing conflict of interest situations and (b) the limits CCIOA places upon the participation of a Board member with a conflict of interest; and

2.3 To provide a mechanism for the Board to take up and reconsider any decision or action which may inadvertently be rendered without appropriate disclosure and handling of a Board member conflict of interest.

**3. Identification and Disclosure of Conflict of Interest Situations.**

3.1. Definition of Conflict of Interest. Unless the Declaration provides a more expansive definition, in which case the Declaration controls, a "conflict of interest" exists pursuant to CCIOA where a contract, decision or other action being considered by the Board would financially benefit:

- a. Any Board member; or,
- b. Any person who is a Board member's parent, grandparent, spouse, child, sibling; or, who is the parent or spouse of one of these persons.

3.2 Declaration and Disclosure of Conflict of Interest. A Board member who has a conflict of interest regarding any contract, decision or other action shall declare and disclose the conflict of interest in an open meeting before the Board conducts any



substantive discussion of the issue. In making such declaration and disclosure, the affected Board member shall:

- a. Identify, by agenda item or otherwise with such particularity as necessary to identify the issue in question, the specific pending contract, decision or other action as to which the conflict of interest arises; and
- b. Describe the person or person(s) among those described above in the definition of "conflict of interest" who would financially benefit from the contract, decision or other action; and
- c. Disclose the nature and magnitude of the financial benefit that would arise out of or as a function of the Board's decision on the contract, decision or other action.

**4. Limits on Participation by Board Member Who has Disclosed a Conflict of Interest.**

4.1 Discussion. Unless the Association Documents provide for stricter limits on participation, in which case such stricter limits control, a Board member who has a conflict of interest may, after identifying and disclosing the conflict, participate in the Board's discussion of the pending contract, decision or other action. However, upon either (a) the voluntary decision of the Board member who has declared a conflict; or (b) the vote of a majority of the then present Board members who do not have a conflict, the Board member with a conflict may be excused from the discussion of the pending contract, decision or other action, in which case such Board member shall not be present or participate in the Board's evaluation of the issue.

4.2 Voting. A Board member who has a conflict of interest shall not vote on any matter related to consideration of the contract, decision or other action implicated by the conflict of interest.

**5. Reconsideration of Decisions Impacted by Improperly Handled Conflict of Interest.**

5.1 Effect of Non-Compliance. Any contract, decision or other action of the Board which is adopted subject to a conflict of interest in violation of the identification, disclosure, and participation limitations set forth above shall be void and unenforceable.

5.2 Reconsideration/Ratification. Where the Board identifies a previous contract, decision or other action which was adopted in violation of the identification, disclosure and participation limits above, the Board shall, at an open meeting, take the matter up for reconsideration. At such meeting:

- a. The Board member with a conflict of interest shall fully identify and disclose the conflict as provided above; and
- b. The Board shall discuss the reason(s) why the identification, disclosure or participation limitations above were overlooked or otherwise improperly handled during previous adoption of the decision; and