

**SPRING LEAF  
OWNERS ASSOCIATION**

**MANUAL OF  
POLICIES AND PROCEDURES**

**August, 2010**

**RESOLUTION OF THE**

**SPRING LEAF OWNERS ASSOCIATION**

SUBJECT: Adoption of Policies and Procedures.

PURPOSE: To outline the procedures for adoption of Policies and Procedures.

AUTHORITY: The Declaration of Covenants, Conditions, and Restrictions of Forest Glen Second Filing – Replat C, A Replat of Forest Glen Second Filing – Lot 45, City of Boulder, County of Boulder, State of Colorado (Declaration) and the Colorado Common Interest Ownership Act (CCIOA).

EFFECTIVE DATE: \_\_\_\_\_

RESOLUTION: The Association hereby adopts the following procedures to be followed in the development and adoption of Policies and Procedures affecting the Owners. Said Policies and Procedures is attached hereto and by this mention is made a part of this Resolution.

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

The Board of Directors may deviate from the procedures set forth in this Resolution if, in its sole discretion, such deviation is reasonable under the circumstances and does not unduly prejudice the rights of the Association or an Owner.

This Policies and Procedures regarding adoption of Policies and Procedures may be amended from time to time by the Board of Directors.

**BOARD OF DIRECTORS CERTIFICATION:**

The undersigned, being the Directors of the Association certify that the foregoing Resolution was adopted by the Board of Directors of Spring Leaf Owners Association at a duly-called and held meeting of the Board of Directors held on \_\_\_\_\_, and in witness thereof, the undersigned have subscribed their names.

SPRING LEAF OWNERS ASSOCIATION

By: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

**SPRING LEAF OWNERS ASSOCIATION  
POLICY REGARDING ADOPTION OF POLICIES, PROCEDURES, AND RULES**

The following are Spring Leaf Owners Association (Association) Policies and Procedures regarding adoption of Policies and Procedures. The Board of Directors shall be responsible for the adoption of Policies and Procedures, and Rules, however delineated, for the responsible governance of the Association. The Association is required by the Colorado Common Interest Ownership Act, (CCIOA) to have in place, Policies and Procedures which address:

1. procedures for adoption and amendment of Policies, Procedures, and Rules;
2. collection of unpaid assessments;
3. conduct of meetings;
4. enforcement of Covenants and Rules;
5. inspection and copying of Association records;
6. investment of reserve funds;
7. procedures for addressing disputes arising between the Association and Owners;
8. disputes arising between the Association and Owners.

In addition, the Board of Directors, in its discretion, may adopt Policies and Procedures regarding other issues as it deems necessary or appropriate to carry out its responsibilities of overseeing the management of the Association.

The Board of Directors may review, amend, or repeal Policies and Procedures of the Association. Prior to the promulgation, amendment, or rescission of Policies and Procedures the Board may request review by legal counsel and is authorized to use Association funds for that purpose.

In the event the Board determines that there is a need for Policies and Procedures to carry out its duties and responsibilities in an effective, efficient, and consistent manner (or to amend or repeal existing Policies and Procedures), it shall formulate said Policies and Procedures in writing and shall adopt said Policies and Procedures by Resolution signed and certified by each said Board member.

Said Resolution shall state its subject, purpose, authority, and effective date. Within ten (10) days of the promulgation, amendment, or repeal of Policies and Procedures, the Secretary of the Association shall give written notice of the Board=s action by delivering a copy to each Owner of both the Resolution and associated Policies and Procedures document. Said notification may be accomplished by hand delivery, placing said documents in the Owner=s mail box, or by U.S. mail, postage prepaid to the last known address of said Owner.

All such Policies and Procedures shall be retained in the records of the Association pursuant to the Association=s Records Retention and Inspection Policies and Procedures.

All said Policies and Procedures, including previous Polices and Procedures that have been amended, or rescinded, shall be kept in the Associations Policies and Procedures Manual.

**RESOLUTION OF THE  
SPRING LEAF OWNERS ASSOCIATION**

SUBJECT: Assessment Collection

PURPOSE: To adopt Policies and Procedures to be followed in the collection of all assessments and other charges imposed by the Spring Leaf Owners Association (Association) upon its Owners.

AUTHORITY: The Declaration of Covenants, Conditions, and Restrictions of Forest Glen Second Filing – Replat C, A Replat of Forest Glen Second Filing – Lot 45, City of Boulder, County of Boulder, State of Colorado (Declaration) and the Colorado Common Interest Ownership Act (CCIOA).

EFFECTIVE DATE: \_\_\_\_\_

RESOLUTION: The Association hereby adopts the following Policies and Procedures to be followed concerning the collection of assessments and fees, fines, and costs. Said Policies and Procedures are attached hereto and by this mention are made a part of this Resolution.

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

The Board of Directors may deviate from the procedures set forth in this Resolution if, in its sole discretion, such deviation is reasonable under the circumstances and does not unduly prejudice the rights of the Association or an Owner.

These Policies and Procedures may be amended from time to time by the Board of Directors.

**BOARD OF DIRECTORS CERTIFICATION:**

The undersigned, being the Directors of the Association certify that the foregoing Resolution was adopted by the Board of Directors of Spring Leaf Owners Association at a duly-called and held meeting of the Board of Directors held on \_\_\_\_\_, and in witness thereof, the undersigned have subscribed their names.

SPRING LEAF OWNERS ASSOCIATION

By: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

**SPRING LEAF OWNERS ASSOCIATION  
POLICIES AND PROCEDURES REGARDING ASSESSMENT COLLECTION**

The following is the Spring Leaf Owners Association (Association) Policies and Procedures regarding collection of annual assessments, special assessments, and other fees and/or charges levied for non-payment. Interested parties are recommended to read applicable provisions in the Declaration and CCIOA for more complete information.

Late Payments - Late Fee:

The term Assessment as used herein, includes annual assessments, special assessments, fees, fines, interest, and any other charges, including collection costs, levied by the Association. All types of assessments shall become delinquent unless paid by the due date as specified in the notice of assessment, described at Article 7 of the Declaration. If any such assessment is not paid within thirty (30) days of the due date, the Owner obligated to pay such assessment shall be required to pay a Late Fee. The Late Fee shall be 10% of the delinquent assessment or fine. Additionally, any assessment not paid within thirty (30) days after the due date, shall bear interest from the due date at the rate of 18% per annum. The Late Fee and interest shall become due and payable and collectible in the same manner as the underlying assessment.

Return Check Charges:

In the event that a check made in payment of an assessment, fee, fine, or interest charge is dishonored by the bank on which it is drawn, whether for insufficient funds or a closed account, the responsible Owner will be charged an NSF fee of \$25.00, or the amount charged to the Association for deposit of said NSF check, whichever is greater. These NSF Fees shall become due and payable and collectible in the same manner as an assessment.

Collection Process:

The initial invoice for all types of assessments shall identify the amount due and due date. If payment is not received by the due date, the Late Fee shall attach to the account and the Owner shall be notified in writing, unless the Board, upon receipt of the delinquent Owner's request for waiver, determines in its sole discretion that said Late Fee should be waived. Otherwise, if payment is not paid within the ensuing thirty (30) days, another Late Fee and interest shall be added to the account. When said assessment is sixty (60) days past due the Owner shall be notified in writing, and advised that unless payment is received within fifteen (15) days from the date of the said Notice, a Notice of Lien will be recorded against the property and the account may be turned over to an attorney for additional legal action. The Owner is responsible for all fees accrued against the account, including any additional legal fees and/or costs that are necessitated to obtain payment in full. Interest on the full amount due, including the assessment, Late Fees and costs shall continue to accrue until payment in full is received.

The Colorado Common Interest Ownership Act creates a statutory lien on behalf of the Association which may be foreclosed upon for non-payment of assessments. All costs and fees associated with the Association's efforts to collect, including but not limited to a civil suit or a foreclosure action, are the responsibility of the owner of record, and shall be added to the account.

Recording of Notice of Lien:

In the event any Notice of Lien is recorded to enforce collection, all costs of preparation, recording, and release shall be paid by the Owner as a cost of collection.

Attorney Fees:

All communication with a delinquent Owner shall be handled through the Association's attorney once a matter has been referred to the attorney. No member of the Board of Directors shall discuss the collection of the account directly with an Owner after it has been turned over to an attorney, unless the attorney is a present or has consented to the contact. All the related costs, such as attorney's fees, court and filing costs, will be added to the delinquent account, even if no legal action is ultimately filed. These fees shall become due and payable and collectible in the same manner as the underlying assessment. Notwithstanding the foregoing, in the event of a civil action filed to enforce or defend against an assessment, attorney's fees and costs shall be awarded to the prevailing party.

Notices:

Notices to a delinquent Owner shall be in writing either by e-mail or by placing said Notice in the Owner's mailbox. At the sole discretion of the Association, it may choose to communicate with the delinquent owner via Certified Mail with Return Receipt as well as regular postal service. The cost to utilize Certified Mail with Return Receipt shall be added to the delinquent account and payable in the same manner as the underlying assessment.

Application of Payments:

When payment is received against a delinquent account, the payment shall be applied as follows: first to attorney's fees and costs, then to Late Fees, then to interest, with the balance paid against the underlying assessment.

Discretion of the Board of Directors:

The Board shall have authority to waive any of the above enforcement remedies based upon individual facts of a given case. No such waiver by the Board shall be construed as or considered a waiver of any other remedies or of the Association's right to assert and use said remedy in the future.

Document Reproduction Fees:

According to the Colorado Common Interest Ownership Act, the seller is required to provide the buyer with copies of certain documents relating to the Association when a Unit is under contract for sale. The Owner/Seller shall be responsible for all such reproduction costs, which amount must be paid to the Association.

**RESOLUTION OF THE  
SPRING LEAF OWNERS ASSOCIATION**

SUBJECT: Conduct of Meetings

PURPOSE: To adopt Policies and Procedures to be followed during Owners meetings and Board of Directors meetings.

AUTHORITY: The Declaration of Covenants, Conditions, and Restrictions of Forest Glen Second Filing – Replat C, A Replat of Forest Glen Second Filing – Lot 45, City of Boulder, County of Boulder, State of Colorado (Declaration) and the Colorado Common Interest Ownership Act (CCIOA).

EFFECTIVE DATE: \_\_\_\_\_

RESOLUTION: The Association hereby adopts the following Policies and Procedures to be followed when holding meetings for the membership and meetings of the Board of Directors. Said Policies and Procedures are attached hereto and by this mention is made a part of this Resolution.

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

The Board of Directors may deviate from the procedures set forth in this Resolution if, in its sole discretion, such deviation is reasonable under the circumstances and does not unduly prejudice the rights of the Association or any Owner.

This Policies and Procedures regarding conduct of meetings may be amended from time to time by the Board of Directors.

**BOARD OF DIRECTORS CERTIFICATION:**

The undersigned, being the President of the Association certify that the foregoing Resolution was adopted by the Board of Directors of Spring Leaf Owners Association at a duly-called and held meeting of the Board of Directors held on \_\_\_\_\_, and in witness thereof, the undersigned have subscribed their names.

SPRING LEAF OWNERS ASSOCIATION

By: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

**SPRING LEAF OWNERS ASSOCIATION  
POLICIES AND PROCEDURES REGARDING CONDUCT OF MEETINGS**

The following is the Spring Leaf Owners Association (Association) Policies and Procedures regarding conduct at meetings of the Owners and of the Board of Directors. Interested parties are recommended to read the applicable provisions in the Declaration, Bylaws, and CCIOA for

additional information.

## MEETINGS OF THE OWNERS/MEMBERS

Owners meetings shall consist of the Annual Meeting and any Special Meeting that may be called as described in the Association=s Bylaws.

### A. Annual Meeting - Agenda

The agenda of each Annual Meeting shall include the election of a Director to fill the expired term of a Board member and to fill any other vacancy on the Board at that time. The term of the Director elected to fill an expired term shall be three (3) years. The term of a Director elected to fill a vacancy occurring for any other reason shall be the remainder of the term of the Director whose vacancy is being filled. To be eligible to serve on the Board of Directors, a nominee must be an Owner within the Association. Votes for the election of Board members shall be anonymous and by secret written ballot. Said votes shall be counted and reported by the Secretary or designee at the Annual Meeting. The person receiving the highest number of votes shall be elected.

The agenda of each Annual Meeting also shall include approval of the budget ratified by the Board, a report by the Treasurer, and any other issues as determined by the Board of Directors, which are known in advance of the meeting. A member who desires to have an issue included on the agenda shall so notify a Board member as far in advance of the Annual Meeting as reasonably possible. Failure to include an item or issue on the agenda shall not preclude discussion of and possible voting on said issue at the meeting.

### B. Special Meetings of the Owners

Special Meetings of the Owners may be called by the President, a majority of the Board of Directors, or Owners having 20% of the votes in the Association. A Special Meeting must be called prior to levy of a Special Assessment, but may be called for any other purpose.

### C. Notice of Meetings of the Owners

Written notice of each Owner=s meeting shall be given by the Board of Directors not less than ten (10) days nor more than fifty (50) days before such meeting, by hand delivery, e-mail, or by mailing a copy of such notice to each Owner entitled to vote at such meeting. Any such mailed notice shall be addressed to the last known address of each Owner appearing on the books of the Association. Such notices shall specify the place, day, and hour of the meeting, and in the case of a Special Meeting, it shall include the purpose of the meeting. The notice shall include an agenda of items to be discussed and/or voted upon, along with any backup materials needed to provide sufficient information to each Owner on each of the agenda items.

### D. Ballots and Proxies

At each Owner=s Meeting at which voting is to take place, each Owner may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary of the Association. Every proxy shall be revocable and shall automatically cease to be effective upon appearance of the member at such meeting. An Owner may appoint any other person to serve as his or her proxy.

## MEETINGS OF THE BOARD OF DIRECTORS

Meetings of the Board of Directors shall be held as determined from time to time by a majority of the Board, but not less than annually. The Board shall consist of three (3) Owners. A total of two (2) Directors in attendance, in person or by proxy, at a duly-called meeting shall constitute a quorum. The meetings shall be chaired by the President, or any other designated Director.

### A. Initial Board Meeting

The first meeting each year of the Board of Directors shall be held as soon as reasonably possible after the Owner=s Annual Meeting, but no more than thirty (30) days later. At the first meeting, the Board shall elect a President, Vice President, Secretary, and Treasurer. The Vice President shall also serve as either the Secretary or the Treasurer. Thereafter, Board meetings shall be held at the sole discretion of the Board.

### B. Notice of Board of Directors Meetings

E-mail or other notice of each meeting of the Board of Directors shall be given by the Board at least forty-eight (48) hours in advance of said meeting. Such notice shall specify the place, day, and hour of the meeting and shall include the general purpose of the meeting. Any Board member who is unable to attend may vote by proxy.

## RULES OF CONDUCT AT MEETINGS

### A. Meetings Open.

All Association meetings are open to Owners or their representatives, including regular Board of Directors meetings. At Board of Directors meetings, the Board shall allow a reasonable number of persons to speak for or against any action item or issue before the Board takes formal action on said issue. The Board may place reasonable time restrictions on an Owner=s time to speak at the meeting, however, the Owners who are not Board members may not vote and may be restricted by the Board from participating in the Board=s formal discussion of the issue.

### B. Voting at Meetings.

All meetings, whether Owner meetings or Board of Director meetings, shall be called to order by the President or any other designated Officer or Director. Each agenda item shall be discussed prior to any voting associated with said agenda item. Voting on any issue at a meeting shall be initiated by a motion made, followed by a second of the motion. Votes may be made by a show of hands unless the Association Policies and Procedures require written ballots or unless the Board determines that an issue should be determined by anonymous, written ballots or if secret ballot is requested by 20% or more of the Owners present or represented by proxy. Member households may cast only one vote per household.

### C. Minutes of Meetings.

The Secretary of the Association shall distribute to all Owners written minutes within fourteen (14) days of each meeting of the Owners and each meeting of the Board of Directors. Said minutes shall include the date and place of each meeting, who was in attendance, a description of each issue discussed (including but not limited to the pertinent motions, seconds, etc.), and the results of all voting or other actions taken. A copy of each said Minutes shall be retained as a

part of the Association=s permanent records along with any other pertinent documents distributed prior to or during said meeting.

**RESOLUTION OF  
SPRING LEAF OWNERS ASSOCIATION**

**SUBJECT:** Conflicts of Interest of Board Members

**PURPOSE:** To adopt a Policies and Procedures to be followed when a conflict of interest arises with regard to a Director.

**AUTHORITY:** The Declaration of Covenants, Conditions, and Restrictions of Forest Glen

Second Filing – Replat C, A Replat of Forest Glen Second Filing – Lot 45, City of Boulder, County of Boulder, State of Colorado (Declaration) and the Colorado Common Interest Ownership Act (CCIOA).

EFFECTIVE DATE: \_\_\_\_\_

RESOLUTION: The Association hereby adopts the following procedures to be followed in the event of a question of Conflict of Interest involving a member of the Board of Directors. Said Policies and Procedures is hereby attached hereto and by this mention is made a part of this Resolution.

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

The Board of Directors may deviate from the procedures set forth in this Resolution if, in its sole discretion, such deviation is reasonable under the circumstances and does not unduly prejudice the rights of the Association and an Owner.

This Policies and Procedures regarding conflict of interest may be amended from time to time by the Board of Directors.

**BOARD OF DIRECTORS CERTIFICATION:**

The undersigned, being the Directors of the Association certify that the foregoing Resolution was adopted by the Board of Directors of Spring Leaf Owners Association at a duly-called and held meeting of the Board of Directors on \_\_\_\_\_, and in witness thereof, the undersigned have subscribed their names.

**SPRING LEAF OWNERS ASSOCIATION**

By: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

**SPRING LEAF OWNERS ASSOCIATION**

**POLICIES AND PROCEDURES REGARDING BOARD MEMBERS= CONFLICTS OF INTEREST**

The following are the Spring Leaf Owners Association Policies and Procedures regarding conflicts of interest of members of the Board of Directors.

Conflict of Interest:

Means a contract, transaction, or other financial relationship between the Association and a Director of the Association or a party related to a Director or an entity in which a Director is a

director or has a financial interest.

For purposes of this section, a party related to a Director shall mean a spouse, a descendent, an ancestor, a sibling, the spouse or descendent of a sibling, an estate or trust in which the director or a party related to a director has a beneficial interest, or an entity in which a party related to a director is a director, officer, or has financial interest.

Pursuant to Colorado law (38-33.3-310.5 and 7-128-501 C.R.S.), no conflicting interest transaction shall be void or voidable, or shall give rise to an award of damages or other sanctions in a proceeding by an Owner or by the Association solely because of a Director's conflict of interest as defined herein or solely because the Director is present at or participates in the meeting in which the Board authorizes or approves the conflicting interest transaction or solely because the Director's vote is counted for such purpose if:

- a) the material facts as to the Director's relationship or interest are disclosed and the Board in good faith authorizes the conflicting interest transaction; or
- b) the conflicting interest transaction is fair to the Association.

Disclosure:

If a Board member is present at a Board of Directors meeting at which a decision or contract is being discussed prior to taking a vote on said decision or contract, and the Board member determines this to present a conflict of interest, said Board member must immediately declare the conflict and refrain from taking part in the vote. Said Board member may remain present at the meeting during said vote. On a case by case basis, the remaining Board members may determine if said conflict of interest will be allowed or disallowed.

Any contract entered into in violation of this disclosure requirement is void and unenforceable. In such event, the Board, at the next meeting of the Board, shall vote again on the contract, decision, or other action taken in violation of this policy.

Appropriate Ethics:

Board-related ethical issues, such as acceptance of gifts, favors, compensation, interaction with contractors, and other such activities by individual Board members shall not be acceptable. Board members are encouraged to exercise good ethics if presented with any such situation.

**RESOLUTION OF THE  
SPRING LEAF OWNERS ASSOCIATION**

- SUBJECT:** Disputes Arising Between the Association and Owners
- PURPOSE:** To adopt Policies and Procedures addressing the amicable resolution of disputes, without the emotional and financial costs of litigation.
- AUTHORITY:** The Declaration of Covenants, Conditions, and Restrictions of Forest Glen Second Filing – Replat C, A Replat of Forest Glen Second Filing – Lot 45, City of Boulder, County of Boulder, State of Colorado (Declaration) and

the Colorado Common Interest Ownership Act (CCIOA).

EFFECTIVE DATE: \_\_\_\_\_

RESOLUTION: The Association hereby adopts the following Policies and Procedures to be followed when a dispute arises between an Owner and the Association.

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

The Board of Directors may deviate from the procedures set forth in this Resolution if, in its sole discretion, such deviation is reasonable under the circumstances does not unduly prejudice the rights of the Association or an Owner.

This Policies and Procedures regarding dispute resolution may be amended from time to time by the Board of Directors.

**BOARD OF DIRECTORS CERTIFICATION:**

The undersigned, being the Directors of the Association certify that the foregoing Resolution was adopted by the Board of Directors of Spring Leaf Owners Association at a duly-called and held meeting of the Board of Directors held on \_\_\_\_\_, and in witness thereof, the undersigned have subscribed their names.

**SPRING LEAF OWNERS ASSOCIATION**

By: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

**SPRING LEAF OWNERS ASSOCIATION  
POLICIES AND PROCEDURES REGARDING DISPUTE RESOLUTION**

The following is the Spring Leaf Owners Association (Association) Policies and Procedures regarding the resolution of disputes between the Association and an Owner or Owners. This Policies and Procedures regarding dispute resolution is promulgated to avoid the emotional and financial costs inherent in litigation and to preserve a congenial relationship between the Association and the individual Owners.

In the event of a dispute between the Association and an Owner, the parties will make every effort to resolve the dispute through discussion and negotiation. If the parties are unable to resolve the dispute through discussion and negotiation, then either the Association or the Owner

who is in dispute with the Association shall submit the dispute to mediation prior to the initiation (court filing) of a civil action. This mediation requirement shall not apply to disputes between the Association and an Owner when the Owner has failed to pay an annual or special assessment levied by the Association as authorized by the Declaration, nor shall it apply to disputes that involve an imminent threat to the peace, health, or safety of the community. Further, a party to the dispute shall not be precluded from initiating a civil action prior to mediation if to do so would preclude their ability to file because of the running of a statute of limitations. However, said dispute shall be submitted to mediation prior to a court trial, whether or not mediation is required by the court.

If the Association and Owner are unable to agree upon a mediator, then each party shall submit the name of a mediator and the two mediators shall choose the mediator who will mediate the dispute. Any such mediator shall be trained in the mediation of neighborhood disputes. The Association will be represented at the mediation by one or more of the members of the Board of Directors, as determined by the Board. Each party may be represented by legal counsel at its (or his or her) own cost. However, it is suggested that the parties attempt mediation without their legal counsel present, if possible. Each party shall sign the written agreement or memorandum of understanding (MOU) upon the successful conclusion of the mediation, however, either party may take any proposed agreement or proposed MOU to its or his or her legal counsel for review prior to signing it. Any Director may sign the agreement or MOU on behalf of the Association.

Each party shall mediate in good faith. Neither party shall be required to attend more than two (2) one-hour mediation sessions prior to filing a civil action or prior to terminating the mediation process. Each party shall be bound by the terms of the agreement or MOU as with any other contract. If a party fails to abide by the agreed upon terms, then any other party may file suit to enforce the agreement and the prevailing party of said suit shall be entitled to recover all its costs and attorney's fees. The signed agreement or MOU shall be maintained by the Association as a permanent record.

In the event the parties are unable to resolve the dispute through mediation, they may agree to submit the dispute to arbitration. The parties may agree to employ the mediator as the arbitrator, or if a party prefers to employ someone different to be the arbitrator or if the mediator is unwilling to serve as the arbitrator, then the parties may employ a different person to be the arbitrator. If the parties agree to arbitration but are unable to agree to an arbitrator, then the mediator shall choose the arbitrator, or if the mediator is unwilling to choose the arbitrator, then each party shall choose an arbitrator and the two arbitrators shall choose the arbitrator. The arbitrator shall determine the process for arbitration. Each party and the arbitrator shall sign an arbitration agreement, which agreement, among other things shall specify the time within which the Arbitration Award must be made. Any Director may sign the agreement to arbitrate on behalf of the Association. At the conclusion of the arbitration, the arbitrator shall enter a written Arbitration Award, which shall include findings of facts and conclusions of law as appropriate. Said Arbitration Award shall be maintained by the Association as a permanent record. Either party may file the Arbitration Award with the appropriate court and request that it be approved as a court order. Either party may request a modification or correction of the Arbitration Award. The parties shall be bound by the Arbitration Award, subject to the filing of an appeal pursuant to Article 22 of Title 13 of the Colorado Revised Statutes.

Unless the parties agree otherwise in writing, each party shall bear its own costs of the mediation and arbitration, including attorney=s fees, and each party shall share equally all charges rendered by the mediator and arbitrator. The Association=s share of the cost shall be a common expense of the Owners, paid from the Association=s funds. Notwithstanding the foregoing, if a party unsuccessfully contests the validity or scope of an Arbitration Award in court, then the other party shall be entitled to recover all its costs and attorney=s fees incurred in defending such contest, including those incurred in trial or on appeal.

**RESOLUTION OF THE  
SPRING LEAF OWNERS ASSOCIATION**

**SUBJECT:** Enforcement of Covenants and Rules

**PURPOSE:** To adopt Policies and Procedures to be followed when a covenant or rules violation is reported, and the procedure to be implemented for non-compliance.

**AUTHORITY:** The Declaration of Covenants, Conditions, and Restrictions of Forest Glen Second Filing – Replat C, A Replat of Forest Glen Second Filing – Lot 45, City of Boulder, County of Boulder, State of Colorado (Declaration) and the Colorado Common Interest Ownership Act (CCIOA).

EFFECTIVE DATE: \_\_\_\_\_

RESOLUTION: The Association hereby adopts the following Policies and Procedures to be followed when a covenant and/or rules enforcement is required. Said Policies and Procedures regarding enforcement of covenants and rules is attached hereto and by this mention is made a part of this Resolution.

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

The Board of Directors may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances and does not unduly prejudice the rights of the Association or an Owner.

This Policies and Procedures regarding enforcement of covenants and rules may be amended from time to time by the Board of Directors.

**BOARD OF DIRECTORS CERTIFICATION:**

The undersigned, being the Directors of the Association certify that the foregoing Resolution was adopted by the Board of Directors of Spring Leaf Owners Association at a duly-called and held meeting of the Board of Directors held on \_\_\_\_\_, and in witness thereof, the undersigned have subscribed their names.

SPRING LEAF OWNERS ASSOCIATION

By: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

**SPRING LEAF OWNERS ASSOCIATION**

**POLICIES AND PROCEDURES ON ENFORCEMENT OF COVENANTS AND RULES**

The following is the Spring Leaf Owners Association (Association) Policies and Procedures regarding enforcement of Covenants and Rules. Interested parties are recommended to read applicable provisions in the Declaration and CCIOA for additional information.

Observing a Violation:

Any Owner who witnesses or observes a violation by another Owner may report the violation to a member of the Association=s Board of Directors.

Reporting a Violation:

When reporting a violation, the complaint shall be in writing and shall include the following in order to be acted upon by the Association:

- Name and/or address of the violating party;
- Date and time (if possible) of the violation;
- Impact of the violation on the complaining party and/or the Association;
- Nature of violation;
- Signature of complaining party, if complaint is in writing

### Investigation

Upon receipt of a complaint, the Board will investigate to verify the information received.

In the event the information provided by the complaint is deemed not to be correct, or if the violation does not exist at the time of the Board's investigation, no action will be taken against the alleged violator and the complainant will be so notified within five (5) business days of the date the complaint was made.

In the event the information provided by the complainant is deemed to be correct, the following procedures shall be followed:

The Owner shall be informed in writing that a complaint has been made, the nature of the alleged violation, and the period of time, as deemed reasonable by the Board, to cure the violation.

If the violation has not been cured within the time required by the Board or if the Owner contests the complaint, then the Board shall initiate the following Association Hearing Procedure.

### Association Hearing Procedure

Written Notice of a Meeting/Hearing shall be given to all Owners, by hand delivery, e-mail, or U.S. mail as stated in the Declaration, not less than ten (10) nor more than fifty (50) days prior to the Meeting/Notice. The Notice shall include the purpose of the Meeting/Hearing, date, time, and place. Attached to the Notice will be copies of all relevant documents regarding the alleged violation/issue. At the Meeting/Hearing the Owner who has been accused of a violation (Alleged Violator) will have an opportunity to state his or her position. Other Owners also will have an opportunity to address the issue. Thereafter, the Board will discuss the issue and make a determination.

The Alleged Violator and each Owner shall be bound by the Board's decision, which shall be provided to the Alleged Violator and each Owner in writing within fourteen (14) days of the Meeting/Hearing. In the event the Board determines that a violation has occurred that must be cured, it shall include in its determination a time period in which said violation must be cured. Said written determination shall state any fines that may be assessed in the event of a failure to comply with the Board's determination. Assessment of a fine shall be in the discretion of the Board. Notwithstanding the foregoing, the Association may take any other action allowed by its governing documents or law to remedy the situation. In the alternative, the Board, in its discretion, may determine that a) no violation has occurred; b) no action will be taken against the Alleged Violator (and the reasons for said determination); or c) a variance should be given as described in the Declaration.

In connection with any legal action in which an Owner is alleged to have violated a provision of the Declaration, Bylaws, Articles of Incorporation, or Policies and Procedures of the Association, and if the Court finds that the Owner prevailed because the Owner did not commit the alleged violation, the Association shall not allocate to the Owner=s account any of the Association=s costs or attorney fees incurred in asserting or defending the legal action.

**RESOLUTION OF  
SPRING LEAF OWNERS ASSOCIATION**

**SUBJECT:** Investment of Reserve Fund

**PURPOSE:** To adopt Policies and Procedures for funding and investment of the Reserve Fund.

**AUTHORITY:** The Declaration of Covenants, Conditions, and Restrictions of Forest Glen Second Filing – Replat C, A Replat of Forest Glen Second Filing – Lot 45, City of Boulder, County of Boulder, State of Colorado (Declaration) and the Colorado Common Interest Ownership Act (CCIOA).

**EFFECTIVE DATE:** \_\_\_\_\_

**RESOLUTION:** The Association hereby adopts the following Policies and Procedures to be followed in the funding, maintenance, and investment of the

Association=s Reserve Fund. Said Policies and Procedures are hereby attached hereto and by this mention made a part of this Resolution.

The Reserve Fund shall be accounted for, maintained, and utilized for the purpose of financing capital improvement projects as required by the Declaration and CCIOA.

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

The Board of Directors may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances and does not unduly prejudice the rights of the Association or an Owner.

This Policies and Procedures regarding the Reserve Fund may be amended from time to time by the Board of Directors.

**BOARD OF DIRECTORS CERTIFICATION:**

The undersigned, being the Directors of the Association certify that the foregoing Resolution was adopted by the Board of Directors of Spring Leaf Owners Association at a duly-called and held meeting of the Board of Directors on \_\_\_\_\_, and in witness thereof, the undersigned have subscribed their names.

SPRING LEAF OWNERS ASSOCIATION

By: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

**SPRING LEAF OWNERS ASSOCIATION  
POLICIES AND PROCEDURES REGARDING INVESTMENT OF RESERVE FUND**

The following is Spring Leaf Owners Association (Association) Policies and Procedures regarding its investment policy for the Reserve Fund.

Purpose of Reserve Fund:

The purpose of establishing and maintaining a Reserve Fund is to finance future expenses related to the replacement or repairs of capital improvements, or other common area components not otherwise funded though the annual operating funds.

Reserve Fund Components:

Capital Common Area Components included in the Reserve Fund are:

- 1)

Additional components may be added from time to time as determined in the sole discretion of the Board of Directors.

Investment Principles:

To maintain minimum risk of loss of investment funds, the financial vehicle used to hold the Reserve Fund shall be Certificates of Deposit, Government Bonds, Money Market or other Cash Accounts held in an FDIC financial institution, at a competitive interest rate.

Professional Assistance:

From time to time, the Association may consult with and/or hire a professionally qualified investment counselor to assist in formulating or improving investment strategies.

Reserve Studies:

From time to time, but not less than every three (3) years the Association may hire a CPA or a certified financial planner to review the then-current Reserve Fund and its investments and, based upon the forecast of future expenses provided by the Board, determine whether the current funds and investment strategy are adequate. The Association shall consider any and all recommendations of the specialists, and implement as applicable.

**RESOLUTION OF THE  
SPRING LEAF OWNERS ASSOCIATION**

**SUBJECT:** Records Retention and Inspection

**PURPOSE:** To adopt Policies and Procedures for records retention and homeowner inspection of records.

**AUTHORITY:** The Declaration of Covenants, Conditions, and Restrictions of Forest Glen Second Filing – Replat C, A Replat of Forest Glen Second Filing – Lot 45, City of Boulder, County of Boulder, State of Colorado (Declaration) and the Colorado Common Interest Ownership Act (CCIOA).

**EFFECTIVE DATE:** \_\_\_\_\_

**RESOLUTION:** The Association hereby adopts the following Policies and Procedures to be followed for the retention of records and when an Owner requests to inspect the Association records. Said Policies and Procedures are attached hereto and by this mention are made a part of this Resolution.

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

The Board of Directors may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances and does not unduly prejudice the rights of the Association or an Owner.

This Policies and Procedures on records retention and inspection may be amended from time to time by the Board of Directors.

**BOARD OF DIRECTORS CERTIFICATION:**

The undersigned, being the Directors of the Association, certify that the foregoing Resolution was adopted by the Board of Directors of Spring Leaf Owners Association at a duly-called and held meeting of the Board of Directors on \_\_\_\_\_, and in witness thereof, the undersigned have subscribed their names.

SPRING LEAF OWNERS ASSOCIATION

By: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

**SPRING LEAF OWNERS ASSOCIATION  
POLICIES AND PROCEDURES ON RECORDS RETENTION AND INSPECTION**

The following is the Spring Leaf Owners Association (Association) Policies and Procedures regarding retention of Association records and Owner inspection and copying. Interested parties are recommended to read applicable provisions in the Declaration and CCIOA for additional information.

Record Keeping Requirements:

1. (a) The Association shall keep financial records sufficiently detailed to enable the Association to comply with the requirement stated in Article VI of the Declaration to furnish, upon request, a statement of unpaid assessments, to an Owner or holder of a security interest or their designees.
- (b) The Association shall keep as permanent records minutes of all meetings of Owners and the Board, a record of all actions taken by the Owners or Board by written ballot or written consent in lieu of a meeting, a record of all actions taken by a committee of the Board in place of the Board on behalf of the Association, and a record of all waivers of notices of meeting of Owners and of the Board or any committee of the Board.
- (c) The Association shall maintain a record of Owners in a form that permits preparation of a list of the names and addresses of all Owners, showing the number of votes each Owner

is entitled to vote.

- (d) The Association shall maintain its records in written form.
2.
    - (a) All financial and other records shall be made reasonably available for examination and copying by any Owner and such Owner=s authorized agents.
    - (b) (I) Notwithstanding paragraph (a) of this subsection (2), a membership list or any part thereof may not be obtained or used by any person for any purpose unrelated to an Owner=s interest as an Owner without consent of the Board.  
(II) Without limiting the generality of subparagraph (I) of this paragraph (b), without the consent of the Board, a membership list or any part thereof may not be:
      - (A) Used to solicit money or property unless such money or property will be used solely to solicit the votes of 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.
  3. The Association may charge a fee, which may be collected in advance but which shall not exceed the Association=s actual cost per page, for copies of Association records.
  4. As used in this section, Areasonably available@ means available during normal business hours, upon notice of five business days, or at the next regularly scheduled meeting if such meeting occurs within thirty days after the request, to the extent that:
    - (a) The request is made in good faith and for a proper purpose;
    - (b) The request describes with reasonable particularity the records sought and the purpose of the request; and
    - (c)The records are relevant to the purpose of the request.
  5. In addition to the records specified in subsection (1), the Association shall keep a copy of each of the following records at its principal office:
    - (a) Articles of Incorporation,
    - (b) Declaration (and any amendments thereto);
    - (c) Bylaws (and any amendments thereto);
    - (d) Policies and Procedures Manual;
    - (e) Resolutions adopted by the Board relating to the characteristics, qualifications, rights, limitations, and obligations of Owners;
    - (f) The minutes of all Owners= meetings, and records of all action taken by the Owners without a meeting, for the past three years;
    - (g)All written communications within the past three years to the Owners generally as Owners;
    - (h)A list of the names and business or home addresses of its current Directors and officers;
    - (i) Most recent annual report, if any; and
    - (j) All financial audits or reviews conducted during the immediately preceding three years.
  6. This section shall not be construed to affect:
    - (a) The right of an Owner to inspect records:
      - (I) under corporation statutes governing the inspection of lists of members prior to an

- annual meeting; or  
(II) if the Owner is in litigation with the Association, to the same extent as any other litigant; or  
(b) The power of a court, independently of this article, to compel the production of Association records for examination on proof by an Owner of proper purpose.

7. This section shall not be construed to invalidate any provision of the Declaration, Bylaws, the corporate law under which the Association is organized, or other documents that more broadly define records of the Association that are subject to inspection and copying by Owners, or that grants Owners freer access to such records; except that the privacy protection contained in paragraph (b) of subsection (2) shall supersede any such provision.

Procedure to Inspect Records:

The following Policies and Procedures shall be followed, based on the requirements noted above, in order for an Owner to inspect records:

Send written request to the Association=s Secretary describing:

- 1) the specific records requested;
- 2) the purpose of the inspection;
- 3) whether or not the Owner wishes to just inspect, or also needs to copy records and;
- 4) an acknowledgment that the Owner understands that the records cannot be used for an improper purpose.

The Association Secretary will contact the Owner requesting access to arrange a specific date and time when the Owner can come to the Secretary=s office to inspect the records requested. Said appointment shall be within five (5) days of receipt of the written request or at such other agreed upon time. In the event the Owner requests copies, arrangements for said copying shall be made between the Owner and the Secretary.