

**RESOLUTION
OF THE
TALLYN'S REACH MASTER ASSOCIATION, INC.
ADOPTING POLICIES AND PROCEDURES
REGARDING BOARD MEMBER CONFLICTS OF INTEREST**

- SUBJECT:** Adoption of a policy and procedure regarding Director conflicts of interest and a code of ethics.
- PURPOSE:** To adopt a policy and procedure to be followed when a Director has a conflict of interest to ensure proper disclosure of the conflict and voting procedures and to adopt a code of ethics for Directors.
- AUTHORITY:** The Declaration, Articles of Incorporation and Bylaws of the Association and Colorado law.
- EFFECTIVE DATE:** 8/15/13
- RESOLUTION:** The Association hereby adopts the following policy and procedure regarding Director conflicts of interest and code of ethics:
1. Review of Policy. The Board shall review this Policy and the procedures contained herein periodically to determine whether any revisions or amendments to this Policy are necessary or warranted.
 2. General Duty. The Board of Directors shall use its best efforts at all times to make decisions that are consistent with high principles, and to protect and enhance the value of properties of the members and Association. All Directors shall exercise their power and duties in good faith and in the best interest of, and with utmost loyalty to the Association. All Directors shall comply with all lawful provisions of the Declaration and the Association's Articles, Bylaws, and Rules and Regulations.
 3. Definition.
 - (a) "Conflicting interest transaction" means a contract, transaction, or other financial relationship between the Association and a Director, or between the Association and a party related to a Director, or between the Association and an entity in which a Director of the Association is a director or officer or has a financial interest.

(b) "Director" means a member of the Association's Board of Directors.

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

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

5. Disclosure of Conflict. Any conflicting interest transaction on the part of any Director or party related to a Director shall be verbally disclosed to the other Directors in open session at the first open meeting of the Board of Directors at which the interested Director is present prior to any discussion or vote on the matter. After disclosure, the Director may participate in the discussion but shall not vote on the matter. The minutes of the meeting shall reflect the disclosure made, the abstention from voting, the composition of the quorum and record who voted for and against.

6. Enforceability of Conflicting Interest Transaction. No conflicting interest transaction shall be voidable by an Owner or on behalf of the Association if:

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

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

(c) The conflicting interest transaction is fair to the Association.

7. Code of Ethics. In addition to the above, each Director and the Board as a whole shall adhere to the following Code of Ethics:

(a) No Director shall use his/her position for private gain, including for the purpose of enhancement of his/her financial status through the use of certain contractors or suppliers.

(b) No contributions will be made to any political parties or political candidates by the Association.

(c) No Director shall solicit or accept, directly or indirectly, any gifts, gratuity, favor, entertainment, loan or any other thing of monetary value from a person who is seeking to obtain contractual or other business or financial relations with the Association.

(d) No Director shall accept a gift or favor made with the intent of influencing a decision or action on any official matter.

(e) No Director shall receive any compensation from the Association for acting as a volunteer.

(f) No Director shall willingly misrepresent facts to the members of the community for the sole purpose of advancing a personal cause or influencing the community to place pressure on the Board to advance a personal cause.

(g) No Director shall interfere with a contractor engaged by the Association while a contract is in progress. All communications with Association contractors shall go through the Board President or be in accordance with policy.

(h) No Director shall harass, threaten, or attempt through any means to control or instill fear in any member, Director or agent of the Association.

(i) No promise of anything not approved by the Board as a whole can be made by any Director to any subcontractor, supplier, or contractor during negotiations.

(j) Any Director convicted of a felony shall voluntarily resign from his/her position.

(k) No Director shall knowingly misrepresent any facts to anyone involved in anything with the community which would benefit himself/herself in any way.

(l) Language and decorum at Board meetings will be kept professional. Personal attacks against owners, residents,

managers, service providers and Directors are prohibited and are not consistent with the best interest of the community.

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

9. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the community.

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

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

**PRESIDENT'S
CERTIFICATION:**

The undersigned, being the President of the Association, a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on 8/15/13 and in witness thereof, the undersigned has subscribed his/her name.

TALLYN'S REACH MASTER ASSOCIATION, INC.,
a Colorado nonprofit corporation,

By: _____

President

**FORECLOSURE RESOLUTION OF THE
TALLYN'S REACH MASTER ASSOCIATION, INC.**

WHEREAS, the Owner of _____, within Tallyn's Reach Master Association, Inc. ("Association") is currently delinquent in payment of assessments in the amount of \$ _____, which amount includes, late fees, penalties, interest and attorney fees; and

WHEREAS, the Association, on _____ did notify such owner of the delinquent assessments and did offer the Owner a payment plan of at least 6 months for the repayment of the delinquent assessments; and

WHEREAS, The Owner did, on _____ default in the terms and conditions of the payment plan, or conversely, failed to enter into a payment plan with the Association; and

WHEREAS, The current delinquent amount is equal to or exceeds six months of common expenses assessments allocated to the Owner's Unit pursuant to the Association's annual budget; and

NOW, BE IT RESOLVED, by a vote of _____ (FOR) and _____ (AGAINST) the Board of Directors, pursuant to the Association's collection policy and in accordance with the Colorado Common Interest Ownership Act, does hereby approve the commencement of a foreclosure action on _____

_____, to be commenced as soon as possible.

IN WITNESS, the undersigned certifies that this Resolution was adopted by the Board of Directors of the Association on _____.

TALLYN'S REACH MASTER ASSOCIATION, INC.

By: _____
Its: President

**RESOLUTION OF THE
TALLYN'S REACH MASTER ASSOCIATION, INC.
REGARDING POLICY AND PROCEDURES FOR COLLECTION OF UNPAID
ASSESSMENTS**

SUBJECT: Adoption of a policy and procedure regarding the collection of unpaid assessments.

PURPOSE: To provide notice of the Association's adoption of a uniform and systematic procedure to collect assessments and other charges of the Association.

AUTHORITY: The Declaration, Articles of Incorporation and Bylaws of the Association and Colorado law.

EFFECTIVE DATE: 11/17/2016

RESOLUTION: The Association hereby adopts the following policy:

It is in the best interest of the Association to refer delinquent accounts promptly to an attorney for collection so as to minimize the Association's loss of assessment revenue. The Board of Directors has retained an attorney with experience in representing homeowner associations in collections and other matters. The Association hereby gives notice of its adoption of the following policies and procedures for the collection of assessments and other charges of the Association:

1. Due Dates. The annual assessment shall be due on January 1st of each year. The Association may modify the annual assessment due date or may implement monthly installments of the same. Assessments or other charges not paid in full to the Association within 10 days of the due date are delinquent and shall incur late fees and interest as provided below.

2. Receipt Date. The Association shall post payments on the day that the payment is received in the Association's office.

3. Late Charges on Delinquent Installments. The Association shall impose on a monthly basis a \$25.00 late charge for each Owner who fails to timely pay his/her monthly installment of the annual assessment within 10 days of the due date. This late charge shall be a "common expense" for each delinquent Owner. The Association shall impose interest from the date due at the rate of 18% per annum on the amount owed for each Owner who fails to timely pay their monthly installment of the annual assessment within 10 days of the due date.

4. Personal Obligation for Late Charges. The late charge shall be the personal obligation of the Owner(s) of the unit for which such assessment or installment is unpaid. All late charges shall be due and payable immediately, without notice, in the manner provided by the Declaration (and as set forth herein) for payment of assessments.

5. Return Check Charges. In addition to any and all charges imposed under the Declaration, Articles of Incorporation and Bylaws, the Rules and Regulations of the Association or this Resolution, a return check fee, not to exceed \$20.00, shall be assessed against an Owner in the event any check or other instrument attributable to or payable for the benefit of such Owner is not honored by the bank or is returned by the bank for any reason whatsoever, including but not limited to insufficient funds. This returned check charge shall be a "common expense" for each Owner who tenders payment by check or other instrument which is not honored by the bank upon which it is drawn. Such return check charge shall be due and payable immediately, upon demand. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law. Returned check charges shall be the obligation of the Owner(s) of the unit for which payment was tendered to the Association. Returned check charges shall become effective on any instrument tendered to the Association for payment of sums due under the Declaration, Articles, Bylaws, Rules and Regulations or this Resolution after the date adopted as shown above. If two or more of an Owner's checks are returned unpaid by the bank within any (fiscal) year, the Association may require that all of the Owner's future payments, for a period of one (1) year, be made by certified check or money order. This return check charge shall be in addition to any late fees or interest incurred by an Owner. Any returned check shall cause an account to be past due if full payment of the monthly installment of the annual assessment is not timely made within 10 days of the due date. If two or more of a unit Owner's checks are returned unpaid by the bank within any (fiscal) year, the Association may require that all of the unit Owner's future payments, for a period of one year, be made by certified check or money order.

6. Service Fees. In the event the Association incurs any type of service fee, regardless of what it is called, for the handling and processing of delinquent accounts on a per account basis, such fees will be the responsibility of the Owner as such fee would not be incurred but for the delinquency of the Owner.

7. Payment Plan. Any Owner who becomes delinquent in payment of assessments after January 1, 2014, and has not previously been referred to the Association's attorney or collection agency for collection action, may enter into a payment plan with the Association, which plan shall be for a term of up to 6 months or such other term as may be approved by the Board of Directors. Such payment plan shall be offered to each owner prior to the Association referring any account to an attorney or collection agency for collection action. In the event the Owner defaults or otherwise does not comply with the terms and conditions of the payment plan, including the payment of ongoing assessments of the association, the Association may, without additional notice, refer the delinquent account to an attorney or collection agency for collection action or may take such other action as it deems appropriate in relation to the delinquency.

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

9. Application of Payments. All sums collected on a delinquent account shall be remitted to the Association's attorney until the account is brought current. All payments received on account of any Owner or the Owner's property (hereinafter collectively "Owner"), shall be applied in the following manner: first to the payment of any and all legal fees and costs (including attorney

fees), then to expenses of enforcement and collection, late charges, returned check charges, lien fees, and other costs owing or incurred with respect to such Owner pursuant to the Declaration, Articles, Bylaws, Rules and Regulations, or this Resolution, prior to application of the payment to any special or regular assessments due or to become due with respect to such Owner.

10. Collection Process.

(a) After an installment of an annual assessment or other charges due to the Association becomes more than 30 days delinquent, the Association shall send a delinquency notice ("Delinquency Notice") of non-payment, amount past due, notice that interest and late fees have accrued and request for immediate payment. The Association's notice, at a minimum shall including the following:

(i) The total amount due to the Association along with an accounting of how the total amount was determined.

(ii) Whether the Owner may enter into a payment plan and instructions for contacting the Association to arrange for and enter into a plan.

(iii) A name and contact information for an individual the owner may contact to request a copy of the Owner's ledger in order to verify the amount of the debt.

(iv) A statement indicating that action is required to cure the delinquency and that failure to do so within 30 days may result in the Owner's delinquency account being turned over to an attorney, a collection agency, the filing of a lawsuit against the Owner, appointment of a receiver, the filing and foreclosure of a lien against the Owner's property, or other remedies available under Colorado Law including revoking the owners right to vote if permitted in the Bylaws or Declaration.

(b) If a past-due amount remains unpaid 60 days after the due date, the Association may turn the account over to an attorney.

(c) Upon receiving the delinquent account, the Association's attorney shall send a letter to the delinquent Owner demanding immediate payment for past due assessments or other charges due. Upon further review, the Association's attorney may file a lawsuit. If a judgment or decree is obtained, including without limitation a foreclosure action, such judgment or decree shall include reasonable attorney's fees together with the cost of the action and any applicable interest and late fees.

(d) In addition to the steps outlined above, the Association may elect to suspend the voting rights of any Owner whose account is past due at the time of such voting.

11. Collection Procedures/Time Frames. The following time frames shall be followed for use in the collection of assessments and other charges.

Due date for annual assessment:	January 1 of each year (or such other date as the Board resolves)
--	---

Date of mailing of delinquency notice:	Thirty days after the due date of any assessment or charge
Date turned over to attorney:	60 days after the due date of any assessment or charge, or any time thereafter

The attorney is to consult with the Association as necessary to determine if payment has been arranged or what collection procedures are appropriate.

12. Certificate of Status of Assessment. Upon written request, first class postage prepaid, return receipt, the Association's managing agent shall furnish to an Owner or such Owner's designee a written statement setting forth the amount of unpaid assessments currently levied against such Owner's property. Such statement of unpaid assessments shall be provided by the Association's managing agent for a \$200.00 fee. If the account has been turned over to the Association's attorney, such request may be handled through the attorney.

13. Bankruptcies and Foreclosures. Upon receipt of any notice of a bankruptcy filing by an Owner, or upon receipt of a notice of a foreclosure by any holder of an encumbrance against any unit within the Association, the Manager shall notify the Association's attorney of the same and turn the account over to the Association's attorney, if appropriate.

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

15. Referral of Delinquent Accounts to Attorneys. Upon referral to the Association's attorney, the attorney shall take all appropriate action to collect the accounts referred. After an account has been referred to an attorney, the account shall remain with the attorney until the account is settled, has a zero balance or is written off. The attorney, in consultation with the Association, is authorized to take whatever action is necessary and determined to be in the best interests of the Association, including, but not limited to:

- a. Filing of a suit against the delinquent Owner for a money judgment;
- b. Instituting a judicial foreclosure action of the Association's lien, upon approval by the Association's Board of Directors;
- c. Filing necessary claims, documents, and motions in bankruptcy court in order to protect the Association's interests; and
- d. Filing a court action seeking appointment of a receiver.

All payment plans involving accounts referred to an attorney for collection shall be set up and monitored through the attorney.

16. Appointment of a Receiver. The Association may seek the appointment of a receiver if an Owner becomes delinquent in the payment of assessments pursuant to the Declaration and Colorado law. A receiver is a disinterested person, appointed by the court, who manages the

rental of the property, collects the rent and disburses the rents according to the court's order. The purpose of a receivership for the Association is to obtain payment of current assessments, reduce past due assessments and prevent the waste and deterioration of the property.

17. Rental Interception. To the extent permitted by the Declaration, the Association may, without court order, notify the tenant of any unit where the Owner is delinquent in the payment of assessments, pursuant to the Declaration and Colorado law, that rents shall be paid to the Association effective immediately and continue until such time as the Owner's account is current. Such notice shall be in writing to the tenant and the Owner. All funds received by the Association from the tenant shall be credited to the Owner's account as set forth herein.

18. Judicial Foreclosure. The Association may choose to foreclose on its lien in lieu of or in addition to suing an Owner for a money judgment. The purpose of foreclosing is to obtain payment of all assessments owing in situations where either a money judgment lawsuit has been or is likely to be unsuccessful or other circumstances favor such action. The Association shall consider individually each recommendation for a foreclosure and may only approve a foreclosure action after the delinquency equals or exceeds six months of common expenses assessments based on a periodic budget adopted by the Association. Such foreclosure shall be approved by a resolution in form and substance as is attached hereto.

19. Waivers. The Association is hereby authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the Association shall determine appropriate under the circumstances.

20. Communication with Owners. All communication with a delinquent Owner shall be handled through the Association's attorney once a matter has been referred to the attorney. Neither the Manager nor any member of the Board of Directors shall discuss the collection of the account directly with an Owner after it has been turned over to the Association's attorney unless the attorney is present or has consented to the contact.

21. Communication by Owners. Owners may communicate with the Association in any manner they choose including email, text, fax, phone, or in writing, when available. However, in doing so, the Owner acknowledges that the Association and/or its agents may communicate via the same method unless otherwise advised.

22. Defenses. Failure of the Association to comply with any provision in this Policy shall not be deemed a defense to payment of assessment fees or other charges, late charges, return check charges, attorney fees and/or costs as described and imposed by this Policy.

23. Credit Report. In the event an Owner becomes delinquent in the payment of assessments pursuant to the Declaration and Colorado law, the Owner acknowledges and agrees that the Association may cause a credit report to be pulled via an agent, in order to facilitate the collection of unpaid assessments.

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

25. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Project.

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

27. Amendment. This Policy may be amended from time to time by the Board of Directors.

IN WITNESS, the undersigned certifies that, this Resolution was adopted by the Board of Directors of the Association on 11/17/2016

**TALLYN'S REACH MASTER ASSOCIATION,
INC.**

a Colorado nonprofit corporation,

By: Robert Lund
It's President

**RESOLUTION
OF THE
TALLYN'S REACH MASTER ASSOCIATION, INC.
ADOPTING PROCEDURES FOR THE CONDUCT OF MEETINGS**

SUBJECT: Adoption of a policy and procedures for conducting Owner and Board meetings.

PURPOSE: To facilitate the efficient operation of Owner and Board meetings and to afford Owners an opportunity to provide input and comments on decisions affecting the community.

AUTHORITY: The Declaration, Articles of Incorporation and Bylaws of the Association and Colorado law.

**EFFECTIVE
DATE:**

8/15/13

RESOLUTION: The Association hereby adopts the following procedures regarding the conduct of meetings:

1. Owner Meetings. Meetings of the Owners of the Association shall be called pursuant to the Bylaws of the Association.

(a) **Notice.**

(1) In addition to any notice required in the Bylaws, notice of any meeting of the Owners shall be conspicuously posted on the clubhouse bulletin board at least 7 days prior to each such meeting, or as may otherwise be required by Colorado law.

(2) The Association shall also post notice on its website of all Owner meetings. Such notice shall be posted as soon as possible after notice is provided pursuant to the Bylaws but in no case less than 24 hours prior to any such meeting.

(3) If any Owner has requested that the Association provide notice via email and has provided the Association with an email address, the Association shall send notice of all Owner meetings to such Owner at the email address provided as soon as possible after notice is provided pursuant to the Bylaws but in no case less than 24 hours prior to any such meeting.

(b) **Conduct.**

(1) All Owner meetings shall be governed by the following rules of conduct and order:

- (A) The President of the Association or designee shall chair all Owner meetings.
- (B) All Owners and persons who attend a meeting of the Owners will sign in, present any proxies and receive ballots as appropriate. (See section below regarding voting).
- (C) Any person desiring to speak shall sign up on the list provided at check in and indicate if he/she is for or against an agenda item.
- (D) Anyone wishing to speak must first be recognized by the Chair.
- (E) Only one person may speak at a time.
- (F) Each person who speaks shall first state his or her name and Unit address.
- (G) Any person who is represented at the meeting by another person, as indicated by a written instrument, will be permitted to have such person speak for him/her.
- (H) Those addressing the meeting shall be permitted to speak without interruption from anyone as long as these rules are followed.
- (I) Comments are to be offered in a civilized manner and without profanity, personal attacks or shouting. Comments are to be relevant to the purpose of the meeting.
- (J) Each person shall be given up to a maximum of three minutes to make a statement or to ask questions. The Board may decide whether or not to answer questions during the meeting. Each person may only speak once. Yielding of time by a speaker to another individual shall not be permitted. Such time limit may be increased or decreased by the Chair, but shall be uniform for all persons addressing the meeting.
- (K) All actions and/or decisions will require a first and second motion.
- (L) Once a vote has been taken, there will be no further discussion regarding that topic.
- (M) So as to allow for and encourage full discussion by Owners, no meeting may be audio, video or otherwise recorded. Minutes of actions taken shall be kept by the association.
- (N) Anyone disrupting the meeting, as determined by the Chair, shall be asked to "come to order." Anyone who does not come to order will be requested to immediately leave the meeting.

- (O) The Chair may establish such additional rules of order as may be necessary from time to time.

(c) **Voting.** All votes taken at Owner meetings shall be taken as follows:

(1) Contested elections of Board members, defined as elections in which there are more candidates than positions to be filled, shall be conducted by secret ballot. Each Owner entitled to vote pursuant to the Bylaws shall receive a ballot. The ballot shall contain no identifying information concerning the ballot holder. In the event an Owner holds a proxy for another Owner, upon presentation of such proxy to the Secretary of the Association or the Secretary's designee, the Owner shall receive a secret ballot to cast the vote of the Owner who provided the proxy. The proxy shall be kept and retained by the Association.

(2) Uncontested elections of Board members, defined as elections in which the number of candidates is equal to or less than the positions to be filled, and all other votes taken at a meeting of the Owners shall be taken in such method as determined by the Board of Directors including acclamation, by hand, by voice or by ballot. Notwithstanding the above, uncontested elections of Board members or other votes on matters affecting the community shall be by secret ballot at the discretion of the Board or upon the request of 20% of the Owners who are present at the meeting or represented by proxy.

(3) Written ballots shall be counted by a neutral third party, excluding the Association's managing agent or legal counsel, or a committee of volunteers who are not Board members, and in the case of a contested election, are not candidates. The committee shall be selected or appointed at an open meeting, in a fair manner, by the Chair of the Board or another person presiding during that portion of the meeting.

(4) The individual(s) counting the ballots shall report the results of the vote to the Chair by indicating how many votes were cast for each individual or how many votes were cast in favor and against any issue.

(d) **Proxies.** Proxies may be given by any Owner as allowed by C.R.S. 7-127-203.

(1) All proxies shall be reviewed by the Association's Secretary or designee as to the following:

- (A) Validity of the signature
- (B) Signatory's authority to sign for the unit Owner
- (C) Authority of the unit Owner to vote
- (D) Conflicting proxies

(E) Expiration of the proxy

2. Board Meetings. Meetings of the Board of Directors of the Association shall be called pursuant to the Bylaws of the Association.

(a) **Conduct.**

(1) All Board meetings shall be governed by the following rules of conduct and order:

- (A) The President of the Association, or designee, shall chair all Board meetings.
- (B) All persons who attend a meeting of the Board shall be required to sign in, listing their name and unit address.
- (C) All Owners will be given an opportunity to speak as to any matter or ask questions of the Board during the Owner forum at the beginning of the meeting. Any Owner wishing to speak during the Owner forum shall so indicate at the time of sign in.
- (D) Anyone desiring to speak shall first be recognized by the Chair.
- (E) Only one person may speak at a time.
- (F) Each person speaking shall first state his or her name and Unit address.
- (G) Any person who is represented by another person as indicated by a written instrument at the meeting shall be permitted to have such person speak for them.
- (H) Those addressing the Board shall be permitted to speak without interruption from anyone as long as these rules are followed.
- (I) Comments are to be offered in a civilized manner and without profanity, personal attacks or shouting. Comments are to be relevant to the purpose of the meeting or issue at hand.
- (J) Each person shall be given up to a maximum of three minutes to speak or to ask questions, although questions may not be answered until a later date. Each person may only speak once during the Owner forum and once on any other issue prior to a vote by the Board on such issue. Yielding of time by a speaker to another individual shall not be permitted. Such time limit may be increased or decreased by the Chair but shall be uniform for all persons addressing the meeting.
- (K) No meeting of the Board may be audio, video or otherwise recorded except by the Board to aid in the preparation of

minutes. Minutes of actions taken shall be kept by the Association.

- (L) Anyone disrupting the meeting, as determined by the Chair, shall be asked to "come to order." Anyone who does not come to order shall be requested to immediately leave the meeting.

(b) **Owner Input.** After a motion and second has been made on any matter to be discussed, at a time determined by the Board, but prior to a vote by the Directors, Owners, or their designated representatives, present at such time shall be afforded an opportunity to speak on the motion as follows:

(1) The Chair will ask those Owners present to indicate by a show of hands who wishes to speak in favor or against the motion. The Chair will then determine a reasonable number of persons who will be permitted to speak in favor of and against the motion and for how long each person will be permitted to speak. The Chair shall also announce the procedure for who shall be permitted to speak if not everyone desiring to speak will be permitted to speak.

(2) Following Owner input, the Chair will declare Owner input closed and there shall be no further Owner participation on the motion at hand unless a majority of the Board of Directors votes to open the discussion to further Owner participation.

(c) **Board Action Without a Meeting.**

The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all of the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

(d) **Executive Sessions.** The members of the Board may hold a closed door, executive session and may restrict attendance to Board members and such other persons requested by the Board during a regular or specially announced meeting for discussion of the following:

- (1) Matters pertaining to employees of the Association or the manager's contract or involving the employment, discipline, or dismissal of an officer, agent, or employee of the Association;
- (2) Consultation with legal counsel concerning disputes that are the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client;
- (3) Investigative proceedings concerning possible or actual criminal misconduct;

- (4) Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy;
- (5) Review of or discussion relating to any written or oral communication from legal counsel; and
- (6) Matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosure.

Prior to holding a closed door session, the President of the Board, or other person designated to preside over the meeting, shall announce the general matter of discussion as stated above.

No rule or regulation shall be adopted during a closed session. A rule or regulation may be validly adopted only during a regular or special meeting or after the Board goes back into regular session following a closed session.

The minutes of all meetings at which an executive session was held shall indicate that an executive session was held and the general subject matter of the executive session. Minutes of executive sessions may be kept but are not subject to disclosure pursuant to the Association's policy regarding inspection of records.

3. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
4. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Project.
5. Deviations. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.
6. Amendment. This Policy may be amended at any time by the Board of Directors.

[Intentionally Left Blank]

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of the Association, a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on 8/15/13 and in witness thereof, the undersigned has subscribed his/her name.

**TALLYN'S REACH MASTER
ASSOCIATION, INC.,**
a Colorado nonprofit corporation,

By: _____

President

Document Retention and Destruction Policy

SUBJECT: Document Retention and Destruction

PURPOSE: To adopt a Document Retention and Destruction Policy

**EFFECTIVE
DATE:**

8/15/13

RESOLUTION:

The following resolution has been adopted by the Association pursuant to Colorado law, the Master Declaration and the Bylaws of the Association at a regular meeting of the Board of Directors.

SECTION 1 **Introduction**

1.1 Scope

This Document Retention and Destruction Policy applies to the Tallyn's Reach Master Association, Inc. (hereinafter the "Association"), the Association Manager, and the Association's Board of Directors.

The documents maintained by the Association's legal counsel are not subject to this Document Retention and Destruction Policy.

1.2 Purpose

This Document Retention and Destruction Policy is created to establish guidelines for identifying, retaining, storing, protecting and disposing of the Association's Documents (the "Documents"). This Document Retention and Destruction Policy is necessary to ensure that the Association conducts itself in a cost-effective manner while also adhering to legal and business requirements.

1.3 Policy

- A. It is the Association's policy to maintain complete and accurate Documents. Documents are to be retained for the period of their immediate use unless longer retention is required for historical reference, contractual or legal requirements, or for other purposes as set forth in this Document Retention and Destruction Policy.
- B. Documents that are no longer required or have satisfied their recommended period of retention are to be destroyed in an appropriate manner.

- C. The Association Manager is responsible for ensuring that Documents within his or her area of assigned responsibility are identified, retained, stored, protected and subsequently disposed of, in accordance with the guidelines set forth in this Document Retention and Destruction Policy.

1.4 **Compliance**

This Document Retention and Destruction Policy is not intended to be all inclusive, and accordingly must be tailored to meet the specific needs of the Association. The retention periods set forth herein are guidelines based on the current retention periods set forth in federal, state, and local statutes and regulations (none of which explicitly address the Association), and industry custom and practice.

1.5 **Board Members**

The Association does not require Board Members to maintain any Documents. Board Members in their discretion may dispose of Documents generated by the Association because the Association has maintained such Documents in the Official Files. However, if Board Members receive Documents relating to the Association, which were not generated by the Association, or not received through the Association, Board Members shall send the originals of such Documents to the Association Manager to be maintained in the Official Files. Documents created by Board members for their own use as a member of the Board of Directors, including but not limited to notes, drafts, emails, summaries, etc. are not Documents of the Association and should be destroyed by the Board Member once an Association Document is produced or within six months of creation, whichever is sooner, unless otherwise provided herein. E-mail discussions among Board members shall be copied to and saved by the Association's manager pursuant to this policy. No Board Member shall disclose or provide any Document to any owner outside of the Board of Directors. Directors shall direct Owners to make a formal request to the Association pursuant to its inspection of records policy.

1.6 **Annual Purge of Files**

The Association Manager shall conduct an annual purge of files. The annual purge of files shall be completed within the first quarter of each calendar year.

1.7 **Destruction Procedure**

All Documents to be purged or destroyed pursuant to this Document Retention and Destruction Policy shall be shredded, or permanently deleted electronically, if stored in an electronic format.

1.8 **Certification**

Following the annual purge of files, the Association Manager shall complete a Certification Letter directed to the Association's Board of Directors stating that all Documents under his or her control conform to the retention guidelines. Each Board

Member shall complete a Certification Letter annually stating that all documents created by him/her have been destroyed pursuant to Paragraph 1.5.

1.9 Miscellaneous

There may be an immediate destruction of copies of any Document, regardless of age, provided that an original is maintained in the Official Files of the Association.

1.10 Onset of Litigation

At such time as the Board or the Association has been served with a lawsuit, or if it is reasonably foreseeable that litigation may be imminent, all Documents potentially relevant to the dispute must be preserved notwithstanding anything in this policy to the contrary.

Therefore, at the direction of legal counsel the Association Manager will advise the Board Members, and any other person who may maintain Association Documents, of the facts relating to litigation. Thereafter, all Documents potentially relevant to the dispute shall be deemed "held" until such litigation is concluded and all appeal periods have expired. At the conclusion of the litigation the "hold" period will cease and the time periods provided in the Document Retention and Destruction Guidelines will recommence.

SECTION 2

Definitions

2.1 Current

Current means the calendar year in which the Document was created, obtained or received.

2.2 Document

Document means any documentary material that is generated or received by the Association in connection with transacting its business, is related to the Association's legal obligations, and is retained for any period of time. The term "Document" includes, among others, writings, drawings, graphs, charts, photographs, tape, disc, audio recordings, microforms, and other electronic documents from which information can be obtained or translated such as electronic mail, voice mail, floppy disks, hard discs and CD ROM. The Documents, as defined in this policy, may encompass more records than those which are available for inspection by Owners pursuant to the Association's Inspection of Records Policy. Not all Documents may be records of the Association as that term is defined in the Inspection of Records Policy and Colorado law, and therefore may not be subject to inspection by Owners.

2.3 Association Manager

Association Manager means the Manager of the Association, currently 4 Seasons

Management Group.

2.4 **Official Files**

"Official Files" means the files maintained by the Association Manager of the Association.

Legal documents and documents subject to the attorney-client privilege and the work product privilege maintained by the Association's legal counsel are not part of the "Official Files" of the Association.

2.5 **Permanent**

Permanent means that the retention period for that Document is permanent.

2.6 **Termination**

"Life + 4 years" means four years beyond the termination of the relationship, contract or coverage.

SECTION 3

Document Retention and Destruction Guidelines

The Association's Documents are grouped into five functional categories as set forth below. Although every conceivable Document is not listed, the following list should indicate to which subcategory a particular Document relates.

1. <u>Accounting Records</u>	<u>Retention Period</u>
Accounts Payable	7 years
Account Receivable	7 years
Audit Reports	Permanent
Chart of Accounts	Permanent
Depreciation Schedules	Permanent
Expense Records	7 years
Financial Statements (Annual)	Permanent
Fixed Asset Purchases	Permanent
General Ledger	Permanent

Inventory Records	7 years
Loan Payment Schedule	7 years
Federal and State Tax Returns	Permanent

2. **Bank/Financial Records**

Retention Period

Bank Reconciliation	2 years
Bank Statements	7 years
Deposit Tickets	6 years
Cancelled Checks	7 years
Cash Receipts and Cash Disbursement Journals	7 years
Owner Ledgers	While owner owns a home in the community + 7 years
Electronic Payment Records	7 years
Audit Reports	Permanent
Personal Property Tax Returns	Permanent
Budgets	1 year
Reserve Study	Retain current plan at all times

3. **Corporate Records**

Retention Period

Board Minutes	Permanent
Committee Minutes	Permanent
Member Meeting Minutes	Permanent
Bylaws, Articles and CC& R's	Permanent
Rules and Regulations	Permanent
Policies and Guidelines	Permanent

Record of actions of the Board of Directors or Members without a Meeting (for example, records of decisions made by the Board via e-mail)	Permanent
E-mail communications among Board members directly related to and resulting in a decision made by the Board outside of a meeting.	1 year
General e-mail discussions among the Board which do not result in any decision being made outside of a meeting	6 months
Record of Waivers of Notices of Meetings of Members, Board of Directors or Committees	Permanent
Board Resolutions	Permanent
Business Licenses	Permanent
Contracts	Life +7 years or warranty period if longer
Correspondence from Legal Counsel	Permanent
Insurance Policies	Life + 4 years
Leases/Mortgages	Permanent
Patents/Trademarks	Permanent
Bids, Proposals	Permanent
Homeowner Records	Permanent
Vendor Invoices	7 years
Written Correspondence between Association and Vendors	7 years
Photographs	7 years
Periodic Reports Filed with the Secretary of State	1 year

	Videotapes and Audiotapes of Board Meetings	Until minutes approved
	Proxies and Ballots (generally) (unless otherwise provided herein)	One year after the election, action, or vote to which they relate
	Proxies and Ballots for Document Amendments	Permanently
	Deeds, Easements and Other Real Property Records	Permanently
4.	<u>Employee Records, if any</u>	<u>Retention Period</u>
	Benefits Plans	Permanent
	Personnel Files	7 years
	Employment Applications	3 years
	Employment Taxes	7 years
	Payroll Records	7 years
	Pension/Profit Sharing Plans	Permanent
5.	<u>Real Estate Records</u>	<u>Retention Period</u>
	Construction Records	Permanent
	Warranties	Permanent
	Leasehold Improvements	Permanent
	Lease Payment Records	Life + 4 years
	Real Estate Purchases	Permanent
6.	<u>Owner Communications</u>	<u>Retention Period</u>
	Written Communications to all Owners generally (including meeting or other notices sent via e-mail, facsimile and regular mail)	6 years

7. **Individual Member Files**

Correspondence to Members
individually (not including enforcement
letters)

As long as Member owns
+4 years

Enforcement Letters (including
covenant violation letters and
violation letters and delinquency
letters)

As long as Member owns
+4 years

Owner Complaints (written)

As long as Member owns
+4 years

Architectural requests and any
responses from the Association
regarding Requests

Permanently

Any Correspondence between
Association and Members not
otherwise listed

As long as member owns
+4 years

8. **Miscellaneous**

Miscellaneous Documents
(not otherwise listed herein)

At Board's discretion

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of the Association, a
Colorado nonprofit corporation, certifies that the foregoing
Resolution was approved and adopted by the Board of Directors of
the Association, at a duly called and held meeting of the Board of
Directors of the Association on

8/15/13 and in witness thereof,
the undersigned has subscribed his name.

**TALLYN'S REACH MASTER
ASSOCIATION, INC.,**
a Colorado non-profit corporation,

By: 

President

**RESOLUTION
OF THE
TALLYN'S REACH MASTER ASSOCIATION, INC.
REGARDING INVESTMENT OF RESERVE POLICY**

SUBJECT: Adoption of an Investment Policy for reserves of the Association.

PURPOSES: To adopt a policy for the investment of reserve funds.

AUTHORITY: The Declaration, Articles of Incorporation and Bylaws of the Association and Colorado law.

**EFFECTIVE
DATE:**

8/15/13

RESOLUTION: The Association hereby adopts a Policy as follows:

1. Scope. In order to properly maintain areas in the Community that are the responsibility of the Association, to comply with state statutes, to manage reserve funds, and to protect the market value of Owners' homes and livability in the Community, the Board of Directors determines that it is necessary to have policies and procedures for the investment of reserve funds.
2. Purpose of the Reserve Fund. The purpose of the Reserve Fund shall be to responsibly fund and finance the projected repair and replacement of those portions of the Community that the Association is responsible for and for such other funding as the Board of Directors may determine. The portions of the Community that the Association is responsible for typically have limited but reasonably predictable useful lives.
3. Investment of Reserves. The Board of Directors of the Association shall invest funds held in the Reserve Funds accounts to generate revenue that will accrue to the Reserve Funds accounts balance pursuant to the following goals, criteria and policies:
 - (a) Safety of Principal. Promote and ensure the preservation of the Reserve Fund's principal.
 - (b) Liquidity and Accessibility. Structure maturities to ensure availability of assets for projected or unexpected expenditures.
 - (c) Minimal Costs. Investments costs (redemption fees, commissions, and other transactional costs) should be minimized.
 - (d) Diversify. Mitigate the effects of interest rate volatility upon reserve assets.
 - (e) Return. Funds should be invested to seek the highest level of return.

4. Limitation on Investments. Unless otherwise approved by the Board, all investments will be FDIC (Federal Deposit Insurance Corporation) insured and/or guaranteed by the United States Government.
5. Investment Strategy. The investment strategy of the Association should emphasize a long-term outlook by diversifying the maturity dates of fixed-income instruments within the portfolio utilizing a ladder investment approach.
6. Independent Professional Investment Assistance. The Board of Directors of the Association may hire a qualified investment counselor to assist in formulating a specific investment strategy.
7. Review and Control. The Board shall review Reserve Fund investments periodically to ensure that the funds are receiving competitive yields and shall make prudent adjustments as needed.
8. Standard of Care. The officers and members of the Board of Directors shall make investment decisions in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the Director or officer reasonably believes to be in the best interests of the Association in accordance with the Colorado Revised Nonprofit Corporation Act.
9. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
10. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the community.
11. Deviations. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.
12. Amendment. This policy may be amended from time to time by the Board of Directors.

[Intentionally Left Blank]

PRESIDENT'S

CERTIFICATION:

The undersigned, being the President of the Association, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on 8/15/13 and in witness thereof, the undersigned has subscribed his/her name.

TALLYN'S REACH MASTER ASSOCIATION, INC.,
a Colorado nonprofit corporation,

By:



President

**RESOLUTION
OF THE
TALYN'S REACH MASTER ASSOCIATION, INC.
REGARDING POLICY AND PROCEDURE FOR INSPECTION AND COPYING OF
ASSOCIATION RECORDS**

- SUBJECT:** Adoption of a procedure for the inspection and copying of Association records by Owners and retention of Association permanent records.
- PURPOSE:** To adopt a policy regarding an Owner's right to inspect and copy Association records. To adopt a standard procedure to be followed when an Owner chooses to inspect or copy Association records.
- AUTHORITY:** The Declaration, Articles of Incorporation and Bylaws of the Association and Colorado law.
- EFFECTIVE DATE:** 8/15/13
- RESOLUTION:** The Association hereby adopts the following Policy and Procedures:
1. Records for Inspection. The following are the records of the Association which shall be deemed to be the sole records of the Association for purposes of inspection by Owners:
 - (a) Records of receipts and expenditures affecting the operation and administration of the Association;
 - (b) Records of claims for construction defects and amounts received pursuant to settlement of any such claims;
 - (c) Minutes of all meetings of Owners;
 - (d) Minutes of all meetings of Board members (except records of executive sessions of the Board);
 - (e) Records of actions taken by the Owners without a meeting;
 - (f) Records of actions taken by the Board without a meeting, including written communications and e-

mails among Board members that are directly related to the action so taken;

- (g) Records of actions taken by any committee of the Board without a meeting;
- (h) A list of the names of the Owners in a form that permits preparation of a list of the names and mailing addresses of all Owners, as well as the number of votes of each Owner is entitled to vote;
- (i) The Association's governing documents which are comprised of:
 - (1) The declaration;
 - (2) The bylaws;
 - (3) The articles of incorporation;
 - (4) Any rules and regulations and/or design guidelines; and
 - (5) Any policies adopted by the Board, including the Association's responsible governance policies.
- (j) Financial statements for the last three years, which at a minimum shall include the balance sheet, the income/expense statement, and the amount held in reserves for the prior fiscal year;
- (k) Tax returns for the last seven years, to the extent available;
- (l) The operating budget for the current fiscal year;
- (m) A list, by unit type, of the Association's current assessments, including both regular and special assessments;
- (n) The result of the Association's most recent available financial audit or review, if any;
- (o) A list of the Association's insurance policies, which shall include the company names, policy limits, policy deductibles, additional named insured, and expiration dates of the policies listed;

- (p) A list of the names, e-mail addresses and mailing addresses of the current Board members and officers;
- (q) The most recent annual report delivered to the Secretary of State;
- (r) A ledger of each Owner's assessment account;
- (s) The most recent reserve study, if any;
- (t) Current written contracts and contracts for work performed for the Association within the prior two years;
- (u) Records of Board or committee actions to approve or deny any requests for design or architectural approval from Owners;
- (v) Ballots, proxies and other records related to voting by Owners for one year after the election, vote or action to which they relate;
- (w) Resolutions adopted by the Board;
- (x) All written communications sent to all Owners generally within the past three years; and
- (y) A record showing the date on which the Association's fiscal year begins.

2 Exclusions. The Association *may* withhold from inspection and copying certain records as provided by Colorado law, and which shall not be deemed to be records of the Association, which shall include, but are not limited to:

- (a) Architectural drawings, plans and designs, unless released upon the written consent of the owner of such drawings, plans or designs; and
- (b) Contracts, leases, bids or records related to transactions currently under negotiation.
- (c) Communications with legal counsel that are otherwise protected by the attorney-client privilege or the attorney work product doctrine;

- (d) Records of executive sessions of the Board; and
- (e) Individual unit files other than those of the requesting Owners.

The Association **shall** withhold from inspection and copying the following records as provided by Colorado law:

- (a) Personnel, salary or medical records relating to Individuals;
- (b) Personal identification and account information of Owners, including bank account information, telephone numbers, e-mail addresses, driver's license numbers, and social security numbers;

3. Inspection/Copying Association Records. An Owner or his/her authorized agent is entitled to inspect and copy any of the books and records of the Association, as listed above, subject to the exclusions set forth above, upon submission of a written request to the Association describing with reasonable particularity the records sought. The Association shall provide access to the requested records by:

- (a) Making the requested records available for inspection and copying by the Owner within 10 days of the Association's receipt of such written request, which inspection shall be during the regular business hours of 9:00 a.m. to 4:00 p.m. at office of the Association's managing agent; or
- (b) Making the requested records available for inspection and copying by the Owner during the next regularly scheduled Board meeting occurring within 30 days of the Owner's request; or
- (c) E-mailing the requested records to the Owner within 10 days of the Association's receipt of such written request, if so requested by the Owner.

4. Use of Records. Association records and the information contained within the records shall not be used for commercial purposes. Furthermore, while Owners are not required to state a purpose for any request to inspect the

records of the Association, the membership list may not be used for any of the following without the consent of the Board:

- (a) To solicit money or property unless such money or property will be used solely to solicit the votes of the Owners in an election held by the Association;
 - (b) For any commercial purpose; or
 - (c) Sold to or purchased by any person.
5. Fees/Costs. Any Owner requesting copies of Association records shall be responsible for all actual costs incurred by the Association to copy such records for the Owner. The Association may require a deposit equal to the anticipated actual cost of the requested records. Failure to pay such deposit shall be valid grounds for denying an Owner copies of such records. If after payment of the deposit it is determined that the actual cost was more than the deposit, Owner shall pay such amount prior to delivery of the copies. If after payment of the deposit it is determined that the actual cost was less than the deposit, the difference shall be returned to the Owner with the copies.
 6. Inspection. The Association reserves the right to have a third party present to observe during any inspection of record by an Owner or the Owner's representative.
 7. Original. No Owner shall remove any original book or record of the Association from the place of inspection nor shall any Owner alter, destroy or mark in any manner, any original book or record of the Association.
 8. Creation of Records. Nothing contained in this Policy shall be construed to require the Association to create records that do not exist or compile or synthesize information.
 9. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
 10. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and

provisions of the Declaration and the law of the State of Colorado governing the Community.

11. Deviations. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.
12. Amendment. This policy may be amended from time to time by the Board of Directors.

**PRESIDENT'S
CERTIFICATION:**

The undersigned, being the President of the Association, a Colorado nonprofit corporation, certifies that the foregoing Resolution was approved and adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors of the Association on 8/15/13 and in witness thereof, the undersigned has subscribed his/her name.

**TALLYN'S REACH MASTER
ASSOCIATION, INC.,**
a Colorado non-profit corporation,

By: _____

President

**RESOLUTION
OF THE
TALLYN'S REACH MASTER ASSOCIATION, INC.
REGARDING POLICIES AND PROCEDURES FOR COVENANT AND RULE
ENFORCEMENT**

SUBJECT: Adoption of a policy regarding the enforcement of covenants and rules and procedures for the notice of alleged violations, conduct of hearings and imposition of fines.

PURPOSE: To adopt a uniform procedure to be followed when enforcing covenants and rules to facilitate the efficient operation of the Association.

AUTHORITY: The Declaration, Articles of Incorporation and Bylaws of the Association, and Colorado law.

**EFFECTIVE
DATE:**

8/15/13

RESOLUTION: The Association hereby adopts the following procedures to be followed when enforcing the covenants and rules of the Association:

1. Reporting Violations. Complaints regarding alleged violations may be reported by an Owner or resident within the community, a group of Owners or residents, the Association's management company, if any, Board member(s) or committee member(s) by submission of a written complaint.

2. Complaints.

(a) Complaints by Owners or residents shall be in writing and submitted to the Board of Directors. The complaining Owner or resident shall have observed the alleged violation and shall identify the complainant ("Complainant"), the alleged violator ("Violator"), if known, and set forth a statement describing the alleged violation, referencing the specific provisions which are alleged to have been violated, when the violation was observed and any other pertinent information. Non-written complaints or written complaints failing to include any information required by this provision may not be investigated or prosecuted at the discretion of the Association.

(b) Complaints by a member of the Board of Directors, a committee member, or the manager, if any, may be made in writing

or by any other means deemed appropriate by the Board if such violation was observed by the Director or Manager.

3. Investigation. Upon receipt of a complaint by the Association, if additional information is needed, the complaint may be returned to the Complainant or may be investigated further by a Board designated individual or committee. The Board shall have sole discretion in appointing an individual or committee to investigate the matter.

4. Initial Warning Letter. If a violation is found to exist, an initial warning letter shall be sent to the Violator explaining the nature of the violation. The Violator will have 10 days from the date of the letter to come into compliance. The foregoing procedure will not be used, however, and no initial warning letter shall be necessary in the event the violation is determined by the Board to be a Repetitious Violation as defined in paragraph 12 of this policy. In such event, the procedure outlined in paragraph 12 shall be followed.

5. Continued Violation After Initial Warning Letter. If the alleged Violator does not come into compliance within 10 days of the initial warning letter, this will be considered a second violation for which a fine may be imposed following notice and opportunity for a hearing. A second and subsequent letter(s) shall then be sent to the alleged Violator, providing notice and an opportunity for a hearing, and explaining if a violation is found to exist, a fine may be imposed pursuant to this Policy. The letter(s) shall further state that the alleged Violator is entitled to a hearing on the merits of the matter provided that such hearing is requested in writing within 10 days of the date on the violation letter. The foregoing procedure will not be used, however, in the event the violation is determined by the Board to be a Repetitious Violation as defined in paragraph 12 of this policy. In such event, the procedure outlined in paragraph 12 shall be followed.

6. Notice of Hearing. If a hearing is requested by the alleged Violator, the Board, committee or other person conducting such hearing as may be determined in the sole discretion of the Board, may serve a written notice of the hearing to all parties involved at least 10 days prior to the hearing date.

7. Impartial Decision Maker. Pursuant to Colorado law, the alleged Violator has the right to be heard before an "Impartial Decision Maker". An Impartial Decision Maker is defined under Colorado law as "a person or group of persons who have the

authority to make a decision regarding the enforcement of the association's covenants, conditions, and restrictions, including architectural requirements, and other rules and regulations of the association and do not have any direct personal or financial interest in the outcome. A decision maker shall not be deemed to have a direct personal or financial interest in the outcome if the decision maker will not, as a result of the outcome, receive any greater benefit or detriment than will the general membership of the association." Unless otherwise disqualified pursuant to the definition of Impartial Decision Maker, the Board may appoint to act as the Impartial Decision Maker the entire Board, specified members of the Board, any other individual or group of individuals.

8. Hearing. At the beginning of each hearing, the presiding officer, shall introduce the case by describing the alleged violation and the procedure to be followed during the hearing. Each party or designated representative, may, but is not required to, make an opening statement, present evidence and testimony, present witnesses, and make a closing statement. The presiding officer may also impose such other rules of conduct as may be appropriate under the given circumstances. Neither the Complainant nor the alleged Violator are required to be in attendance at the hearing. The Impartial Decision Maker shall base its decision solely on the matters set forth in the Complaint, results of the investigation and such other credible evidence as may be presented at the hearing. Unless otherwise determined by the Board, all hearings shall be open to attendance by all Owners. After all testimony and other evidence has been presented at a hearing, the Impartial Decision Maker shall, within a reasonable time, not to exceed 10 days, render its written findings and decision, and impose a fine, if applicable. Failure to strictly follow the hearing procedures set forth above shall not constitute grounds for appeal of the hearing committee's decision absent a showing of denial of due process.

9. Failure to Timely Request Hearing. If the alleged Violator fails to request a hearing within 10 days of any letter, or fails to appear at any hearing, the Impartial Decision Maker may make a decision with respect to the alleged violation based on the Complaint, results of the investigation, and any other available information without the necessity of holding a formal hearing. If a violation is found to exist, the alleged Violator may be assessed a fine pursuant to these policies and procedures.

10. Notification of Decision. The decision of the Impartial Decision Maker shall be in writing and provided to the Violator and

Complainant within 10 days of the hearing, or if no hearing is requested, within 10 days of the final decision.

11. Fine Schedule. The following fine schedule has been adopted for all recurring covenant violations:

First violation	Warning letter
Second violation (of same covenant or rule)	\$50.00
Third and subsequent violations (of same covenant or rule)	\$75.00

Following notice and an opportunity for a hearing, the Association may impose landscape violations for up to \$500.00 per landscape violation.

Third and subsequent covenant violations may be turned over to the Association's attorney to take appropriate legal action. Any Owner committing 3 or more violations in a 6 month period (whether such violations are of the same covenant or different covenants) may be immediately turned over to the Association's attorney for appropriate legal action.

12. Repetitious Violations. Repetitious Violations are defined as a series of identical or substantially similar individual violations that occur repeatedly or continuously within a period of time to be determined in the discretion of the Board, with each individual violation separated by a period of no less than 1 day, nor more than 90 days, the result of which is a pattern of violations of the same covenant restriction. In the event of such Repetitious Violation, in the discretion of the Board, each instance of noncompliance may constitute a separate violation, and the Board shall not be required to provide a period of 10 days from each violation for the alleged Violator to come into compliance. A warning letter shall be sent for the first violation in the series. After the warning letter, the Board may cause violation notices to be sent for each violation in the series stating the amount of the fine to be imposed (pursuant to the Fine Schedule in paragraph 11), and giving notice and an opportunity for a hearing. The Board shall individually consider each violation for which a hearing is requested, but is permitted to combine any and all hearings requested for Repetitious Violations on one date.

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

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

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

16. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Project.

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

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

[Intentionally Left Blank]

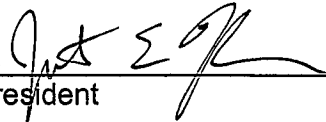
PRESIDENT'S

CERTIFICATION: The undersigned, being the President of the Association, a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on 8/15/13 and in witness thereof, the undersigned has subscribed his/her name.

**TALLYN'S REACH MASTER
ASSOCIATION, INC.,**
a Colorado nonprofit corporation,

By: _____

President



**RESOLUTION
OF THE
TALLYN'S REACH MASTER ASSOCIATION, INC.
REGARDING PROCEDURES FOR ADOPTION OF POLICIES, PROCEDURES,
RULES, REGULATIONS, OR GUIDELINES**

SUBJECT: Adoption of a procedure to be followed when adopting resolutions, policies, procedures, rules, regulations or guidelines (hereinafter "Policy" or "Policies") regarding the operation of the Association.

PURPOSE: To adopt a standard procedure to be used in developing Policies in order to facilitate the efficient operation of the Association.

AUTHORITY: The Declaration, Articles of Incorporation and Bylaws of the Association and Colorado law.

**EFFECTIVE
DATE:** November 17, 2016

RESOLUTION: The Association hereby adopts the following procedures to be followed in adopting Policies of the Association:

1. The Board in its sole discretion shall determine if there is an issue affecting the community for which a policy, procedure or rule would be beneficial. The Board may also review all current Policies to determine whether any modifications or amendments are necessary. The timing of any such review shall be at the Board's sole discretion.
2. The Board will investigate and discuss the reasonable approaches to address the issue affecting the community.
3. Pursuant to C.R.S. § 7-128-401(2)(b), the Board may rely on opinions, information, or statements of its experts, including legal counsel, in investigating reasonable approaches to address the issue(s) affecting the community.
4. The Board will take reasonable steps to avoid adopting a Policy that is contrary to federal, state, or local law or the Association's articles of incorporation, bylaws, or declaration.
5. Once the Board has investigated the issue and discussed the reasonable approaches to address the issue, the Board may, but is not obligated to, provide advance notice to the members of the issue(s) and the proposal(s) to address the issue by adopting or amending a Policy. Barring extraordinary circumstances, the Board shall vote on any proposed Policy (or amendment of same) in an open

Board meeting after allowing owners in attendance an opportunity to comment on the proposed action.

6. Failure of the Association to comply with any provision in this Resolution shall not be deemed a defense to violation of any covenant or Policy including non-payment of assessment fees or other charges, late charges, return check charges, attorney fees, and/or costs as described and imposed by the Association. If a court of competent jurisdiction finds a provision of this Resolution unenforceable, the other provisions shall remain in full force and effect.

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

8. The Board may amend this Resolution from time to time.

PRESIDENT'S

CERTIFICATION:

The undersigned, being the President of Tallyn's Reach Master Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association at a duly called and held meeting of the Board of Directors on 11/17/2016 and in witness thereof, the undersigned has subscribed his/her name.

TALLYN'S REACH MASTER ASSOCIATION, INC.,
a Colorado nonprofit corporation

By: 

President