

**RESPONSIBLE GOVERNANCE POLICIES
OF
RIVERFRONT LODGE OWNERS ASSOCIATION**

The Executive Board (the "Executive Board") of the Riverfront Lodge Owners Association, a Colorado nonprofit corporation (the "Association"), hereby approves and adopts the following Resolutions:

NOW, THEREFORE, IT IS RESOLVED, that the following Responsible Governance Policies (the "Policies") are hereby approved, adopted and ratified as Policies of the Association. These Policies are to supplement the provisions of the Condominium Declaration for Riverfront Lodge (the "Declaration"). Capitalized terms used herein shall have the meanings as defined in the Declaration, unless separately defined in these Policies.

POLICY FOR COLLECTION OF UNPAID ASSESSMENTS AND OTHER CHARGES

1. Due Dates. The annual Assessments as determined by the Association and as allowed for in the Association Documents shall be levied annually and payable in equal quarterly installments, due and payable on the first day of each calendar quarter of the year for which the assessments are made, with such payments to be made in the amount specified in the most recent written notice from the Association. Assessments for common expenses of emergencies, which are not paid from the annual assessments, shall be due and payable no later than thirty (30) days after the Association provides notice of the amount of such emergency assessments. Any other assessment made pursuant to the Association's governing documents shall be due upon the date of the assessment, as specified in the most recent notice from the Association. Any assessments or other charges not paid in full to the Association on or before the due date shall be considered past due and delinquent. Assessments or other charges not paid in full to the Association when due shall incur interest as provided below.

2. Receipt Date. The Association shall post payments on the day that the payment is received by the Association.

3. Interest; Late Fee; Returned Check Charge. If any assessment (a) remains unpaid fifteen (15) days after the due date, then the Executive Board may assess a "late charge" on the installment in an amount of fifteen percent (15%) of the amount outstanding or such other charge as the Executive Board may fix by rule from time to time, and (b) remains unpaid thirty (30) days after the due date, then the Executive Board may also assess default interest equal to 1% of such assessment per month, which default interest shall be imposed on the first day of each calendar month, so long as the assessment remains unpaid. In addition, the Association shall be entitled to impose and shall collect a fee of \$20.00 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. All interest and fees described in this paragraph are collectively referred to in this Policy as "Late Charges". Any Owner delinquent in the payment of Assessments shall be automatically suspended from voting in Association matters during the period of delinquency.

4. Personal Obligation for Late Charges. Any Late Charges 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. Payment Plans. Except as otherwise provided in this Section or provided by an exemption under applicable law, in the event that an Owner owes past due assessments or other delinquent payments, including associated fees, Late Charges, other charges, attorney fees, or fines, the Association shall make a

good faith effort to coordinate with the Owner to set up a payment plan that will govern the Owner's payment of the deficiency. Any such payment plan will permit the Owner to pay off the deficiency in equal installments over a period of at least six months. In the event the Owner fails to comply with the terms of the payment plan, including by failing to timely remit payment of an agreed-upon installment or by failing to remain current with regular assessments as they come due during the six-month period, the Association may pursue legal action against the Owner. An Owner shall have no right to enter into a payment plan with the Association if such Owner does not occupy the unit and has acquired the unit as a result of: (a) a default of a security interest; or (b) foreclosure of the Association's lien. In addition, an Owner shall have no right to enter into a payment plan with the Association, and the Association shall have no obligation to negotiate a payment plan with an Owner, if such Owner has previously entered into a payment plan with the Association for payment of a deficiency.

6. Collection Process. In the event an Owner fails to timely pay assessments, Late Charges, or other charges as provided in the Association Documents, the Owner's delinquent account may ultimately be turned over to a collection agency or an attorney for legal action. But, before the Association turns over any delinquent account to a collection agency or attorney for legal action, the Association will send the Owner a written Notice of Delinquency (form attached as Exhibit A to this Policy below) in accordance with Colorado law. The collection process will proceed as follows:

(a) Prior to commencement of the formal collection process contained in this Section, the Association, by or through its Managing Agent if applicable, may send such reminders, notices, re-billing statements or other communications to an Owner regarding the status of the Owner's account as the Association shall determine.

(b) After an installment of an annual assessment or other charges due to the Association becomes more than thirty (30) days past due, before turning the delinquent account over to a collection agency or referring the delinquent account to an attorney for legal action, the Association, by or through its Managing Agent if applicable, shall send the Owner a written notice of delinquency ("Notice of Delinquency") setting forth the total amount due with an accounting therefor, whether an opportunity to enter into a payment plan exists and instructions therefor, the name and contact information of the individual who can provide a copy of the Owner's ledger for verification of the debt amount, and that action is required to cure the delinquency and failure to do so within thirty (30) days may result in the account being turned over to a collection agency, a lawsuit being filed against the Owner, the filing of a lien statement and foreclosure of a lien against the Owner's Unit, or other remedies under Colorado law.

(c) Thirty (30) days after the mailing of the Notice of Delinquency, if a valid payment plan has not been agreed with the delinquent Owner (or the Owner is not eligible for a payment plan), the Association may turn over the delinquent account to a collections agency and may record a statement of assessment lien in the real property records of the County of Eagle, Colorado. In addition, at such time as the balance of the assessments and Late Charges owing to the Association by an Owner equals or exceeds six months of common expense assessments based on the Association's periodic budget, the Executive Board may, by a vote in accordance with the Bylaws, authorize the filing of a legal action against the Owner or the Owner's Unit. If the Executive Board votes to authorize such action, then the Association may refer the Owner's delinquent account to the Association's attorney for communication with the delinquent Owner and legal action. 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.

7. Attorney Fees and Collections Costs on Delinquent Accounts. As an additional expense permitted under the Declaration and by Colorado law, in the event the Association refers a delinquent account to an attorney for legal action as provided under 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. In addition, if a delinquent account is turned over to a collections agency, the Association shall be entitled to reimbursement for collection costs.

8. Application of Payments. All payments received on account of any Owner, shall be applied to payment of any and all legal fees and costs (including attorney fees), expenses of enforcement and collection, Late Charges, lien fees, and other costs owing or incurred with respect to such Owner pursuant to the Declaration, Articles of Incorporation, Bylaws, Rules and Regulations, or these Policies, prior to application of the payment to any special or regular assessments due or to become due with respect to such Owner.

9. Association's Legal Remedies. In the event an Owner fails to timely pay assessments, Late Charges, or any other charges or fees as provided in the Association Documents, the following legal remedies shall be available to the Association to collect on the Owner's delinquent account: use of collections agency; lawsuit against the Owner; filing of a lien statement and foreclosure of the Association's lien on the Owner's Unit, with such lien to also secure reasonable attorney's fees incurred for collection and enforcement of such lien; acceleration of all remaining assessment installments for the remainder of the fiscal year; Owner's payment of reasonable rent to the Association for the Unit, in the event of any foreclosure of a lien on the Unit; and any and all other remedies available under Colorado law and/or the Association Documents. 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.

10. Certificate of Status of Assessment. The Association shall furnish to an Owner or such Owner's designee, upon written request, a written statement setting forth the amount of unpaid assessments currently levied against such Owner's property for a fee to be determined by the Association from time to time.

11. 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 Managing Agent shall notify the Association's attorney of the same and turn the account over to the Association's attorney, if appropriate.

12. 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 Executive Board shall determine appropriate under the circumstances.

13. Defenses. Except as expressly provided by applicable law, 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.

EXHIBIT A TO COLLECTIONS POLICY

**NOTICE OF DELINQUENCY
RIVERFRONT LODGE OWNERS ASSOCIATION**

Owner Name: _____

Owner Unit Number: _____

Date of Notice of Delinquency: _____

This Notice of Delinquency is being provided to inform you that the Association's records indicate that you have failed to timely pay assessments and/or related charges to the Association and that accordingly, you are deemed to have a delinquent account.

As of the date of this Notice of Delinquency, the total amount due is: _____.

This amount was determined as follows:

Assessments: _____

Interest: _____

Late Charges: _____

Other: _____

Total Amount Due: _____

Payment Plan: (check one)

- You have the opportunity to enter into a payment plan with the Association pursuant to C.R.S. § 38-33.3-316.3. If you are interested in entering into a payment plan on these or other terms, please contact _____ at _____.

- You are not eligible for a payment plan for reasons provided by law. If you have any questions about why you are not eligible for a payment plan please contact _____ at _____.

If you would like to receive a copy of your ledger in order to verify the amount of the debt, please contact _____ at _____.

PLEASE BE AWARE THAT ACTION IS REQUIRED TO CURE THE DELINQUENCY AND FAILURE TO DO SO WITHIN THIRTY (30) DAYS AFTER THE DATE OF THIS NOTICE MAY RESULT IN YOUR DELINQUENT ACCOUNT BEING TURNED OVER TO A COLLECTION AGENCY, A LAWSUIT BEING FILED AGAINST YOU AS OWNER, THE FILING OF A LIEN STATEMENT AND FORECLOSURE OF A LIEN AGAINST THE UNIT, OR OTHER REMEDIES AVAILABLE UNDER COLORADO LAW.

POLICY FOR ENFORCEMENT OF COVENANTS AND RULES

1. Reporting Violations; Executive Board Administration. Complaints regarding alleged violations of the Declaration, Bylaws, Articles of Incorporation, any rules and regulations adopted by the Association, or other governing documents of the Association may be reported by an Owner or occupant within the Project, a group of Owners or occupants, the Association's management company, Board member(s) or committee member(s) by submission of a written complaint. Upon receipt of a complaint, the Executive Board shall administer the procedures of this Policy. Notwithstanding the foregoing or any contrary provision in this Policy, in the event that a class of Directors on the Executive Board wish to enforce remedies relating to a violation exclusively involving that class of ownership, the Limited Common Elements appurtenant to such class, or a rule or regulation adopted by that class, the complaint shall be referred to the applicable class of Directors, who shall act on behalf of the Executive Board, including, without limitation, determining the hearing panel and other decisions related to the violation pursuant to this Policy. In such event, all references in this Policy to the Executive Board shall mean the applicable class of Directors on the Executive Board and this Policy may be supplemented by separate enforcement policies adopted by the applicable class of Director(s), Executive Board committee for the applicable class, and/or the class of Owners.

2. Complaints.

(a) Complaints by Owners or occupants shall be in writing and submitted to the Executive Board through the Association's Managing Agent or directly to an officer of the Association. The complaining Owner or occupant 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 Executive Board.

(b) Complaints by a member of the Executive Board, a committee member, or the Managing Agent, if any, may be made in writing or by any other means deemed appropriate by the Executive Board if such violation was observed by a Director or Managing Agent.

3. Initial Warning Letter. If a violation is found to exist, a warning letter shall be sent to the Violator explaining the nature of the violation. The Violator will have ten (10) days from the date of the letter to come into compliance. With respect to matters that are an immediate nuisance or capable of immediate cure, the Violator may be given such shorter period of time to come into compliance as the Association's Managing Agent may reasonably determine.

4. Continued Violation After Initial Warning Letter. If the alleged Violator does not come into compliance within the period of time stated in the first 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 letter shall then be sent to the alleged Violator, providing notice and an opportunity for a hearing, and explaining that if a violation is found to exist, a fine may be imposed pursuant to this Policy. The letter 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 ten (10) days of the date on the second violation letter. If the alleged Violator does not timely request a hearing, he or she shall be deemed to have waived any and all rights to a hearing with respect to the matter.

5. Continued Violation After Second Letter. If the alleged Violator does not come into compliance within the later of thirty (30) days of the second letter, or, in the event the alleged Violator has requested a hearing after receipt of the second letter, thirty (30) days after that hearing if the merits of the matter are determined against the alleged Violator at the hearing, this will be considered a third violation for which a fine may be imposed. A third letter shall then be sent to the alleged Violator, explaining that a violation has been found to exist, and that a fine is imposed pursuant to this Policy. The alleged Violator shall not be entitled to advance notice of the fine or an opportunity for a hearing because, in connection with delivery of the second letter to the Violator, Violator shall have either not requested a hearing and therefore waived any right thereto, or shall have had a hearing at which the merits of the matter were determined against the alleged Violator.

6. Continued Violation After Third Letter. If the alleged Violator does not come into compliance within thirty (30) days of the third letter, this will be considered a fourth violation for which a fine may be imposed. A fourth letter shall then be sent to the alleged Violator, explaining that a violation has been found to exist, and that a fine is imposed pursuant to this Policy. Again, the alleged Violator shall not be entitled to advance notice of the fine or an opportunity for a hearing because, in connection with delivery of the second letter to the Violator, Violator shall have either not requested a hearing and therefore waived any right thereto, or shall have had a hearing at which the merits of the matter were determined against the alleged Violator.

7. Notice of Hearing. If a hearing is requested by the alleged Violator, the Executive Board, committee or other impartial decision maker, as such term is defined in C.R.S. 38-33.3-209.5(2)(b)(II), conducting such hearing as may be determined in the sole discretion of the Executive Board (the "Hearing Panel"), shall serve a written notice of the hearing to all parties involved at least ten (10) days prior to the hearing date.

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 is required to be in attendance at the hearing. The Hearing Panel 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 Hearing Panel, all hearings shall be open to attendance by all Owners. After all testimony and other evidence has been presented at a hearing, the Hearing Panel shall, within a reasonable time, not to exceed ten (10) days, render its written findings and decision, and impose a fine, if applicable. A decision, either a finding for or against the Owner, shall be by a majority of the Hearing Panel members present at the hearing. Failure to strictly follow the hearing procedures set forth above shall not constitute grounds for appeal of the Hearing Panel'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 ten (10) days of the second violation letter as provided in Section 4 above, or fails to appear at any hearing, the Hearing Panel 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. Notwithstanding the foregoing, if an alleged Violator failed to timely request a hearing as provided in Section 4 above but later requests a hearing within ten (10) days following any written notice of a later fine, the Executive Board shall schedule a hearing on the merits of the matter within a reasonable time.

10. Notification of Decision. The decision of the Hearing Panel shall be in writing and shall be provided to the Violator and Complainant within ten (10) days of the hearing, or if no hearing is requested, within ten (10) days of the final decision.

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

- (a) First violation: Warning letter
- (b) Second violation (of same covenant or rule): \$100.00
- (c) Third violation (of same covenant or rule): \$500.00
- (d) Fourth and subsequent violations (of same covenant or rule): \$1,000.00

Third and subsequent covenant violations may be turned over to the Association's attorney to take appropriate legal action.

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

13. 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. Without limiting the generality of the foregoing, (a) the Executive Board may provide a written notice of violation (with a ten day right of the alleged Violator to request a hearing) pursuant to the procedures above stating the Executive Board's intention to suspend the alleged Violator's right to vote on Association matters, to suspend his or her right to use the General Common Elements and Association facilities, to suspend any services provided by the Association and/or to impose other sanctions authorized in the Declaration or the Act, and (b) the Executive Board may at any time take legal action without the necessity of advance notice of violation if the Executive Board determines that immediate relief is necessary.

POLICY FOR INSPECTION AND COPYING OF ASSOCIATION RECORDS

1. Record Retention. The Association shall retain the following records as required by Colorado law:
 - a. Detailed records of receipts and expenditures affecting the operation and administration of the Association;
 - b. Records of claims for construction defects and amounts received in settlement of those claims;
 - c. Minutes of all meetings of Owners and the Executive Board;
 - d. A record of all actions taken by Owners or the Executive Board without a meeting;
 - e. A record of all actions taken by any committee of the Executive Board;
 - f. Written communications among and the votes cast by members of the Executive Board when such communications and votes are directly related to an action taken by the Executive Board without a meeting pursuant to C.R.S. § 7-128-202 or pursuant to the Association's Bylaws;
 - g. The names of Owners in a form that permits preparation of a list of the names of all Owners and the physical mailing addresses at which the Association communicates with them, showing the number of votes each Owner is entitled to vote;
 - h. The current Declaration, Bylaws, Articles of Incorporation, Rules and Regulations, Responsible Governance Policies, and other policies adopted by the Executive Board;
 - i. Financial statements for the past three years and tax returns of the Association for the past seven years, if available;
 - j. A list of names, e-mail addresses and physical mailing addresses of current members of the Executive Board and officers of the Association;
 - k. The Association's most recent annual report delivered to the Secretary of State, if any;
 - l. Financial records sufficiently detailed to enable the Association to comply with C.R.S. § 38.33.3-316(8) concerning statements of unpaid assessments;
 - m. The Association's most recent reserve study, if any;
 - n. Current written contracts to which the Association is a party and contracts for work performed for the Association within the past two years;
 - o. Records of Board or committee actions to approve or deny any requests for design or architectural approval from Owners;
 - p. Ballots, proxies, and other records related to voting by Owners for one year after the election, action, or vote to which they relate;
 - q. Resolutions adopted by the Association's Board relating to the characteristics, qualifications, rights, limitations, and obligations of members or any class or category of members;
 - r. All written communications within the past three years to all Owners generally as Owners; and
 - s. All written consents provided by Owners and residents to the Association consenting to the disclosure of such Owners' and residents' telephone number, electronic mail address, or both.

2. 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 described in Section 1 above, subject to the exclusions, conditions and requirements set forth below:

a. The inspection and/or copying of the records of the Association shall be at the Owner's expense;

b. The inspection and/or copying of the records of the Association shall be conducted during the regular business hours of 9:00 a.m. to 4:00 p.m. at the offices of the Managing Agent, from time to time;

c. The Owner shall complete, sign and deliver to the Managing Agent an Agreement Regarding Inspection of Association Records (the "Agreement") in the form attached hereto as Exhibit A to Records Policy at least ten (10) days before the date on which the Owner wishes to inspect and/or copy such records. Failure to properly complete or sign the Agreement shall be valid grounds for denying an Owner the right to inspect and/or copy any record of the Association.

3. Restriction on Obtaining and Use of Membership List. The Association's membership list, or any part thereof, shall not be disclosed, released, or otherwise provided to any person or used by any person for any purpose unrelated to an Owner's interest as an Owner without the consent of the Executive Board. Further, the Association's membership list, or any part thereof, shall not be:

a. Used to solicit money or property unless such money or property will be used solely to solicit the votes of 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.

4. Prohibition on Commercial Use. The Association's records and the information contained within those records shall not be used for commercial purposes.

5. Exclusions. The following records shall NOT be available for inspection and/or copying as they are deemed confidential:

a. Attorney-client privileged documents, records and communications, and any other communications with legal counsel that are otherwise protected by the attorney-client privilege or attorney work product doctrine, unless the Executive Board decides to disclose such communications at an open meeting;

b. Any documents that are confidential or otherwise prohibited from disclosure under constitutional, statutory or judicially imposed requirements or by other law;

c. The ballot forms from any secret ballot conducted by the Association, except that the same may, at the sole discretion of the Executive Board, be provided with redaction of information relating to the Owner(s) casting such ballots.

d. Any documents, or information contained in such documents, disclosure of which would constitute an unwarranted invasion of individual privacy, including but not limited to, dates of birth and personal bank account information;

e. Architectural drawings, plans, and designs, unless released upon the written consent of the legal owner of the drawings, plans, or designs;

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

g. Records of an executive session of the Executive Board;

h. Records concerning individual Units other than those of the requesting Owner;

i. Any records concerning personnel, salary, or medical records relating to specific individuals; and

k. Personal identification and account information of Owners and residents, including bank account information, telephone numbers, electronic mail addresses, driver's license numbers, and social security numbers. However, the Association may publish to other Owners and residents an Owner's, resident's or commercial tenant's telephone number, electronic mail address, or both, provided that the Association has received the prior written consent for the disclosure of such information from the subject Owner, resident or commercial tenant. A written consent remains valid until the subject Owner, resident or commercial tenant withdraws it by providing the Association with a written notice of withdrawal of the consent. If a consent is withdrawn, the Association has no obligation to change, retrieve, or destroy any document or record published prior to the notice of withdrawal. The Association will accept written consents and notices of withdrawal of the consent provided by Owners, residents and commercial tenants via electronic mail to the Association, so long as the subject Owner, resident or commercial tenant includes in the electronic mail of consent or withdrawal the following statement, or a substantially similar version thereof: "I hereby agree to provide this consent or withdrawal of consent, as applicable, by electronic means in accordance with the Uniform Electronic Transactions Act, Article 71.3 of Title 24, C.R.S."

6. Fees/Costs. Any Owner requesting copies of Association records shall be responsible for all actual costs incurred by the Association, which have been determined to be \$0.25 per page for copies. The Association may require prepayment of the actual cost of the requested records. Failure to pay such prepayment of costs shall be valid grounds for denying an Owner copies of such records. If after prepayment it is determined that the actual cost was less than the prepayment, the difference shall be returned to the Owner with the copies. There shall be no cost to any Owner accessing records which are required to be disclosed by Colorado law at no cost to Owners.

7. Inspection. The Association reserves the right to have a third-party present to observe during any inspection of records by an Owner or the Owner's representative.

8. 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.

9. 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 records or information in a particular format or order.

EXHIBIT A TO RECORDS POLICY

**AGREEMENT REGARDING INSPECTION AND COPYING OF RECORDS
OF THE RIVERFRONT LODGE OWNERS ASSOCIATION**

I have requested to inspect and/or obtain copies of the following records of the Riverfront Lodge Owners Association (the "Association") (be as specific as possible in describing records requested): _____ . I understand that under the terms of the Colorado Common Interest Ownership Act, Association records may not be obtained or used for any purpose unrelated to my interest(s) as an Owner. To the extent the Association's membership list is released to me, I acknowledge and agree that such information 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 held by the Association;
- (B) used for any commercial purpose;
- (C) sold to, otherwise distributed to, or purchased by any person;
- (D) used for any other purpose prohibited by law; or
- (E) used for any purpose not related to the undersigned's interest as a Unit Owner.

In the event any document requested is used for an improper purpose as stated above, I will be responsible for any and all damages, penalties and costs incurred by the Association, including attorneys' fees resulting from such improper use. I will additionally be subject to any and all enforcement procedures available to the Association through its governing documents and Colorado law.

Understood and agreed to by:

Owner

Date: _____

Address: _____

POLICY FOR CONDUCT OF MEETINGS

1. Owner Meetings. Meetings of the members 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 posted on the Association's website, if any, and at the management office at least 10 days prior to each such meeting, or as may otherwise be required by Colorado law.

(2) 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) Anyone wishing to speak must first be recognized by the Chair.

(D) Only one person may speak at a time.

(E) Each person who speaks shall first state his or her name and Unit number.

(F) 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.

(G) Those addressing the meeting shall be permitted to speak without interruption from anyone as long as these rules are followed.

(H) 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.

(I) Each person shall be given up to a maximum of two minutes to make a statement or to ask questions. The Executive 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, in his or her sole discretion, but shall be uniform for all persons addressing the meeting.

(J) All actions and/or decisions will require a first and second motion.

(K) Once a vote has been taken, there will be no further discussion regarding that topic.

(L) 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.

(M) The Chair may establish such additional or different 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) Election of Board members in a contested election may be conducted by secret ballot. Each Owner entitled to vote pursuant to the Bylaws shall receive a ballot. The ballot shall contain identifying information concerning the ballot holder in order to verify voting accuracy, but such information shall be kept confidential by the Association and not part of the public record of the vote or the meeting. 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) All other votes taken at a meeting of the Owners shall be taken in such method as determined by the Executive Board including acclamation, by hand, by voice or by ballot, unless otherwise required by law. At the discretion of the Executive Board or upon request of twenty percent (20%) of the Owners who are present at the meeting or represented by proxy, if a quorum has been achieved, a vote on any matter affecting the Association on which all Owners are entitled to vote shall be by secret ballot.

(3) Ballots shall be counted by a neutral third party (who may be representative(s) of the Association's Managing Agent) or by a Director who is not a candidate, who attends the meeting at which the vote is held, and who is selected at random from a pool of two or more such Directors.

(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, without reference to the names, addresses or other identifying information of Owners participating in such vote.

(d) Proxies. Proxies may be given by any Owner as allowed by C.R.S. 7-127-203. All proxies shall be reviewed by the Association's Secretary or designee as to the following:

(1) Validity of the signature;

(2) Signatory's authority to sign for the Owner;

(3) Authority of the Owner to vote;

- (4) Conflicting proxies; and
- (5) Expiration of the proxy.

2. Board Meetings. Meetings of the Executive Board 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 Executive Board shall be required to sign in, listing their name and Unit number.

(C) All Owners will be given an opportunity to speak as to any matter or ask questions of the Executive Board during the Owner forum at the end of the meeting, or at such other time as determined by the Chair. 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. Only one person may speak at a time.

(E) Each person speaking shall first state his or her name and Unit number.

(F) 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.

(G) Those addressing the Executive Board shall be permitted to speak without interruption from anyone as long as these rules are followed.

(H) 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.

(I) Each person shall be given up to a maximum of two 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 Executive 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.

(J) No meeting of the Executive Board may be audio, video or otherwise recorded except by the Executive Board to aid in the preparation of minutes. Minutes of actions taken shall be kept by the Association.

(K) 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, but prior to a vote by the Directors, Owners 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 Executive Board votes to open the discussion to further Owner participation.

POLICY FOR DIRECTOR CONFLICTS OF INTEREST

1. General Duty. The Executive Board 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 Owners and the Association. All Directors shall exercise their power and duties in good faith and in the best interest of the Association. All Directors shall comply with all lawful provisions of the Declaration and the Association's Bylaws and Articles of Incorporation. As of the date of adoption of this Policy, conflicting interest transactions of Directors and officers of the Association are governed by C.R.S. §7-128-501, pursuant to C.R.S. §38-33.3-310.5, and the provisions of this Policy are intended to comply with such statutes.

2. Definition. A "conflicting interest transaction" is defined as a contract, transaction or other financial relationship between the Association and a Director of the Association, 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.

3. Prohibition on Loans. The Association shall not make any loans to any members of the Executive Board or to any officers of the Association. No member of the Executive Board and no officer of the Association shall assent to or participate in the making of any such loan.

4. Disclosure of Conflicting Interest Transaction. Any conflicting interest transaction on the part of any Director shall be verbally disclosed to the other Directors in open session at the first open meeting of the Executive Board at which the interested Director is present prior to any discussion or vote on the matter. After disclosure, the interested Director may answer questions posed by the Executive Board but shall thereafter recuse himself or herself from further participation and may not vote on the matter. The minutes of the meeting shall reflect the disclosure made, the composition of the quorum, and record who voted for and against.

5. Failure to Disclose Conflicting Interest Transaction. No conflicting interest transaction entered into in violation of this policy shall be void or voidable or be enjoined, set aside, or give rise to an award of damages or other sanctions in a proceeding by a member or by or in the right of the Association, solely because the conflicting interest transaction involves a Director or a party related to a Director or an entity in which a Director is a director or officer or has a financial interest or solely because the Director is present at or participates in the meeting of the Association's Board that authorizes, approves or ratifies 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 and as to the conflicting interest transaction are disclosed or are known to the Executive Board and the Executive Board in good faith authorized, approves, or ratifies the conflicting interest transaction by the affirmative vote of a majority of the disinterested Directors, even though the disinterested Directors are less than a quorum; or
- b) The material facts as to the Director's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the members of the Association entitled to vote thereon, and the conflicting interest transaction is specifically authorized, approved, or ratified in good faith by a vote of the Owners entitled to vote thereon; or
- c) The conflicting interest transaction is fair as to the Association.

6. Periodic Review. The Executive Board shall periodically, as determined in the sole discretion of the Executive Board, review the Association's conflict of interest policies, procedures, and rules and regulations.

POLICY FOR DISPUTE RESOLUTION

The Executive Board hereby acknowledges the existence of alternative resolution procedures currently binding on the Association, its members and other parties as set forth in Article 16 of the Declaration and reaffirms such mandatory procedures as the Dispute Resolution Policy of the Association.

**POLICIES FOR INVESTMENT OF RESERVE FUNDS AND
PERFORMANCE OF RESERVE STUDY**

1. Scope. In order to properly maintain areas in the Project that are the responsibility of the Association, to comply with state statutes, to manage reserve funds, and to protect the market value of Owners' Units and livability in the Project, the Executive Board determines that it is necessary to have policies and procedures for the investment of reserve funds and for the performance of a reserve study.

2. Purpose of the Reserve Fund. The purpose of a reserve fund ("Reserve Fund") shall be to responsibly fund and finance the projected repair and replacement of those portions of the Project that the Association is responsible for and for such other funding as the Executive Board may determine. Certain of the portions of the Project that the Association is responsible for typically have limited but reasonably predictable useful lives.

3. Investment of Reserves. The Executive Board shall invest funds held in one or more Reserve Funds accounts to generate revenue that will accrue to the Reserve Fund 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*. Investment 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 a reasonable rate of return.

4. Limitation on Investments. Unless otherwise approved by the Executive 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 laddered investment approach.

6. Independent Professional Investment Assistance. The Executive Board may hire a qualified investment counselor to assist in formulating a specific investment strategy.

7. Review and Control. The Executive Board shall review Reserve Fund investments periodically to ensure that the funds are receiving competitive yields and shall make prudent adjustments as needed.

8. Reserve Study. In order to determine funding of a Reserve Fund, the Executive Board may determine, with the assistance and advice of professionals if so requested by the Executive Board, the life expectancy of those portions of the Project to be maintained by the Association and the anticipated costs of maintaining, replacing and improving those identified areas and property (hereinafter referred to as a "Reserve Study"). Although it shall have no obligation to cause a Reserve Study to be prepared at all, the

Executive Board may cause a Reserve Study to be prepared at such time as is determined in the sole discretion of the Executive Board. The Reserve Study shall be based on a physical analysis and financial analysis. Any Reserve Study may be conducted internally by the Association.

9. Funding Plan. In the event a Reserve Study recommends any work or replacement, the funding plan for such work or replacement shall be as determined by the Executive Board in the exercise of its business judgment and with regard to the recommendations of the Reserve Study. The Reserve Fund is the projected source of funding for any work recommended by the Reserve Study. The Reserve Fund shall be funded through regular annual Assessments and, when necessary, special Assessments or other Assessments levied by the Association.

10. Review of Reserve Study. The Executive Board shall cause a Reserve Study, if any, and reserve funding to be reviewed and updated periodically, to adjust and make changes in costs, inflation and interest yield on invested funds, plus modification, addition or deletion of components.

11. Standard of Conduct. With regard to the investment of a Reserve Fund, the officers and Directors of the Association shall discharge such persons' duties as a Director or officer:

- (a) In good faith;
- (b) With the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
- (c) In a manner the Director or officer reasonably believes to be in the best interests of the Association.

POLICY FOR ADOPTION AND AMENDMENT OF POLICIES AND RULES

1. Scope. The Executive Board may, from time to time, adopt certain Policies, Rules and Regulations (“Association Rules”) as may be necessary to facilitate the efficient operation of the Association, including the administration of the General Common Elements and applicable Limited Common Elements and the clarification of ambiguous provisions in other documents, or as may be required by law. In order to encourage Owner participation in the development of the Association Rules and to ensure that such Association Rules are necessary and properly organized, the Executive Board shall follow the following procedures when adopting any Association Rules.

2. Drafting Procedure. The Executive Board shall consider the following in drafting the Association Rule:

- (a) whether the governing documents or Colorado law grants the Executive Board the authority to adopt such an Association Rule;
- (b) the need for such Association Rule based upon the scope and importance of the issue and whether the governing documents adequately address the issue; and
- (c) the immediate and long-term impact and implications of the Association Rule.

3. Notice and Comment. A copy of the proposed Association Rule shall be provided to all Owners or posted on the Association's website, if any, and Owners shall be allowed a minimum of thirty (30) days to provide comment and/or feedback on the proposed Association Rule. The adoption of every Association Rule shall also be listed on the agenda for the Executive Board meeting prior to adoption by the Executive Board and any Owner who wishes to comment on the proposed Association Rule shall be afforded such opportunity in compliance with Colorado law.

4. Emergency. The Executive Board may forego the notice and opportunity to comment in the event the Executive Board determines in its sole discretion that providing notice and opportunity to comment is not practical given the emergency or urgent nature of such Association Rule.

5. Adoption Procedure. After the period for Owner comment expires, the Executive Board may adopt any Association Rule. Upon adoption of an Association Rule, the Association Rule or notice of such Association Rule (including the effective date) shall be provided to all Owners by any reasonable method as determined by the sole discretion of the Executive Board, including but not limited to posting on the Association's website.

6. Owner Cancellation. Owners may cancel changes to the Association Rules approved by the Executive Board or may modify, cancel, limit, create exceptions to, or expand any other Association Rules, upon the affirmative vote of at least sixty-seven percent (67%) of the total voting interest in the Association at a special meeting of the Owners called for that purpose. If the Executive Board receives a petition, signed by the number of Owners necessary to call a special meeting, for the purpose of voting on any new Association Rule or changes to the Association Rules proposed by the Executive Board but not yet effective, the proposed changes will be ineffective until after such meeting is held and will be subject to the outcome of such meeting.

7. Class Rules. Notwithstanding the foregoing or any contrary provision in this Policy, supplemental Association Rules applicable exclusively to one (1) class of Owners may be adopted and amended by that class, as follows: In the event that a class of Owners or a class of Directors on the Executive Board wish to adopt a new Association Rule affecting exclusively that class or to amend an

Association Rule adopted by that class, the procedure for adopting or amending such Association Rule shall be referred to the applicable class of Directors, who shall act on behalf of the Executive Board, including, without limitation, determining the notice and comment period and procedures for cancellation pursuant to this Policy. In such event, all references in this Policy to the Executive Board shall mean the applicable class of Directors on the Executive Board and this Policy may be supplemented by separate adoption and amendment procedures adopted by the applicable class of Directors, Executive Board committee for the applicable class, and/or the class of Owners. No such adoption or amendment by a class shall serve to conflict with the Act, conflict with the Articles of Incorporation or Bylaws of the Association, or conflict with the Declaration.

8. Restrictions on Association Rule-Making. Except as may be set forth in the Declaration (either initially or by amendment) or in the initial Association Rules, all Association Rules shall comply with the following provisions:

- (a) The rights of Owners to display religious and holiday signs, symbols, and decorations on or inside their Units of the kinds normally displayed in or on similar properties, shall not be abridged except that the Association may adopt time, place and manner restrictions with respect to displays visible from outside the Unit. No rules shall regulate the content of political signs; however, rules may regulate the time, place and manner of posting such signs (including design criteria).
- (b) No rule shall interfere with the Owners freedom to determine the composition of their households, except that the Association shall have the power to require that all occupants be members of a single housekeeping unit and to limit the total number of occupants permitted in each Unit on the basis of the size and facilities of the Unit and its fair use of the Common Elements or Limited Common Elements.
- (c) No Association Rule shall interfere with the activities carried on within the confines of any Unit, except that the Association may prohibit activities not normally associated with the designation of the applicable property (i.e., residential or commercial), activities not otherwise in compliance with the restrictions of the Declaration, activities that create monetary costs for the Association or other Units, or activities that generate excessive noise or traffic, unsightly conditions visible outside the Unit or an unreasonable source of annoyance.
- (d) No Association Rule shall alter the allocation of financial burdens among the various Units or rights to use the Common Elements or Limited Common Elements to the detriment of any Owner over that Owner's objection expressed in writing to the Association. Nothing in this provision shall prevent the Association from changing the Common Elements or Limited Common Elements available, from adopting generally applicable rules for use of such property or from denying use privileges to those who are delinquent in paying Assessments, abuse the Common Elements or Limited Common Elements, or violate the Association Documents. This provision does not affect the right to increase the amount of Assessments as provided in the Declaration.
- (e) No Association Rule or action by the Association shall unreasonably impede Declarant's right to develop the Project and market and sell Units.

AND IT IS FURTHER RESOLVED, that the following provisions are hereby adopted and approved and shall apply to all of the foregoing Policies of the Association:

1. Definitions. Unless otherwise defined in these Resolutions, initially capitalized terms defined in the Declaration shall have the same meaning herein.

2. Supplement to Law. The provisions of these Resolutions shall be in addition to and in supplement of the terms and provisions of the Declaration, Bylaws, and the laws of the State of Colorado governing the Association.

4. Deviations. The Executive Board may deviate from any procedures set forth in these Resolutions if in its sole discretion such deviation is reasonable under the circumstances.

CERTIFICATION OF ADOPTION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of the Association and,

That the foregoing Resolutions were duly adopted by action of the Executive Board to be effective on _____, 20__.

_____ [signature]

_____ [printed name]

Secretary

Date: _____