

THIS POLICY INCLUDES SIX (6) PAGES WITH A SIGNATURE

RESOLUTION OF
THE
COUNTRY MEADOWS HOMEOWNERS ASSOCIATION REGARDING POLICIES AND
PROCEDURES FOR COVENANT AND RULE
ENFORCEMENT

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

EFFECTIVE DATE: *January 26*, 2019

RESOLUTION: The Association, by and through its duly elected Board of Directors, 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). A Complaint may be made in any manner of communication, including orally.

2. Complaints.
 - (a) Complaints by Owners or residents may be made by any form of communication and shall be 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.

(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. A Notice of Violation sent to the Owner of the property found to be in violation satisfies this requirement.

3. Investigation. Upon receipt of a complaint by the Association, if additional information is needed, the Board may ask for further information from the complainant or may investigate the complaint further. 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, as well as summarizing the provision being violated. The Violator will have 14 days from the date of the letter to come into compliance. 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 13 of this policy. In such event, the procedure outlined in paragraph 13 shall be followed.

5. Continued Violation After Initial Warning Letter. If the alleged Violator does not come into compliance within 14 days of the initial warning letter, or a greater time not to exceed 30 days in the discretion of the Board of Director, this will be considered a first 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 7 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 13 of this policy. In such event, the procedure outlined in paragraph 13 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 7 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, or 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 7 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 7 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 7 days of the hearing, or if no hearing is requested, within 7 days of the final decision.

11. Appeals. The Violator may file a written appeal to the Board of Directors of any adverse decision of the hearing committee or individual within 7 days of the decision.

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

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| First Violation: | \$50 or the amount of money or other thing of value received by the violating owner due to the violation, whichever is greater. |
| Second Violation: | \$125 or the amount of money or other thing of value received by the violating owner due to the violation, whichever is greater, if the violation occurred within 180 days of the first violation. |
| Third Violation: | \$250 or the amount of money or other thing of value received by the violating owner due to the violation, whichever is greater, if the violation occurred within 180 days of the first violation. |

All fines imposed pursuant to this policy are due immediately upon assessment and shall become assessments under the Association's assessment policy.

Notwithstanding the Fine Schedule above, the maximum amount of fine that may be imposed on one lot is \$1000 in a calendar month. However, if the violation is resulting in a monetary benefit or a benefit of another thing of value to the Violator in excess of \$1000 in a calendar month, such limit of \$1000 shall not apply.

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

13. 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, and 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, or if such violations are not logically separated by instances, each day of such violation may constitute a separate violation, and the Board shall not be required to provide a period of 7 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 12), 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.

Examples of Repetitious Violations include, but are not limited to repeatedly or continually parking a restricted recreational vehicle in the community, repeated failure to remove and store a portable basketball hoop, or failure to remove excessive weeds growing on a lot. In each one of these examples, the Owner will receive a \$50.00 fine letter on the first instance of the violation, and notice and opportunity for a hearing. On the second instance or day of the violation, the owner will receive a \$125.00 fine letter, and notice and opportunity for a hearing. On the third instance of the violation, the owner will receive a \$250.00 fine letter and notice and opportunity for a hearing. Any subsequent instance or day of violation within a 180 day period shall result in an additional \$250.00 fine letter and notice and opportunity for a hearing. If a hearing or hearings are requested, the Board may set them all on the same date.

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

15. 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.

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

17. 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 Association.

18. 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.

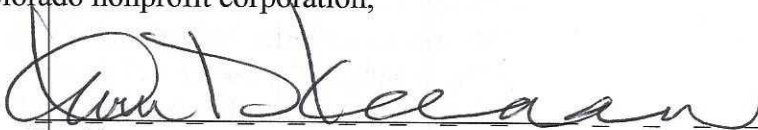
19. Amendment. This policy may be amended from time to time by the Board of Directors.

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of the Country Meadows Homeowners 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 February 26, 2019, and in witness thereof, the undersigned has subscribed his/her name.

COUNTRY MEADOWS HOMEOWNERS ASSOCIATION,
a Colorado nonprofit corporation,

By:



President

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