

**RESOLUTION
OF THE
FOUNDERS VILLAGE 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, Bylaws and Articles of Incorporation of the Association and Colorado law.

EFFECTIVE

DATE: January 1, 2006 to comply with Senate Bill 100

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 monthly assessment as determined by the Association and as allowed for in the Declaration shall be due and payable on the 1st day of each month. Assessments or other charges not paid in full to the Association within 10 days of the due date shall be considered past due and delinquent. Assessments or other charges not paid in full to the Association within 10 days of the due date shall incur late fees and interest as provided below. In the event notice of acceleration is given to delinquent Owner(s), the Owner(s) of the unit shall also be charged any costs incurred by the Association in giving notice of such acceleration.
2. Late Charges on Delinquent Installments. The Association shall impose on a monthly basis a \$10 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 may 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.
3. 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.

4. 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 bank charge fee 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. 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.
5. 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.
6. Application of Payments. All sums collected on a delinquent account shall be remitted to the Association's attorney until the account is current. All payments received on account of any Owner or the Owner's property (hereinafter collectively "Owner"), shall be applied to payment of any and all legal fees and costs (including attorney fees), 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.
7. Collection Process.
 - (a) After an installment of an annual assessment or other charges due to the Association becomes more than 10 days delinquent, the Association shall send a written notice ("First Notice") of non-payment, amount past due, notice that interest and late fees have accrued and request for immediate payment.
 - (b) 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 second written notice ("Second Notice") of non-payment, amount past due, notice that interest and late fees have accrued, notice of intent to file a lien and request for immediate payment.

(c) After an installment of an annual assessment or other charges due to the Association becomes more than 60 days delinquent, the Association, or authorized agent of the Association, turn the account over to the Association's attorney for collection. Upon receiving the delinquent account, the Association's attorneys shall file a lien and 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.

8. Acceleration and Deceleration of Assessments. The Board reserves the right to accelerate and call due the entire unpaid annual assessment on any delinquent account. Such acceleration shall result in the entire unpaid annual assessment being due to the Association immediately. The Board also reserves the right to decelerate any accelerated assessment.
9. Collection Procedures/Time Frames. The following time frames shall be followed for use in the collection of monthly installments of the annual assessment and other charges.

Due Date (date payment due)	1st day of the month due
Past Due Date - First Notice (notice that late charges and interest have accrued)	10 days after due date
Second Notice (notice that late charges and interest have accrued, notice of intent to file lien)	30 days after due date
Delinquent account turned over to Association's attorney; Lien filed; Demand letter sent to Owner.	60 days after due date

10. Certificate of Status of Assessment. The Association shall furnish to an Owner or such Owner's designee upon written request, first class postage prepaid, return receipt, to the Association's agent, a written statement setting forth the amount of unpaid assessments currently levied against such Owner's property for fee of up to \$125. However, if the account has been turned over to the Association's attorney, such request may be handled through the attorney.
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 Association shall notify the Association's attorney of the same and turn the account over to the Association's attorney, if appropriate.
12. Use of Certified Mail/Regular Mail. In the event the Association shall cause a collection or demand letter or other routine notice 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 or registered mail.

13. 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;
 - c. Filing necessary claims, documents, and motions in bankruptcy court in order to protect the Association's interests;
 - d. File 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. Upon referral of any matter to the Association's attorney, the Association shall pay the attorney's usual and customary charges as well as any costs incurred by the attorney on the Association's behalf, promptly upon receipt of the monthly invoice from the attorney.

14. 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.
15. 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.
16. 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.
17. 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. No member of the Board of Directors shall discuss the collection of the account directly with an Owner after it has been turned over to the Association's attorney unless the attorney is present or has consented to the contact.
18. 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.
19. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.

20. 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.
21. 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.
22. Amendment. This Policy may be amended from time to time by the Board of Directors.

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of Founders Village Master Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors at a duly called and held meeting of the Board of Directors on December 7, 2005 and in witness thereof, the undersigned has subscribed his/her name.

FOUNDERS VILLAGE MASTER ASSOCIATION, INC.

a Colorado nonprofit corporation

By: 
President

FOUNDERS VILLAGE MASTER ASSOCIATION
ENFORCEMENT POLICIES, RULES AND REGULATIONS

The Master Declaration for Founders Village ("Declaration") allows the Founders Village Master Association ("Association") to enforce covenants and rules and to also cure a violation of the Declaration or a violation of the Rules and Regulations and charge the costs to the Owner. The following rules and regulations set for enforcement policies, rules and regulations, further the Association's "self-help" remedies, and provide supporting procedures, fines, and due process.

1. Complaint Reporting. Complaints regarding alleged violations may be reported by an Owner or resident within the Founders Village Community, by a group of Owners or residents, by the Association's management company, by Board member(s) or by committee member(s).
2. Written Complaints Required. Complaints by Owners, residents or groups of Owners or residents shall be in writing and submitted to the Board of Directors or via the management company. The complaining Owner or resident shall have observed the alleged violation. Complaints by a member of the Board of Directors, by a member of a committee or by the manager may be made in writing or by any other means deemed appropriate by the Board after any walk through or inspection of the Community.
3. Complaint Requirements. The person making the complaint shall identify himself/herself ("Complainant") and the alleged violator ("Violator"), 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 will not be investigated or prosecuted.
4. Investigation of Complaints. Upon receipt of a proper complaint, the complaint will be investigated by a designated individual, committee or management within a reasonable time. The Board shall have sole discretion in designating or appointing an individual, committee or management to investigate the matter. If additional information is needed from the Complainant, that information may be sought.
5. Initial Warning Letter. If a violation is determined to exist, a warning letter may be sent to the Violator via regular mail explaining the nature of the violation. The letter may also set forth the behavior or action expected under the covenant or rule. The Violator will have fifteen (15) days from the date of the letter to come into compliance.

6. Second Notice/Possible Fine. If the alleged Violator does not come into compliance within fifteen (15) days, then a second notice may be sent, and a fine may be imposed, after notice and opportunity for hearing.
7. Optional Additional Hearing Notice. 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 send an additional notice of the hearing, in addition to the second notice, at least 3 days prior to the hearing date, or may proceed based solely on the second notice.
8. Hearings. At the beginning of each hearing the presiding officer shall introduce the case by reading or restating the Complaint. Each party may make opening statements, may present evidence and testimony, may present witnesses, and may make closing statements. Neither the Complainant nor the alleged Violator must be in attendance at the hearing. The decision of the persons conducting the hearing shall be based on any written Complaint, results of the investigation, such evidence as may be presented at the hearing and such other information as the persons conducting the hearing may reasonably determine. Formal rules of evidence or procedures do not apply. Unless otherwise determined, all hearings shall be open to attendance by all members of the Association. After all testimony and other evidence have been presented at a hearing, the persons conducting the hearing shall render written findings and decision, and impose a fine, if applicable, or may defer a decision, taking the case under advisement.
9. Decisions from Hearings. A decision, either a finding for or against the Violator, shall be made by a majority of the persons conducting the hearing that were present. If a case is taken under advisement, a decision must be made in 60 days, or the Violator shall be deemed not to have been in violation. The decision shall be provided to the Violator and Complainant within 90 days of the hearing, or within 30 days of the final decision, whichever occurs earlier, or the complaint shall be deemed dismissed without prejudice.
10. Fines. If the alleged Violator is found in violation, after a hearing, or fails to timely request a hearing within the time allowed in the second letter, or fails to appear at the hearing, the persons conducting the hearing may unilaterally make a decision with respect to the alleged violation based on the Complaint, results of the investigation, and any other available information. If a violation is found to exist, the alleged Violator may be assessed a fine.
11. Reconsideration/Appeals. The Board may order a reconsideration by the persons who conducted the hearing or may consider an appeal at any time within 45 days following the mailing of the decision, at the request of the Complainant, Violator or any Board member.
12. Fine Schedule. The following fine schedule has been adopted for all covenant and rule violations. This schedule shall serve as a guide and fines may be imposed either in higher or lesser amounts, depending on relevant factors considered by the persons conducting any hearing.

First Violation	Warning letter
Second Violation (of same covenant or rule)	\$50.00
Third (of same covenant or rule)	\$100.00
Subsequent violations	\$150.00

13. Legal Action Permissible. Any covenant or rule violation may also be turned over to the Association's attorney to file appropriate legal action.

14. Self-Help Process and Procedures.

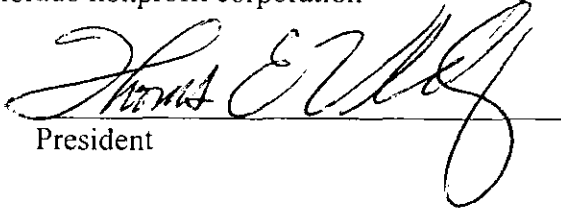
- a. Additional Notice. If the alleged Violator, after a second notice provided for above, has not corrected the claimed violation, then, after an additional written notice, personally served on the Violator, the Association may utilize "self-help" remedies provided for in Article III, Section 3.08 of the Declaration.
- b. Personal Service Required. This third notice or letter shall be personally served or delivered to the alleged Violator explaining that a violation has been found to exist, and that the Association is entitled to enter the property, and that after a stated date and time, the Association intends to cause a contractor or other party to enter the property to cure the violation. This notice must be served or delivered to the Violator at least 24 hours prior to the Association entering the property to cure the Violation.
- c. Law Enforcement Presence Allowed For. In the event the Association utilizes such self-help, the Association may notify local police or sheriff authorities of its intended actions and request an officer be present at the time the self help cure is sought to be exercised.
- d. Charge Back of Costs/Assessments. After a cure is completed by the Association through its contractors, and within 90 days of such completion, the Association may assess the costs of the cure to the Owner/Violator, by assessment, including the costs for any supervising law enforcement officer. That assessment shall be collectible by the Association as provided in the Declaration.

**PRESIDENT'S
CERTIFICATION:**

The undersigned, being the President of Founders Village Master Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors at a duly called and held meeting of the Board of Directors on December 7, 2005 and in witness thereof, the undersigned has subscribed his/her name.

FOUNDERS VILLAGE MASTER ASSOCIATION, INC.
a Colorado nonprofit corporation

By:



President

Founders Village

RESOLUTION FOUNDERS VILLAGE MASTER ASSOCIATION, INC. PET RULES

WHEREAS, the Board of Directors ("*Board*") of the Founders Village Master Association, Inc. ("*Association*") is authorized to adopt rules and regulations; such authority is found in the C.R.S. §§ 38-33.3-302(1)(a) and 38-33.3-322(1)(k); the Declaration of Covenants, Conditions and Restrictions ("*Declaration*"), recorded in the Douglas County Clerk and Recorder's Office on August 12, 1985, (Article VI, Section 6.05 (F)).

THEREFORE, BE IT RESOLVED that the Board of Directors for the Association will adopt and make a part of the Rules and Regulations for the Founders Village Master Association, Inc. the following pet policies:

1. Subject to the limitations below, generally recognized house pets ("pet" defined as any animal kept for pleasure rather than utility, especially any animal of a species that has been bred and raised to live in or about the habitation of humans and is dependent on people for food and shelter), in reasonable number consistent with the Town of Castle Rock's limitations, may be kept and maintained in a home, provided such pets are not kept or maintained for commercial purposes.
2. Except when inside its owner's home, an animal must be carried or on a leash that is a maximum of ten feet (10') in length and attended by a responsible person, when in the community.
3. No animal may be leashed to any stationary object, to the exterior of a home or other improvements on a lot that is not fenced in or on the common areas.
4. No animal is permitted in or on the community pool and/or community center building.
5. Pet owners are responsible for any property damage, injury and disturbances their pet may cause or inflict.
6. Except on their own property, no pet owner may permit the animal to relieve itself on another owners lot or the common property.
7. Every female dog while in heat shall be kept confined in a building or secure enclosure by its owner in such a manner that she will not be in contact with another dog (except for intentional non-commercial breeding purposes) nor create a nuisance by attracting other animals.
8. No animal owner shall allow any animal to cause annoyance, alarm or noise disturbance for more than five (5) minutes at any time of the day or night, by repeated barking, whining, screeching, howling, braying or other like sounds which can be heard beyond the boundary of the owner's lot.

Founders Village

Rules of Conduct for Founders Village Meetings of the Members

The following rules of conduct have been established for any meeting of members for the Founders Village Master Association, Inc.

1. All members and persons who attend the meeting will sign in, present any proxies and receive ballots as appropriate.
2. Any member desiring to speak shall sign up on the list provided at the check in and indicate if he/she is in favor or opposed to the recall.
3. After the Call to Order and Roll Call the facilitator will make introductions and conduct the meeting.
4. On order to complete this meeting and voting in a reasonable period of time, the facilitator will see to it that time limits are observed.
5. The facilitator will decide all procedural questions and maintain decorum.
6. All meeting participants will be courteous and orderly.
7. Speakers will stand at the podium, state their name and address, the Delegate District that they live in and observe common courtesy.
8. All speakers and participants will avoid swearing, crude language, insults, the use of obscenities, and personal attacks.
9. Speakers will not be harassed in any way. They will not be interrupted by anyone that has not been recognized by the facilitator.
10. Anyone disrupting the meeting in the opinion of the facilitator will be asked by the facilitator to leave the meeting.
11. Voting will be supervised by the facilitator, who will turn over custody of all proxies and ballots after the meeting to the management company for storage in the Master Association archives, as may be more specifically defined by Colorado State Statue.

**RESOLUTION
OF THE
FOUNDERS VILLAGE 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: January 1, 2006 to comply with Senate Bill 100

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, protect 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 and objectives:
 - (a) Safety of Principal. Promote and ensure the preservation of the Reserve Fund's principal.
 - (b) Return. Funds should be invested to seek the highest level of return.
 - (c) Liquidity and Accessibility. Structure maturities to ensure availability of assets for projected or unexpected expenditures.
 - (d) Minimal Costs. Investments costs (redemption fees, commissions, and other transactional costs) should be minimized.
 - (e) Diversify. Mitigate the effects of interest rate volatility upon reserve assets.
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 the funds are receiving competitive yields and shall make prudent adjustments as needed.
8. Reserve Study. In order to determine funding of the Reserve Account, the Board of Directors may determine, with the assistance and advice of professionals, the life expectancy of those portions of the Community to be maintained by the Association and the anticipated costs of maintaining, replacing and improving those identified areas (hereinafter "Reserve Study").
9. Review of Reserve Study. The Board of Directors shall cause the Reserve Study, if any, and reserve funding to be reviewed and updated periodically, at least once every three years, to adjust and reflect changes in costs, inflation, interest yield on invested funds plus modification, addition or deletion of components.
10. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
11. 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.
12. 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.
13. Amendment. This policy may be amended from time to time by the Board of Directors.

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of Founders Village Master Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors at a duly called and held meeting of the Board of Directors on December 7, 2005 and in witness thereof, the undersigned has subscribed his/her name.

FOUNDERS VILLAGE MASTER ASSOCIATION, INC.

a Colorado nonprofit corporation

By: _____

President

**RESOLUTION
OF THE
FOUNDERS VILLAGE 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

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

EFFECTIVE

DATE: July 1, 2006 to comply with Senate Bill 89

RESOLUTION: The Association hereby adopts the following policy and procedure

1. 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.
2. Definition. A conflict of interest exists whenever any contract, decision or other action taken by or on behalf of the Board would financially benefit: (i) a Director; (ii) a parent, grandparent, spouse, child, or sibling of the Director; (iii) a parent or spouse of any of the persons in subsection (ii); or, (iv) an entity in which a Director is a director or officer or has a financial interest.
3. Disclosure of Conflict. Any conflict of interest on the part of any Director shall be disclosed verbally or in writing 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. 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.
4. 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 intent of influencing 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.

5. Failure to Disclose Conflict. Any conflicting interest transaction entered into in violation of this policy are not voidable by a member or on behalf of the Association if one or more of the following conditions are met:

(a) Disclosures are made to the board and the board authorizes, approves or ratifies the conflicting interest transaction; or

(b) Disclosures are made to the owners and the owners approve the conflicting interest transaction; or

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

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

7. 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.

8. 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.

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

PRESIDENT'S

CERTIFICATION:

The undersigned, being the President of Founders Village Master Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors at a duly called and held meeting of the Board of Directors on 6/15/06 and in witness thereof, the undersigned has subscribed his/her name.

FOUNDERS VILLAGE MASTER ASSOCIATION, INC.
a Colorado nonprofit corporation

By:



President

**RESOLUTION
OF THE
FOUNDERS VILLAGE 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, Bylaws and Articles of Incorporation of the Association and Colorado law.

EFFECTIVE

DATE: January 1, 2006 to comply with Senate Bill 100

RESOLUTION: The Association hereby adopts the following policy and procedure regarding Director conflicts of interest and code of ethics:

1. 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.
2. Definition. A conflict of interest exists whenever any contract, decision or other action taken by or on behalf of the Board would financially benefit: (i) a Director; (ii) a parent, grandparent, spouse, child, or sibling of the Director; (iii) a parent or spouse of any of the persons in subsection (ii); or, (iv) an entity in which a Director is a director or officer or has a financial interest.
3. Disclosure of Conflict. Any conflict of interest on the part of any 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. 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.
4. 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 intent of influencing 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.

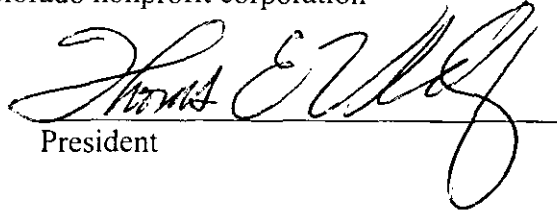
- 5. Failure to Disclose Conflict. Any contract entered into in violation of this policy shall be void and unenforceable. In such event, the Board, at the next meeting of the Board, shall vote again on the contract, decision or other action taken in violation of this Policy.
- 6. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
- 7. 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.
- 8. 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.
- 9. Amendment. This policy may be amended from time to time by the Board of Directors.

**PRESIDENT'S
CERTIFICATION:**

The undersigned, being the President of Founders Village Master Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors at a duly called and held meeting of the Board of Directors on December 7, 2005 and in witness thereof, the undersigned has subscribed his/her name.

FOUNDERS VILLAGE MASTER ASSOCIATION, INC.
a Colorado nonprofit corporation

By:



President

**RESOLUTION
OF THE
FOUNDERS VILLAGE 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, Bylaws and Articles of Incorporation of the Association and Colorado law.

EFFECTIVE

DATE: July 1, 2006 to comply with Senate Bill 89

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 at message boards at the entrances to the community if one exists at least 72 hours prior to each such meeting, or as may otherwise be required by Colorado law.

(2) The Association shall also post notice on its website, if one exists, of all meetings.

(b) **Conduct.**

(1) All 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.

(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 provided that 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) Election of Board Members and Delegates can be made by acclamation if the election is uncontested or by vote of show of hands. Secret ballots will be required if requested by at least 20% of the owners present in person or by proxy that are entitled to vote pursuant to the Bylaws, at any meeting for the election of Board Members or Delegate. The secret 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 may, if required as identified above, 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 Board of Directors including acclamation, by hand, by voice or by ballot, unless otherwise required by law.
- (3) Written ballots shall be counted by a neutral third party, excluding the Association's manager or legal counsel, or by an Owner(s) who is not a candidate selected randomly from a pool of two or more unit Owners. The Chair shall specify the procedure for randomly selecting the Owner(s). Such procedure shall ensure that the Owner(s) selected is done so without being chosen by the Chair, Board of Directors or candidates.
- (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 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 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 so 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 provided that 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, 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 Board of Directors votes to open the discussion to further Owner participation.

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.

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of Founders Village Master Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors at a duly called and held meeting of the Board of Directors on 6/15/06 and in witness thereof, the undersigned has subscribed his/her name.

FOUNDERS VILLAGE MASTER ASSOCIATION, INC.
a Colorado nonprofit corporation

By: _____

President

**RESOLUTION
OF THE
FOUNDERS VILLAGE 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, Bylaws and Articles of Incorporation of the Association and Colorado law.

EFFECTIVE

DATE: January 1, 2006 to comply with Senate Bill 100

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 at message boards at the entrances to the community if one exists at least 72 hours prior to each such meeting, or as may otherwise be required by Colorado law.

(2) The Association shall also post notice on its website, if one exists, of all meetings.

(b) **Conduct.**

(1) All 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.

(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 provided that 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) Election of Board Owners 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) 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, unless otherwise required by law.

(3) Written ballots shall be counted by a neutral third party, excluding the Association's manager or legal counsel, or by an Owner(s) who is not a candidate selected randomly from a pool of two or more unit Owners. The Chair shall specify the procedure for randomly selecting the Owner(s). Such procedure shall ensure that the Owner(s) selected is done so without being chosen by the Chair, Board of Directors or candidates.

(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 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 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 so 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 provided that 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, 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 Board of Directors votes to open the discussion to further Owner participation.

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.

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of Founders Village Master Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors at a duly called and held meeting of the Board of Directors on December 7, 2005 and in witness thereof, the undersigned has subscribed his/her name.

FOUNDERS VILLAGE MASTER ASSOCIATION, INC.
a Colorado nonprofit corporation

By: 
President

**RESOLUTION
OF THE
FOUNDERS VILLAGE 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 and identification of records to be permanently retained by the Association. To adopt a standard procedure to be followed when an Owner chooses to inspect or copy Association records.

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

EFFECTIVE

DATE: January 1, 2006 to comply with Senate Bill 100

RESOLUTION: The Association hereby adopts the following Policy and Procedures:

1. The Association shall permanently retain the following records as required by Colorado law:
 - Minutes of all Board and Owner meetings
 - All actions taken by the Board or unit Owners by written ballot in lieu of a meeting
 - All actions taken by a committee on the behalf of the Board instead of the Board acting on behalf of the Association
 - All waivers of the notice requirements for unit owner meetings, Board member meetings, or committee meetings

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, 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 Association records shall be conducted during the hours of 10 a.m. to 3 p.m. at 7000 South Yosemite St. #150, Englewood, CO 80112;
 - (c) The Owner shall provide a written demand, stating the purpose for which the inspection and/or copying is sought, at least five business days before the date on which the Owner wishes to inspect and/or copy such records; and
 - (d) The Owner shall complete and sign the Agreement Regarding Inspection of Association Records prior to the inspection and copying of any Association record. A copy of the Agreement is attached to this Policy. 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. Proper Purpose/Limitation. Association records shall not be used by any Owner for:
 - (a) Any purpose unrelated to an Owner's interest as an Owner;
 - (b) The purpose of soliciting money or property unless such money or property will be used solely to solicit the votes of the Owners in an election to be held by the Association;
 - (c) Any commercial purpose;
 - (d) For the purpose of giving, selling, or distributing such Association records to any person; or
 - (e) Any improper purpose as determined in the sole discretion of the Board.

4. Exclusions. The following records shall NOT be available for inspection and/or copying as they are deemed confidential:
 - (a) Attorney-client privileged documents and records, unless the Board decides to disclose such communications at an open meeting;
 - (b) Any documents that are confidential under constitutional, statutory or judicially imposed requirements; and
 - (c) Any documents, or information contained in such documents, disclosure of which would constitute an unwarranted invasion of individual privacy, including but not limited to social security numbers, dates of birth, personal bank account information, and driver's license numbers.

5. Fees/Costs. Any Owner requesting copies of Association records shall be responsible for all actual costs incurred by the Association, including the cost to search, retrieve, and copy the record(s) requested. The Association may require a deposit in an amount 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 person present to observe during any inspection of records 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 nor require the Association to create records that do not exist or compile records in a particular format or order.

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

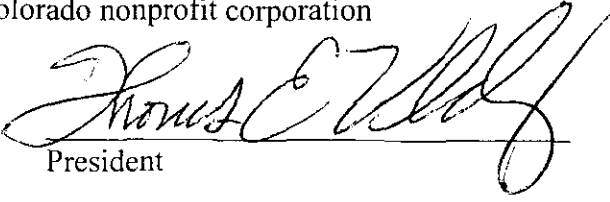
10. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Project.

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 Founders Village Master Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors at a duly called and held meeting of the Board of Directors on December 7, 2005 and in witness thereof, the undersigned has subscribed his/her name.

FOUNDERS VILLAGE MASTER ASSOCIATION, INC.
a Colorado nonprofit corporation

By: 
President

**AGREEMENT REGARDING INSPECTION AND COPYING OF RECORDS
OF THE FOUNDERS VILLAGE MASTER ASSOCIATION, INC.**

I have requested to inspect and/or obtain copies of the following records for the Founders Village Master Association, Inc. (be as specific as possible) _____

The records shall be used for the following purpose(s) only: _____

I understand that under the terms of the Colorado Revised Nonprofit Corporations Act, Association records may not be obtained or used for any purpose unrelated to my interest(s) as an Owner. I further understand and agree that without limiting the generality of the foregoing, Association records 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) Any other purpose prohibited by law; or
- (E) Any purpose not related to the reason specified in this Agreement.

In the event any document requested is used for an improper purpose or purpose other than that stated above, I will be responsible for any and all damages, penalties and costs incurred by the Association, including attorney 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:

Homeowner

Date: _____

Homeowner

Date: _____

Address

**RESOLUTION
OF THE
FOUNDERS VILLAGE MASTER ASSOCIATION, INC.
REGARDING PROCEDURES FOR ADOPTION OF POLICIES, PROCEDURES,
RULES, REGULATIONS, OR GUIDELINES**

SUBJECT: Adoption of a procedure to be followed when adopting 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, Bylaws and Articles of Incorporation of the Association and Colorado law.

EFFECTIVE

DATE: January 1, 2006 to comply with Senate Bill 100

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

1. Scope. The Board of Directors of the Association may, from time to time, adopt certain Policies as may be necessary to facilitate the efficient operation of the Association, including the clarification of ambiguous provisions in other documents, or as may be required by law. The Board shall follow the following procedures when adopting any Policy.
2. Drafting Procedure. The Board shall consider the following in drafting the Policy:
 - (a) Whether the governing documents or Colorado law grants the Board the authority to adopt such a Policy;
 - (b) The need for such Policy based upon the scope and importance of the issue and whether the governing documents adequately address the issue
 - (c) The immediate and long-term impact and implications of the Policy.
3. Adoption Procedure. Upon adoption of a Policy, the Policy or notice of such Policy, including the effective date shall be provided to all Owners by registered or certified mail, postage prepaid, addressed in the name of the Owner at such owners registered mailing address.
4. Policy Book. The Board of Directors shall keep copies of any and all adopted Policies in a book designated as a Policy Book.
5. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.

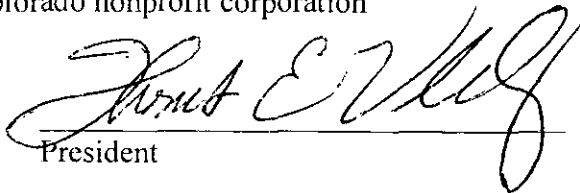
6. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Project.
7. Deviations. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.
8. Amendment. This Procedure may be amended from time to time by the Board of Directors.

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of Founders Village Master Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors at a duly called and held meeting of the Board of Directors on December 7, 2005 and in witness thereof, the undersigned has subscribed his/her name.

FOUNDERS VILLAGE MASTER ASSOCIATION, INC.
a Colorado nonprofit corporation

By:



President

**RESOLUTION
OF THE
FOUNDERS VILLAGE 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: July 1, 2006 to comply with Senate Bill 89

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, protect 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 are bound by the standards of conduct set out in Section 7-128-401 of the Revised Nonprofit Act and 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 and objectives:
 - (a) Safety of Principal. Promote and ensure the preservation of the Reserve Fund's principal.
 - (b) Return. Funds should be invested to seek the highest level of return.
 - (c) Liquidity and Accessibility. Structure maturities to ensure availability of assets for projected or unexpected expenditures.
 - (d) Minimal Costs. Investments costs (redemption fees, commissions, and other transactional costs) should be minimized.
 - (e) Diversify. Mitigate the effects of interest rate volatility upon reserve assets.
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 laddered 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 the funds are receiving competitive yields and shall make prudent adjustments as needed.
8. Reserve Study. In order to determine funding of the Reserve Account, the Board of Directors may determine, with the assistance and advice of professionals, the life expectancy of those portions of the Community to be maintained by the Association and the anticipated costs of maintaining, replacing and improving those identified areas (hereinafter "Reserve Study").
9. Review of Reserve Study. The Board of Directors shall cause the Reserve Study, if any, and reserve funding to be reviewed and updated periodically, at least once every three years, to adjust and reflect changes in costs, inflation, interest yield on invested funds plus modification, addition or deletion of components.
10. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
11. 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.
12. 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.
13. Amendment. This policy may be amended from time to time by the Board of Directors.

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of Founders Village Master Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors at a duly called and held meeting of the Board of Directors on 6/15/06 and in witness thereof, the undersigned has subscribed his/her name.

FOUNDERS VILLAGE MASTER ASSOCIATION, INC.
a Colorado nonprofit corporation

By: _____

President

**RESOLUTION
OF THE
FOUNDERS VILLAGE 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 and identification of records to be permanently retained by the Association. To adopt a standard procedure to be followed when an Owner chooses to inspect or copy Association records.

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

EFFECTIVE

DATE: July 1, 2006 to comply with Senate Bill 89

RESOLUTION: The Association hereby adopts the following Policy and Procedures:

1. The Association shall permanently retain the following records as required by Colorado law:
 - Minutes of all Board and Owner meetings
 - All actions taken by the Board or unit Owners by written ballot in lieu of a meeting
 - All actions taken by a committee on the behalf of the Board instead of the Board acting on behalf of the Association
 - All waivers of the notice requirements for unit owner meetings, Board member meetings, or committee meetings

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, 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 Association records shall be conducted during the hours of 10 a.m. to 3 p.m. at 7000 South Yosemite St. #150, Englewood, CO 80112;
 - (c) The Owner shall provide a written demand, stating the purpose for which the inspection and/or copying is sought, at least five business days before the date on which the Owner wishes to inspect and/or copy such records; and
 - (d) The Owner shall complete and sign the Agreement Regarding Inspection of Association Records prior to the inspection and copying of any Association record. A copy of the Agreement is attached to this Policy. 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. Proper Purpose/Limitation. Association records shall not be used by any Owner for:
 - (a) Any purpose unrelated to an Owner's interest as an Owner without first obtaining the written consent of the Board of Directors;
 - (b) The purpose of soliciting money or property unless such money or property will be used solely to solicit the votes of the Owners in an election to be held by the Association;
 - (c) Any commercial purpose;
 - (d) For the purpose of giving, selling, or distributing such Association records to any person; or
 - (e) Any improper purpose as determined in the sole discretion of the Board.

4. Exclusions. The following records shall NOT be available for inspection and/or copying as they are deemed confidential:
 - (a) Attorney-client privileged documents and records, unless the Board decides to disclose such communications at an open meeting;
 - (b) Any documents that are confidential under constitutional, statutory or judicially imposed requirements; and
 - (c) Any documents, or information contained in such documents, disclosure of which would constitute an unwarranted invasion of individual privacy, including but not limited to social security numbers, dates of birth, personal bank account information, and driver's license numbers.

5. Fees/Costs. Any Owner requesting copies of Association records shall be responsible for all actual costs incurred by the Association, including the cost to search, retrieve, and copy the record(s) requested. The Association may require a deposit in an amount 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 person present to observe during any inspection of records 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 nor require the Association to create records that do not exist or compile records in a particular format or order.

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 Project.

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 Founders Village Master Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors at a duly called and held meeting of the Board of Directors on 6/15/06 and in witness thereof, the undersigned has subscribed his/her name.

FOUNDERS VILLAGE MASTER ASSOCIATION, INC.
a Colorado nonprofit corporation

By: _____

President

**RESOLUTION
OF THE
FOUNDERS VILLAGE MASTER ASSOCIATION, INC.
REGARDING ADOPTION OF POLICY FOR POLITICAL SIGNS**

SUBJECT: Adoption of a policy for the placement of political signs.

PURPOSE: To adopt a policy to be utilized in placement of political signs in the Association in order to facilitate the efficient operation of the Association.

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

EFFECTIVE

DATE: August 1, 2006 to comply with Senate Bill 89

RESOLUTION: The Association hereby adopts the following policy to be followed for the placement of political signs in the Association:

1. Political Signs. The Board has adopted the following policy regarding the placement of political signs in the Association:
 - (a) No political sign may be placed on any common property or tract owned or maintained by the Master Association, unless first receiving written consent of the Board of Directors;
 - (b) Owners and occupants may have one political sign per candidate or issue installed on their lot, regardless of how many signs may be allowed by the Town of Castle Rock or Douglas County. Political signs shall be the smaller of what may be allowed by the Town of Castle Rock sign ordinance or 38" X 48"; and
 - (c) Owners and occupants may have one political sign per candidate or issue installed on their lot no earlier than thirty (30) days before the day of an election and must be removed no later than three (3) days after the election day.
2. 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.
3. 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.
4. Amendment. This Procedure may be amended from time to time by the Board of Directors.

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of Founders Village Master Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors at a duly called and held meeting of the Board of Directors on July 20, 2006 and in witness thereof, the undersigned has subscribed his/her name.

FOUNDERS VILLAGE MASTER ASSOCIATION, INC. ---
a Colorado nonprofit corporation

By: _____


President

**RESOLUTION
OF THE
FOUNDERS VILLAGE MASTER ASSOCIATION
REGARDING ALTERNATIVE DISPUTE RESOLUTION (ADR)**

SUBJECT: Adoption of a procedure regarding alternative dispute resolution.

PURPOSE: To adopt a standard procedure to be followed for alternative dispute Resolution.

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

EFFECTIVE

DATE: January 1, 2007 - Founders Village Master Association

RESOLUTION: The Association hereby adopts the following Policy and Procedures:

1. General. It is the general policy of the Association to encourage the use of Alternative Dispute Resolution to resolve disputes involving the Association and an Owner. Alternative Dispute Resolution ("ADR") is defined as a procedure for settling a dispute by means other than litigation, such as arbitration, non-binding arbitration, or mediation.
2. General Policy. In the event of any dispute between the Association and an Owner, except for those Exempted Claims defined, the Association and the Owner shall agree to resolve the dispute using the procedures set forth below prior to filing suit in any court or initiating proceedings before any administrative tribunal.
3. Exempt Claims. The following claims shall be exempt from the provisions of this Policy:
 - (a) Any action by the Association against an Owner to collect assessments or other sums due to the Association, including foreclosure proceeding; and
 - (b) Any action by the Association to enforce any provisions of the Association's Declarations, Bylaws, or rules and regulations; and
 - (c) Any claim of the Association which if not pursued by the filing of a lawsuit Would be deemed barred due to the applicable statute of limitations.
4. Procedures of All Other Claims. All claims other than Exempt Claims shall be resolved using the following procedures in lieu of litigation:

- (a) The Association or any Owner having a claim ("Claimant") against an Owner or the Association, respectively ("Respondent"), other than an Exempt Claim, shall notify each Respondent in writing of the Claim ("Notice"), stating (i) the nature of the Claim, including the date, time, location, persons involved, and Respondent's role in the Claim, (ii) the basis of the Claim (i.e. the provisions of this Declaration, the Bylaws, the Articles, Rules and Regulations or other authority out of which the Claim arises); (iii) what Claimant wishes to resolve the Claim by mutual agreement with Respondent, and willing to meet in person with Respondent at a mutually agreeable time and place to discuss in good faith ways to resolve the Claim.
- (b) Negotiation. The parties shall make every reasonable effort to meet in person to resolve the Claim by good faith negotiation.
- (c) Mediation.
- (i) If the parties do not resolve the Claim through negotiation within 20 days of the date of the Notice (or within such other period as may be agreed upon by the parties) ("Termination of Negotiations), Claimant shall have 30 addition days to submit the Claim to mediation by an independent mediation service agreed upon by the parties.
- (ii) If Claimant does not submit the Claim to mediation within 30 days after Termination of Negotiations, Claimant shall be deemed to have waived the Claim, and respondent shall be released and discharged from any and all liability to Claimant on account of the Claim.
- (iii) If the parties do not settle the Claim within 45 days after submission of the matter to the mediation process. or within such time as determined reasonable or appropriate by the mediator, the mediator shall issue a notice of termination of the mediation proceedings ("Termination of Mediation") The Termination of Mediation notice shall set forth when and where the parties met, that the parties are at an impasse, and date that mediation was terminated.
- (iv) Within 10 days of the Termination of Mediation, the parties shall again attempt to resolve the matter informally through negotiation.
- (d) Arbitration.
- (i) If the parties do not resolve the Claim through negotiation, as provided for above, within 20 days of the Termination of Mediation, the Claimant shall then have 15 additional days to submit the Claim to arbitration in accordance with the appropriate rules of the American Arbitration

Association, or the Claimant shall be deemed abandoned, and Respondent shall be released and discharged from any and all liability to Claimant arising out of the Claim. However, nothing herein shall release or discharge Respondent from any liability to anyone not a party to the proceedings.

- (ii) This policy is an agreement of the Association and Owner to arbitrate all Claims except Exempt Claims and is specifically enforceable under the applicable arbitration law of the State of Colorado. If specifically agreed to by both parties to the arbitration, the arbitration shall be final and binding and judgement may be entered upon it in any court of competent jurisdiction to the fullest extent permitted under law of the State of Colorado.

5. Costs. If any Claims are resolved through negotiation or mediation as provided above, each party shall bear all of its own costs incurred in resolving the Claim, including its attorney fees and mediation expenses, unless the parties otherwise agree. If the Claims are not resolved through negotiation or mediation as provided above and the Claim goes to arbitration, the prevailing party shall receive as a part of its reward from the opposing party all costs, including attorney fees, costs for other representatives in resolving such Claims, and any expenses incurred as a result of the dispute resolution procedures of this Policy.
6. Failure to Comply with Settlement. If the parties resolve any Claim through negotiation, mediation, or arbitration as set forth above, and the other party fails to abide by the terms of such agreement or award, then the other party may file suit or initiate administrative proceedings to enforce such agreement or award without need to comply with the provisions of this Policy. In such event, the party taking action to enforce the agreement or award shall be entitled to recover from the non-complying party all cost incurred in enforcing such agreements or Award, including without limitation, attorney fees and costs.
7. Definition. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
8. Supplement 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 Community.
9. 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.
10. 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 Founders Village Master 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 ~~October 19~~, 2006.

NOVEMBER 16, 2006 GEM

And in witness thereof, the undersigned has subscribed his/her name.

Founders Village Master Association a Colorado non-profit Corporation.

By: _____

GEM
Glen Matthes, President

FOUNDERS VILLAGE MASTER ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
JANUARY 21, 2002

Commercial vehicle
update

CALL TO ORDER/ROLL CALL

The Board of Directors for the Founders Village Master Association, Inc., met at the home of Mr. Nalls on January 21, 2002. The meeting was called to order at 8:15 p.m. by Rex Fletcher President. Directors present were Fletcher, Ciancio and Nalls. Also, in attendance was Mark L. Eames, PCAM representing PCMS.

WAIVER OF NOTICE

Having all three Board members in attendance, a motion was made by Director Nalls and seconded by Director Fletcher that all three Board members were waiving their right of notice for this meeting. Motion passed unanimously.

OFFICER AND COMMITTEE REPORTS:

Pool Committee – The Board reviewed several proposals for capital improvement work that would be completed at the pool this Spring. After a lengthy review and discussion, motion was made by Director Nalls, seconded by Director Ciancio and unanimously passed that based upon the limited expansion capacity of the pool, due to the re-platting of Filing 14 by the Developer which limited the common area around the current pool facility as described on the original plat, the cost for current capital repairs to be made to the pool and the fact that due to the size restraints of the current pool, the number of members that can use the facility at any one time is limited, the Board agreed to not open the pool for the 2002 swimming season and search out the following options, to be determined by May 31, 2002:

- A. Contact the City of Castle Rock regarding their potential interest in making the Current pool facility a Town operated facility;
- B. Contact Front Range Pool company to check on privatizing the operations of the pool to an outside pool contractor;
- C. Explore options to design and build a community facility building in the current site location of the pool;
- D. Based upon a final determination of the direction for the facility by the Board of Directors on or before May 31, 2002, the Board would authorize that the Association credit all homeowners that are current in their assessment to the Association as of May 31, 2002, on their second half 2002 assessment billing for the projected operational costs of the pool facility for 2002.

The Board agreed to present this decision to the Delegates at the upcoming February 13, 2002 Board of Directors meeting and thereafter schedule and send out a notice to all homeowners regarding the decision and give the membership the opportunity to express their comments.

UNFINISHED BUSINESS

FOUNDERS VILLAGE MASTER ASSOCIATION

ENFORCEMENT POLICIES, RULES AND REGULATIONS

The Master Declaration for Founders Village ("Declaration") allows the Founders Village Master Association ("Association") to enforce covenants and rules and to also cure a violation of the Declaration or a violation of the Rules and Regulations and charge the costs to the Owner. The following rules and regulations set for enforcement policies, rules and regulations, further the Association's "self-help" remedies, and provide supporting procedures, fines, and due process.

1. Complaint Reporting. Complaints regarding alleged violations may be reported by an Owner or resident within the Founders Village Community, by a group of Owners or residents, by the Association's management company, by Board member(s) or by committee member(s).
2. Written Complaints Required. Complaints by Owners, residents or groups of Owners or residents shall be in writing and submitted to the Board of Directors or via the management company. The complaining Owner or resident shall have observed the alleged violation. Complaints by a member of the Board of Directors, by a member of a committee or by the manager may be made in writing or by any other means deemed appropriate by the Board after any walk through or inspection of the Community.
3. Complaint Requirements. The person making the complaint shall identify himself/herself ("Complainant") and the alleged violator ("Violator"), 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 will not be investigated or prosecuted.
4. Investigation of Complaints. Upon receipt of a proper complaint, the complaint will be investigated by a designated individual, committee or management within a reasonable time. The Board shall have sole discretion in designating or appointing an individual, committee or management to investigate the matter. If additional information is needed from the Complainant, that information may be sought.
5. Initial Warning Letter. If a violation is determined to exist, a warning letter may be sent to the Violator via regular mail explaining the nature of the violation. The letter may also set forth the behavior or action expected under the covenant or rule. The Violator will have fifteen (15) days from the date of the letter to come into compliance.

6. Second Notice/Possible Fine. If the alleged Violator does not come into compliance within fifteen (15) days, then a second notice may be sent, and a fine may be imposed, after notice and opportunity for hearing.
7. Optional Additional Hearing Notice. 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 send an additional notice of the hearing, in addition to the second notice, at least 3 days prior to the hearing date, or may proceed based solely on the second notice.
8. Hearings. At the beginning of each hearing the presiding officer shall introduce the case by reading or restating the Complaint. Each party may make opening statements, may present evidence and testimony, may present witnesses, and may make closing statements. Neither the Complainant nor the alleged Violator must be in attendance at the hearing. The decision of the persons conducting the hearing shall be based on any written Complaint, results of the investigation, such evidence as may be presented at the hearing and such other information as the persons conducting the hearing may reasonably determine. Formal rules of evidence or procedures do not apply. Unless otherwise determined, all hearings shall be open to attendance by all members of the Association. After all testimony and other evidence have been presented at a hearing, the persons conducting the hearing shall render written findings and decision, and impose a fine, if applicable, or may defer a decision, taking the case under advisement.
9. Decisions from Hearings. A decision, either a finding for or against the Violator, shall be made by a majority of the persons conducting the hearing that were present. If a case is taken under advisement, a decision must be made in 60 days, or the Violator shall be deemed not to have been in violation. The decision shall be provided to the Violator and Complainant within 90 days of the hearing, or within 30 days of the final decision, whichever occurs earlier, or the complaint shall be deemed dismissed without prejudice.
10. Fines. If the alleged Violator is found in violation, after a hearing, or fails to timely request a hearing within the time allowed in the second letter, or fails to appear at the hearing, the persons conducting the hearing may unilaterally make a decision with respect to the alleged violation based on the Complaint, results of the investigation, and any other available information. If a violation is found to exist, the alleged Violator may be assessed a fine.
11. Reconsideration/Appeals. The Board may order a reconsideration by the persons who conducted the hearing or may consider an appeal at any time within 45 days following the mailing of the decision, at the request of the Complainant, Violator or any Board member.
12. Fine Schedule. The following fine schedule has been adopted for all covenant and rule violations. This schedule shall serve as a guide and fines may be imposed either in higher or lesser amounts, depending on relevant factors considered by the persons conducting any hearing.

First Violation	Warning letter
Second Violation (of same covenant or rule)	\$50.00
Third (of same covenant or rule)	\$100.00
Subsequent violations	\$150.00

13. Legal Action Permissible. Any covenant or rule violation may also be turned over to the Association's attorney to file appropriate legal action.

14. Self-Help Process and Procedures.

- a. Additional Notice. If the alleged Violator, after a second notice provided for above, has not corrected the claimed violation, then, after an additional written notice, personally served on the Violator, the Association may utilize "self-help" remedies provided for in Article III, Section 3.08 of the Declaration.
- b. Personal Service Required. This third notice or letter shall be personally served or delivered to the alleged Violator explaining that a violation has been found to exist, and that the Association is entitled to enter the property, and that after a stated date and time, the Association intends to cause a contractor or other party to enter the property to cure the violation. This notice must be served or delivered to the Violator at least 24 hours prior to the Association entering the property to cure the Violation.
- c. Law Enforcement Presence Allowed For. In the event the Association utilizes such self-help, the Association may notify local police or sheriff authorities of its intended actions and request an officer be present at the time the self help cure is sought to be exercised.
- d. Charge Back of Costs/Assessments. After a cure is completed by the Association through its contractors, and within 90 days of such completion, the Association may assess the costs of the cure to the Owner/Violator, by assessment, including the costs for any supervising law enforcement officer. That assessment shall be collectible by the Association as provided in the Declaration.