

RESPONSIBLE GOVERNANCE POLICIES

RICHARDSON SQUARE CONDOMINIUMS ASSOCIATION, INC., a Colorado nonprofit corporation

WHEREFORE, pursuant to § 38-33.3-209.5(1)(b), Colorado Revised Statutes, condominium common interest community associations are required to adopt and maintain responsible governance policies that are consistent with Colorado law; and

WHEREFORE, Richardson Square Condominiums Association, Inc., a Colorado nonprofit corporation, hereby seeks to comply with Colorado law by adopting responsible governance policies as required thereby and consistent therewith.

NOW, THEREFORE, Richardson Square Condominiums Association, Inc., a Colorado nonprofit corporation (the "Association"), hereby adopts the following Responsible Governance Policies, as required by Colorado law. In the event of a conflict between these Responsible Governance Policies and the Association's Articles of Incorporation, Bylaws, Rules and Regulations, or Condominium Declaration, these Responsible Governance Policies shall take precedence to the extent permitted under Colorado law. If the Association previously adopted responsible governance policies, including but not limited to, any specific policy referenced herein, these Responsible Governance Policies shall amend and replace said policy or policies.

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I. Collection Policy

1. Assessments. For purposes of this Collection Policy, "assessments" shall include all Association levied common expense assessments and any associated fees, charges, late charges, attorney's fees, and interest. Association assessments shall be levied as determined by the Association's Executive Board ("Board") and shall be due and paid by an owner on or before the tenth (10th) day of the month when such assessment is due. If an assessment is not paid by the 10th day of the month when the assessment is due, the assessment is delinquent. Association assessments may be defined to include assessments and any associated fees, charges, late charges, attorney fees and interest, but do not include fines.

2. Late fees, Fines & Interest. If the full amount of any assessment is not received by the Association by the 10th day of the month in which the assessment is due, the assessment is delinquent. Delinquent assessments shall bear interest at the rate of eight percent (8%) per annum. Interest shall accrue from the date of the delinquency until the delinquency is paid in full. The Association may also impose a \$25 per month late fee on any assessment not timely paid and may charge a \$35 fee for any bounced or returned check.

3. Prior to Referral to Legal Counsel. Prior to referring a delinquent account to the Association's attorney or to a collection agency, the Association shall:

a. Mail the delinquent unit owner, via certified mail, return-receipt requested, at the mailing address on file with the Association, a notice of the delinquency that specifies:

i. The total amount due with an accounting of how the total was determined, along with specifying whether the delinquency is for unpaid assessments, unpaid fines, fees, interest, or other charges; or both unpaid assessments and unpaid fines, fees, interest and/or other charges, and if the notice of delinquency concerns unpaid assessments, the notice of delinquency must notify the unit owner that unpaid assessments may lead to foreclosure;

ii. Whether the opportunity to enter into a repayment plan exists pursuant to Sections 4 and 7 of this Collection Policy below and instructions for contacting the Association to enter into a repayment plan, if applicable;

iii. The name and contact information for the individual the unit owner may contact to request a copy of the unit owner's ledger in order to verify the amount of the unit owner's debt;

iv. A description of the steps the Association must take before the Association may take legal action against the unit owner, including a description of the Association's cure process; and

v. That action is required to cure the delinquency and that failure to do so within thirty (30) days may result in the following:

A. The unit owner's delinquent account being turned over to the Association's attorney or a collection agency;

B. A lawsuit being filed against the unit owner;

C. The filing and foreclosure of a lien against the unit owner's condominium unit; and/or

D. Any other remedies available under Colorado law.

b. Physically post the delinquency notice referenced in subsection 3.a. above on the unit owner's condominium unit front door;

c. Provide the delinquency notice referenced in subsection 3.a above to the unit owner by one (1) of the additional following means:

i. First-class mail;

ii. Text message to a cellular number that the Association has on file because the unit owner has provided the cellular number to the Association; or

iii. Email to an email address that the Association has on file because the unit owner has provided the email address to the Association.

d. Maintain a record of the contacts with a unit owner required by this Section 3, including the date, time, and the type of communication used to notify the unit owner of the delinquency. For purposes of the contacts required by this subsection 3.d, a unit owner may identify another person to serve as the designated contact for the unit owner on the unit owner's behalf. A unit owner and a unit owner's designated contact shall both receive the same correspondence and notices anytime communications are sent by the Association pursuant to this Section 3 or otherwise; and

e. Conduct a recorded vote of the Board in executive session pursuant to Colo. Rev. Stat. § 38-33.3-308(4)(e) to refer the matter to the Association's attorney or to a collection agency.

4. Repayment Plans.

a. *Eligibility.* A unit owner is entitled to enter into a repayment plan with the Association so long as the unit owner: (i) has not previously entered into a repayment plan with the Association; or (ii) is not subject to the exceptions in Section 7 of this Collection Policy below. If a unit owner has previously entered into a repayment plan with the Association, it is at the discretion of the Association's Board whether to permit such unit owner to enter into another repayment plan, or whether to pursue the legal remedies permitted under Colorado law and herein for collection of delinquent Association accounts.

b. *Terms.* Any repayment plan between the Association and a delinquent unit owner shall permit the unit owner to pay-off the delinquency in monthly installments over a period of eighteen (18) months. The unit owner may choose the payment amounts for the monthly installments of the repayment plan, provided each payment is at least \$25.00 until the balance owed is less than \$25.00. A unit owner may elect to pay the remaining balance owed under a repayment plan at any time throughout the duration of the repayment plan without penalty. The unit owner must remain current with all assessments as the same come due during the term of a repayment plan. A unit owner's failure to remit at least three (3) of the monthly installment repayment plan payments, or to remain current with assessments as they come due during the repayment plan term, shall constitute a failure of the unit owner to comply with the terms of the repayment plan. If a unit owner fails to comply with the terms of a repayment plan or declines or does not enter into a repayment plan with the Association

within 30 days of the Association providing a repayment plan offer to the unit owner, then the Association, upon compliance with Section 3 above, may pursue the legal remedies available under Colorado law for collection of delinquent Association accounts (see Section 6 below).

5. Application of Payments. Payments for assessments received by the Association shall be applied in the following order, as may be applicable:

- a. Assessments that are overdue with application of the payment to the most long-standing delinquent assessment first;
- b. Fines, late fees, and interest;
- c. Attorney's fees and legal costs and expenses; and lastly
- d. Returned check charges and other costs owing or incurred with respect to such unit owner.

6. Legal Remedies. In the event a unit owner does not comply with the terms of a repayment plan, is not eligible for a repayment plan, or does not enter into a repayment plan when offered, and provided the Association otherwise complies with Section 3 of this Collection Policy above, the legal remedies available to the Association to collect a unit owner's delinquent account are as follows:

- a. A lawsuit by the Association against the delinquent unit owner;
- b. The filing and foreclosure of a lien against the unit owner's condominium unit, but only if:
 - i. The balance of the assessments and charges secured by the Association's lien equals or exceeds six (6) months of common expense assessments based on a periodic budget adopted by the Association;
 - ii. The Board has formally resolved, by a recorded vote in executive session, to authorize the filing of a legal action against the specific unit on an individual basis. The Board may not delegate its duty to act under this subsection to any attorney, insurer, manager, or other person; and
 - iii. The Association's lien does not consist entirely of fines, collection costs, or attorney's fees.
- c. Referral of the delinquent account to the Association's attorney or a collection agency; and/or
- d. Any other remedies available under Colorado law.

7. Exceptions. Repayment plans are not available if the unit owner does not occupy the condominium unit and has acquired the condominium unit as a result of:

- a. A default of a security interest encumbering the condominium unit; or
- b. Foreclosure of an Association lien.

8. Correspondence from the Association. A unit owner may notify the Association if the unit owner prefers that correspondence from the Association be made

in a language other than English. If a unit owner provides such notification, the Association shall provide its notices in the language desired by the unit owner. If a language preference is not indicated by a unit owner, then all Association notices and correspondence shall be in English. This Section 8 of the Collection Policy shall apply to all Association correspondence, not just collection matters.

9. Affected Unit Owner Rights. An affected unit owner shall be entitled to receive the results of a Board vote to send the unit owner's account to the Association's attorney or a collection agency for collections, foreclosure, legal action, or otherwise. Such a Board vote to refer a delinquent owner's account to the Association's attorney or to a collection agency must occur in executive session pursuant to Colorado law.

II. Policy Regarding Conflicts of Interest Involving Board Members

1. As used herein, "conflicting interest transaction" means a contract, transaction or other financial relationship between the Association and a member of the Association's Executive Board ("Board"), or between the Association and a party related to a Board member, or between the Association and an entity in which a Board member of the Association is a board member or officer or has a financial interest.

2. "Board member" means a member of the Association's Executive Board.

3. "Party Related to a Board member" means a spouse, a descendant, an ancestor, a sibling, the spouse or descendant of a sibling, an estate or trust in which the Board member or a party related to a Board member has a beneficial or financial interest, or an entity in which a party related to a Board member is a director or officer or has a financial interest.

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

5. A Board member must disclose to the Board a conflicting interest transaction if one exists for that Board member. In the event a conflicting interest transaction exists, the Board member with the conflict of interest shall recuse himself or herself from discussing and voting on the issue.

6. Notwithstanding paragraph 5 of this Policy immediately above, no conflicting interest transaction shall be void or voidable or be enjoined, set aside, or give rise to an award of damages or other sanctions solely because the conflicting interest transaction involved a Board member or a party related to a Board member or an entity in which a Board member is a director or officer or has a financial interest or solely because the Board member is present at or participates in the meeting of the Association's Board that authorizes, approves, or ratifies the conflicting interest transaction or solely because the Board member's vote is counted for such purpose if:

a. The material facts as to the Board member's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the Board, and the Board in good faith authorizes, approves, or ratifies the conflicting interest transaction by the affirmative vote of a majority of the disinterested Board members, even though the disinterested Board members are less than a quorum;

b. The material facts as to the Board member's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the Board members entitled to vote thereon, and the conflicting interest transaction is specifically authorized, approved, or ratified in good faith by a vote of the Board members entitled to vote thereon; or

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

7. Conflicted or interested Board members may be counted in determining the presence of a quorum at a meeting of the Board which authorizes, approves, or ratifies the conflicting interest transaction.

8. This Policy Regarding Conflicts of Interest Involving Board Members shall be reviewed periodically by the Board and updated as is required by the Board and/or Colorado law.

III. Conduct of Meetings Policy

1. General. All meetings of the Association's membership and Executive Board ("Board") shall be held in accordance with the requirements of C.R.S. §§ 38-33.3-308, 38-33.3-310, 7-127-101 through 108, 7-128-201 through 206, as the same are applicable to the Association.

2. Owner/Member Meetings. Association member/owner meetings shall be held at least once each year. Special meetings of the membership may be called by the president of the Association, by a majority of the Board, or by Association members collectively holding 20% or more of the votes in the Association. Notice of any meeting of the membership shall be given not less than 10 nor more than 50 days in advance of the meeting to all members by delivering or sending prepaid by U.S. mail to the mailing address of each member. The notice of any membership meeting shall also be physically posted in a conspicuous place on the Association's property, if possible, posted on the Association's website if the Association maintains a website, and emailed to the members, provided the Association maintains an email list for such purposes and a member provides the Association with his or her email address in order to receive correspondence from the Association. Meeting notices shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Association's Condominium Declaration or Bylaws, any budget changes, and any Board seats up for election, including but not limited to, any proposal to remove an officer or member from the Board.

3. Board Meetings. Meetings of the Board, or any committee thereof, shall be open to attendance by all members of the Association or their representatives. Agendas for meetings of the Board shall be made available for examination by Association members or their representatives upon request. Notwithstanding any contrary provision contained in the Association's Bylaws or otherwise, at all meetings of the Board, after a motion and second has been made on any matter to be discussed, at a time determined by the Board, but prior to the vote of the Board members, Association members or their designated representatives present at such time shall be afforded an opportunity to speak on the motion. The Board president, or other Board member running the meeting, may place reasonable time restrictions on persons speaking during a Board meeting. If more than one person desires to address an issue and there are opposing views, the Board shall provide for a reasonable number of persons to speak on each side of the issue.

4. Contested Board Elections. Membership meetings where there are to be member votes on contested elections of Board members, defined as elections in which there are more candidates than positions to fill, shall be conducted by secret ballot. Each owner entitled to vote and be present at the meeting either in person or via proxy shall receive a ballot. In the event an owner holds a proxy for another owner, upon presentation of such proxy to the Association, 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. The results of a vote taken by secret ballot shall be reported without reference to the names, addresses, or other identifying information of unit owners participating in such vote.

5. Uncontested Board Elections. In uncontested elections for Board positions, defined as elections in which the number of candidates is equal to or less than the positions to fill, votes at the meeting of the members shall be taken in such method as determined by the Board, including but not limited to, acclamation by hand, by voice, or by ballot. Notwithstanding the foregoing, uncontested elections of Board positions or other votes on matters affecting the Association may occur by secret ballot at the discretion of the Board or upon the request of 20% of the members who are present at the meeting or represented by proxy.

6. Secret Ballot Votes. When secret ballots are used, written ballots shall be counted by a neutral third party, or a committee of volunteers who are not Board members, and in the case of a contested election, are not candidates. The committee shall be selected or appointed at an open meeting, in a fair manner, by the president of the Board or another Board member presiding during that portion of the meeting. The results of a vote taken by secret ballot shall be reported without reference to the names, addresses, or other identifying information of unit owners participating in such vote.

IV. Policy Regarding Enforcement of the Condominium Declaration, Rules and Regulations, and the Levying of Fines

1. Association's Legal Duty. The Association acknowledges that it has a duty to its membership to enforce its Condominium Declaration, the Association's Bylaws, Responsible Governance Policies, and Rules and Regulations, if any, all as the same may be amended or restated from time to time. It is the policy of the Association to enforce, as written, any applicable provision of the Association's Condominium Declaration, Bylaws, Responsible Governance Policies, and Rules and Regulations, if any.

2. Investigation of Alleged Violations. If a violation of the Association's Condominium Declaration or Rules and Regulations occurs, or a violation is alleged to have occurred, and such potential violation is reported to the Executive Board ("Board"), the Board shall investigate the allegations to make a determination whether such violation or threatened violation has in fact occurred. In such investigation and subsequent enforcement, if undertaken, the Board shall act in good faith and shall not act arbitrarily or capriciously.

3. Enforcement – Board Discretion. The enforcement of the provisions of the Association's Condominium Declaration, Rules and Regulations, Bylaws, and Responsible Governance Policies shall be subject to the discretion of the Board as to the timing, manner, and method of pursuing such enforcement, but in no event shall the Association's fact-finding process to determine whether a violation has occurred take longer than 60 days from the date the Association first had notice of the alleged violation. Provided that its actions are reasonable, the Board may decline enforcement of questionable violations, enforce covenants by filing suit for injunctive relief or other

remedies, or levy fines for violations after notice and an opportunity to be heard is given to the alleged violator. In exercising such discretion, the Board shall consider both the specific covenant or rule violation alleged, and the overall interests of the community and Association.

4. Hearing Before Impartial Decision-Maker(s). If a unit owner or a unit owner's tenant, guest or invitee is determined to have violated the provisions of the Association's Condominium Declaration or Rules and Regulations in which said owner may be subject to a fine, after notice and hearing to the alleged violating owner in front of an impartial decision-maker, the Association may impose a fine for the violation in the amounts stated in the Association's Rules and Regulations, or other governing document, but in no event shall any violation incur a fine of more than \$500. "Impartial decision-maker" means a person or group of persons who have the authority to make decisions regarding the enforcement of the Association's Condominium Declaration or Rules and Regulations and do not have any direct personal or financial interest in the outcome. A decision-maker shall not be deemed to have a direct personal or financial interest in the outcome if the decision-maker will not, as a result of the outcome, receive any greater benefit or detriment than will the general membership of the Association.

5. Owner Not Responsible for Alleged Violation. If, as a result of the fact-finding process described in this Policy, it is determined that the unit owner should not be held responsible for the alleged violation, the Association shall not allocate to the unit owner's account any of the Association's costs or attorney's fees incurred in asserting or hearing the claim. Notwithstanding any provision in the Condominium Declaration, Bylaws, Rules and Regulations, or these Responsible Governance Policies to the contrary, a unit owner shall not be deemed to have consented to pay such costs or fees.

6. Violating Owner Responsible for Association Attorney Fees and Costs. It is the intent of the Board that once a violation of the provisions of the Association's Condominium Declaration, Rules and Regulations, Bylaws, or Responsible Governance Policies has been determined by the Board to have occurred, any expenses, costs, and attorney's fees incurred by the Association as a result of such violation shall be assessed against the violating owner in the same manner as an assessment.

7. Violations that Threaten Public Safety or Health. With respect to any violation of Colorado law or the Association's Condominium Declaration or Rules and Regulations that the Association reasonably determines threatens the public safety or health, the following procedures shall apply:

a. The Association shall provide the unit owner with written notice via certified mail, return-receipt requested, of the nature of the violation, the action or actions required to cure the violation, and that the unit owner has seventy-two (72) hours to cure the violation, or the Association may fine the unit owner.

b. If, after an inspection of the condominium unit or other area in which a violation is alleged to have occurred, the Association determines that the unit owner has not cured the violation within seventy-two (72) hours after receiving notice of the alleged violation, the Association may impose a fine or fines on the unit owner, as determined by the Board, but no fine shall be instituted more than every other day for continuing violations, in the amounts stated in the Association's Rules and Regulations or other governing documents and the Association may take legal action against the unit owner for the violation(s); except that, in accordance with C.R.S. § 38-33.3-209.5(8)(c)(I), the Association may not pursue foreclosure against the owner's condominium unit solely based on fines owed. The total amount of fines imposed for any violation may not exceed \$500.00, even if said violation is continuing in nature.

8. Violations that Do Not Threaten Public Safety or Health. If the Association reasonably determines that a unit owner committed a violation of Colorado law or of the Association's Condominium Declaration or Rules and Regulations that does not threaten public safety or health, the Association shall:

a. Provide the unit owner with written notice of the violation via certified mail, return-receipt requested, to inform the unit owner that he/she has thirty (30) days to cure the violation or the Association, after conducting an inspection and determining that the unit owner has not cured the violation, may fine the unit owner; however, the total amount of fines imposed for any violation may not exceed five hundred dollars (\$500), even if said violation is continuing in nature.

b. Subject to subsections 8.c and 8.d below, a unit owner shall have two (2) consecutive thirty (30) day periods to cure a violation before the Association may take legal action against the unit owner for the violation. In accordance with C.R.S. 38-33.3-209.5(8)(c)(I), the Association may not pursue foreclosure against the owner's condominium unit solely based on fines owed.

c. If the unit owner cures the violation within the period to cure afforded the unit owner, the unit owner may notify the Association of the cure and, if the unit owner sends visual evidence with the notice that the violation has been cured, the violation is deemed cured on the date that the unit owner sent the notice. If the unit owner's notice does not include visual evidence that the violation has been cured, the Association shall make an inspection as soon as practicable to determine if the violation was cured.

d. If the Association does not receive notice from the unit owner that the violation was cured, the Association shall inspect the condominium unit or other area in which the violation was alleged to have occurred within seven (7) days after the expiration of the first thirty (30) day cure period to determine if the violation was cured. If, after the inspection, and whether or not the Association received notice from the unit owner that the violation was cured, the Association determines that the violation was not cured, then:

i. A second thirty (30) day period to cure commences if only one thirty (30) day period to cure has elapsed; or

ii. The Association may take legal action against the unit owner if two (2) thirty (30) day periods to cure have elapsed.

9. Violation Cured by Unit Owner. Once a unit owner cures a violation, the Association shall notify the unit owner of the following:

a. The unit owner will not be fined further for the violation; and

b. The amount of any outstanding fine balance, including attorney's fees and other costs, that the unit owner still owes to the Association.

10. Continuing Violations. For violations that are continuing in nature, the Association may levy a fine or fines as stated in the Association's Rules and Regulations or other governing document(s), but the cap on said fines for any one continuing violation shall be limited to five hundred dollars (\$500), and a fine may not be levied more often than every other day.

11. Notice of Fines. On a monthly basis by first-class mail and, if the Association has the unit owner's email address, by email, the Association shall send to each unit owner who has any outstanding balance owed to the Association an itemized list of all assessments, fines, fees, interest, and other charges that the unit owner owes to the Association.

V. Inspection and Copying of Association Records Policy

1. The Association shall keep as permanent records minutes of all meetings of the membership and Executive Board ("Board"), a record of all actions taken by the owners or the Board at a meeting, by written ballot or written consent in lieu of a meeting, and a record of all waivers of notices of meetings of members and of the Board. The Association's property manager and/or the Board shall maintain a record of Association members in a form that permits preparation of a list of the names and addresses of all such members, showing the number of votes each member is entitled to on Association matters. The Association shall maintain such records in written form or in another form capable of conversion into written form within a reasonable time.

2. All financial and other Association records shall be made reasonably available for examination and copying by any Association member and such member's authorized agent. The Association may charge a fee, which may be collected in advance, not to exceed the Association's actual cost per page, for copies of Association records. As used herein, "reasonably available" means available during normal business hours, upon advance notice of five (5) business days, or at the next regularly scheduled meeting, if such meeting occurs within 30 days after the request, to the extent that:

a. The records request was made in good faith and for a proper purpose;

b. The request describes with reasonable particularity the records sought and the purpose of the request; and

c. The records are relevant to the purpose of the request.

3. In addition to the Association records referenced above, the Association shall keep a copy of each of the following records at its principal office:

a. Its Articles of Incorporation, Condominium Declaration, Bylaws, Rules and Regulations, if any, Responsible Governance Policies, and any other policies adopted by the Association, if any;

b. The minutes of all membership meetings and Board meetings;

c. Records of all actions taken by the Board without a meeting, if any, for the past three (3) years;

d. All written communications within the past three (3) years to Association members from the Association;

e. A list of the names, business or home addresses, and email addresses of the current Board members;

f. The most recent annual report filed with the Colorado Secretary of State;

- g. The Association's most recent reserve study, if any;
 - h. Current written contracts to which the Association is a party and contracts for work performed for the Association within the immediately preceding two (2) years;
 - i. Ballots, proxies, and other records related to unit owner votes for one (1) year after the election, action, or vote to which they relate;
 - j. Resolutions adopted by the Board relating to the characteristics, qualifications, rights, limitations, and obligations of members; and
 - k. All financial audits or reviews conducted during the immediately preceding three (3) years, if any.
4. Notwithstanding anything contained herein to the contrary, a membership list, or any part thereof, may not be obtained or used by any person for any purpose unrelated to a member's interest as an Association member without the consent of the Board. A membership list, or any part thereof, may not be used to solicit money or property unless such money or property will be used solely to solicit the votes of members in an election to be held by the Association and may not be used for any commercial purpose, or sold to or purchased by any person.

VI. Investment of Reserve Fund Policy

With respect to the investment of reserve funds of the Association, the officers and other members of the Association's Executive Board shall make investment decisions in good faith, with the care an ordinarily prudent person in like position would exercise under similar circumstances, and in a manner the Board member reasonably believes to be in the best interests of the Association and in accordance with Colorado law.

VII. Procedures for the Adoption and Amendment of Association Policies, Procedures, and Rules and Regulations

1. All policies, including but not limited to, the Association's Responsible Governance Policies, Bylaws, Condominium Declaration, and Rules and Regulations, if any, shall be set forth in written documents properly adopted by the Association's Executive Board ("Board") or the Association's member owners, as is applicable.
2. Amendments to any Association Responsible Governance Policies, Bylaws, or Rules and Regulations may be made by the Board at any time and from time to time as the Board, in its discretion, deems advisable or appropriate, in accordance with the Association's Responsible Governance Policies, Condominium Declaration, Bylaws and Colorado law. Any amendment shall be set forth in a written instrument properly adopted by the Board.
3. To the extent practicable, the Association shall endeavor to adopt and disseminate to its membership written Responsible Governance Policies, Bylaws, and Rules and Regulations, if any, so that the members may be informed of their rights and obligations in and to the Association and the process of Association governance by the Board. Additionally, it is the policy of the Association that, to the extent practicable, that

the Association's Responsible Governance Policies, Bylaws, Condominium Declaration, and Rules and Regulations, if any, be consistently and uniformly followed and enforced.

4. New or amended Responsible Governance Policies, Bylaws, and Rules and Regulations may be adopted by the Board as the interests of the Association dictate or as may be required by Colorado law.

VIII. Procedures for Addressing Disputes between the Association and Unit Owners

1. In the event of any dispute involving the Association and a unit owner, the unit owner is invited and encouraged to meet with the Association's Executive Board ("Board") to resolve the dispute informally and without the need for formal legal action. If a unit owner requests to meet with the Board regarding a dispute, the Board shall make a reasonable effort to comply with the owner's request.

2. Nothing herein shall be construed to require any specific form of alternative dispute resolution, such as mediation or arbitration, or require the parties to meet. Depending on the nature of the dispute, the Board shall consider whether mediation may be appropriate under the circumstances before proceeding to litigation. Neither the Association, nor a unit owner, waives any right to pursue whatever legal or other remedial action that may be available to either party.

IX. Reserve Study Procedure

When the Association has a reserve study prepared for the portions of the community maintained, repaired, replaced, and improved by the Association, the Association shall consider whether there is a funding plan for any work recommended by the reserve study and, if so, the projected sources of funding for the work; and whether the reserve study is based on a physical analysis and financial analysis. For the purposes of this Article IX, an internally conducted reserve study is sufficient.

[END OF SUBSTANTIVE POLICIES – SIGNATURE PAGE FOLLOWS]

CERTIFICATION

The undersigned, as the President and Secretary of Richardson Square Condominiums Association, Inc., a Colorado nonprofit corporation, hereby certify that the foregoing Responsible Governance Policies were considered and adopted by the Association's Executive Board at a duly called and held meeting on

Sept 24, 2024.

**Richardson Square Condominiums Association, Inc.,
a Colorado nonprofit corporation**

By: Alan Rose (sign here)

ALAN ROSE (print name)

Its: President

ATTEST:

Thomas J. Vades (sign here)

Thomas J Vades (print name)

Its: Secretary