## CEDAR II HOMEOWNER'S ASSOCIATION

## DISPUTE RESOLUTION

The following policies have been adopted and approved by the Board of Directors.

# RESOLUTION OF THE ASSOCIATION REGARDING ALTERNATIVE DISPUTE RESOLUTION (ADR)

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

**EFFECTIVE DATE:** January 1, 2007

**RESOLUTION:** The Association hereby adopts the following Policy: In the event of any dispute involving the Association and an Owner, the Owner is invited and encouraged to meet with the Board of Directors to resolve the dispute informally and without the need for litigation. If the Owner requests to meet with the Board, the Board shall make a reasonable effort to comply with the Owner's request. Nothing in this Policy shall be construed to require any specific form of alternative dispute resolution, such as mediation or arbitration, or require the parties to meet. Neither the Association nor the Owner waives any right to pursue whatever legal or other remedial actions available to either party. All actions shall be in Boulder County.

**PRESIDENT'S CERTIFICATION:** The undersigned, being the President of the Association, 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 Cedar II Homeowner's Association, a Colorado non-profit corporation,

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#### Rules for Cedar II Homeowner's Association

- 1. Members may use a proxy to cast the vote at the annual meeting.
- 2. Enforcement policy and procedures will be followed according to the bylaws.
- 3. Handling board member conflicts of interest policy shall state that a conflicting interest transaction entered into in violation of the conflict of interest provision is 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. The Association may also choose to revise its policy to allow a board member to vote after disclosing conflict.
- 4. Reserve fund and investment policy will be the standard of conduct set out in section 7-128-401 of the Revised Nonprofit Act.
- 5. Secret ballots will be used in election of directors
- 6. Secret ballots to be counted by a neutral third party or a committee of volunteer unit owners who are not board members and, in the case of contested elections, candidates.
- 7. Inspection and copying of association records will be provided by the property manager. There will be a charge to the homeowner per page. Membership lists may not be obtained for reasons unrelated to the owner's interest as an owner without the consent of the board of directors.
- 8. Board members are bound by the standard of conduct set out in section 7-128-401 of the revised Nonprofit Act.

### Policies and Procedures

- 1. Architectural review policy will be followed.
- 2. An owner has the right to file a claim as a named insured if the following conditions are met:
  - a. Owner writes board regarding the subject matter of the claim.
  - b. Board has 15 days to respond in writing.
- c. If requested, the owner must allow the board reasonable opportunity to inspect damages; and
- d. The subject matter of the claim is within the association's insurance responsibilities.
- 3. The "occupants" as well as "unit owners" are allowed to fly the American Flag.
- 4. The "occupants" as well as "unit owners" may post political signs if the size of political signs is the smaller of: 1) the size allowed by local ordinance or 2) 38"x 48" and are allowed one sign per candidate or issue, regardless of how many signs allowed by local ordinance. These signs may be displayed forty five days before the election and seven days after the election.
- 5. Xeriscaping is allowed in owners' private areas.
- 6. Emergency vehicle parking is allowed for "occupants" as well as "unit owners". However, parked emergency vehicles may not unreasonably interfere with the use of guest parking spaces.
- 7. At the request of the seller, the association must provide association documents to the buyer.

## Dues Collection, Fines, Late Fees and Liens

The association will follow the guidelines set out in the bylaws and declarations.

**PRESIDENT'S CERTIFICATION:** The undersigned, being the President of the Association, certifies that these rules and policies were 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 Cedar II Homeowner's Association, a Colorado non-profit corporation.

