SNOWMASS MOUNTAIN CONDOMINIUM ASSOCIATION, INC.

POLICIES AND PROCEDURES AND RULES AND REGULATIONS REGARDING ENFORCEMENT OF COVENANTS AND RULES AND DISPUTES BETWEEN THE ASSOCIATION AND OWNERS (C.R.S. 38-33.3-209.5 (1)(b)(IV) & (VIII))

It is the policy of the Snowmass Mountain Condominium Association, Inc. to enforce all violations of the Amended Condominium Declaration for Snowmass Mountain Condominiums recorded April 10, 2008 as Reception No. 548249 (hereinafter the "Declaration"), the By-Laws of Snowmass Mountain Condominiums and rules and regulations and resolve all other disputes that come to the attention of the Board of Directors or that affect the health, safety and general welfare of the Snowmass Mountain Condominiums community generally, but not exclusively, on the basis of a written complaint.

Written complaints by Owners that may give rise to a dispute with the Association or other members of the Association should be referred to the Manager of the Association, the Board of Directors through its Secretary or the President of the Board of Directors. Depending upon the nature of the complaint and/or any other dispute that may arise among Owners or between an Owner and the Association, the following protocols may be utilized:

- 1. Contact with Owner. If a complaint or an alleged or perceived violation or the cause giving rise to a dispute is by someone other than an Owner, an effort will be made to contact both such person and the Owner. If a complaint or an alleged or perceived violation or the cause giving rise to a dispute is by an Owner or officer, employee or Manager of the Association, an effort will be made to resolve the dispute or perceived violation utilizing any one of the following protocols as may be deemed appropriate to the circumstances:
- Written communication by mail, personal delivery, electronic delivery or fax;
- A stop and desist order and/or order to show cause to appear before the Board of Directors or committee of the Board or a designee of the Board at a scheduled time and place;
- Direct personal communication by telephone or personal contact;
- Alternative dispute resolution procedures as may be appropriate, including but not limited to mediation.
- 2. <u>Enforcement proceedings</u>. Enforcement or dispute proceedings, if required, are intended to be progressive, generally commencing with direct verbal or written communication or the issuance of an order to stop and desist and/or order to show cause as to why appropriate enforcement proceedings should not be commenced. The purpose of the order to show cause procedure is to sternly admonish and notify individuals of a perceived violation or dispute and

afford an opportunity for explanation and communication with the Board of Directors or the officers and employees of the Association before more formal action is initiated. If efforts to resolve the violation or dispute through discussion and mediation are unsuccessful, the matter may proceed to more formal procedures such as arbitration or litigation.

- 3. <u>Immediate Action</u>. When appropriate, the officers of the Association and/or the Manager may take immediate action as the circumstances might require.
- 4. <u>Schedule of Fines/Penalties</u>. A fine of not less than Fifty (\$50.00) Dollars and not exceeding One Thousand (\$1,000.00) Dollars may be imposed whenever a violation is found of the Rules and Regulations of the Association and/or the Declaration after a hearing and an opportunity to be heard is afforded to the violator. Each day of any violation of the Declaration or of the Rules and Regulations shall constitute a separate offense. Any requirement to pay attorneys' fees and costs shall be in addition to any fines that may be imposed. Such fines and fees and costs shall also constitute a lien against the property of any condominium unit owner deemed to be in violation.

Matters where a fine might be applied will be adjudicated after an opportunity to be heard is afforded the violator on a case by case basis. Payment of routine fines for parking violations and noise disturbance shall be held in abeyance if a request for a hearing on the imposition of such fine is provided to the Association by the unit owner within fifteen (15) days of the date such fine is imposed until such hearing is concluded and a determination is made. The procedure for the issuance of a stop and desist order with an order to show cause provides an opportunity for a hearing before the Board and an opportunity to explain or refute any alleged or perceived violation before a fine is imposed and/or legal enforcement proceedings are commenced.

It is the policy of the Association to enforce all violations of the Declaration and Rules and Regulations on a complaint basis or that affect the health, safety and general welfare of the Snowmass Mountain Condominiums community. It is not the policy of the current Board to patrol the community for violations.

Adopted by the Board of Directors of the Snowmass Mountain Condominium Association, Inc., Snowmass Village, Colorado on

11 April ,2016

By: T. President