

**POLICY
FOR THE
20TH HOLE TOWNHOMES ASSOCIATION, Ltd.
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, Articles and Bylaws of the Association and Colorado law, including but not limited to Colorado Revised Statutes 38-33.3-209.5 and 317

EFFECTIVE DATE: October 15, 2008

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

1. The Association shall permanently retain the following records as required by Colorado law:
 - (a) Minutes of all Board and Owner meetings;
 - (b) All actions taken by the Board or unit Owners by written ballot in lieu of a meeting;
 - (c) All actions taken by a committee on the behalf of the Board instead of the Board acting on behalf of the Association;
 - (d) All waivers of the notice requirements for unit owners meetings, Board member meetings, or committee meetings;
 - (e) Financial records;
 - (f) Current list of Owners;
 - (g) Governing Documents;
 - (h) All written communications within the past three years to Owners;
 - (i) Its most recent financial report;
 - (j) All financial audits or reviews conducted within the past three years.

2. Within ninety (90) days following the start of the Association's fiscal year and when any Owner sells a Lot, the Association shall make the following information available to unit owners by notifying all Owners, via mail, that it has assembled a literature table or binder for their inspection, located at the Association's principal place of business, that includes:
 - (a) The name of the Association; physical address and phone numbers for Board of Directors. Owners shall be advised of any change within ninty (90) days.
 - (b) The Declaration with the recorded date, and reception number or book and page
 - (c) The Articles of Incorporation; current Bylaws, and all Policies, Rules and Regulations

- (d) The date the fiscal year commences; operation and reserve budgets for the current fiscal year; most recent annual financial statement including a balance sheet and income statement; and report on results of any financial review or audit preceding the current annual disclosure;;
- (e) The current regular assessment and special assessment, if any;
- (f) A list of all Association Insurance policies, including Property, General Liability, Directors and Officers Liability, and Fidelity. Such list shall include the company and agent's names, policy limits, deductibles, and expiration dates;
- (g) Minutes of member and Board meetings for past two years; and
- (h) Responsible Governance Policies.

3. **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 and may be collected by the Association in advance.
- (b) The inspection and/or copying of the records of the Association shall be conducted during the business hours of 9:00 a.m. to 4:00 p.m. Monday through Friday at the main office of the Association or during the next regularly scheduled Owner or Board meeting occurring within 30 days of the owner's request, at the discretion of the Board.
- (c) The Owner shall give the Association a written request, 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 Form prior to the inspection and copying of any Association record. 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.
- (e) The board shall advise the owner of the time & place of such inspection in writing within five (5) business days of the Owners request.

4. **Proper Purpose/Limitation.** Association records and Membership lists 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.

5. **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.

6. **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 collect, in advance, monies equal to the anticipated actual cost of the requested records. Failure to pay such deposit shall be valid grounds for denying 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. There shall be no cost to any Owner accessing records which are required to be disclosed by Colorado law at no cost to Owners.
7. **Inspection.** The Association reserves the right to have a third party present to observe during any inspection of records by an Owner or the Owner's representative.
8. **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.
9. **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.
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 Project.
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
AND
SECRETARY'S
CERTIFICATION:**

The undersigned, respectively being the President and Secretary of the 20th Hole Townhomes Association, Ltd., a Colorado nonprofit corporation, certify 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 15, 2008 and in witness thereof, the undersigned have subscribed their names.

20th Hole Townhomes Association, Ltd.

Wedge B. Abel
President

ATTEST:

Carsonval Thupp
Secretary

Original signed copy on file: Office of the President

**AGREEMENT REGARDING INSPECTION AND COPYING OF RECORDS
OF THE 20th Hole Townhomes Association, Ltd.**

I have requested to inspect and/or obtain copies of the following records for the 20th Hole Townhomes Association, Ltd. (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

Homeowner

Address

Date: _____

Date: _____