

ELK STREAM RANCH

A Colorado Common Interest Community
Located in T36N R13W, T35N R13W, T36N R12W and T35N R12W, N.M.P.M
Montezuma County and La Plata County, Colorado

Elk Stream Ranch Property Owners Association, Inc.
A Colorado Non-Profit Corporation

POLICIES

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POLICY #2-2010: INSPECTION AND COPYING OF ASSOCIATION RECORDS; RECORD RETENTION POLICY

Adopted 6th Aug, 2010

The following procedures have been adopted by the Elk Stream Ranch Property Owners Association, Inc., a Colorado Non-Profit Corporation ("Association") pursuant to the provisions of C.R.S. §38-33.3-209.5, C.R.S. §38-33.3-209.4, §38-33.3-317, the Governing Documents of the Association, and the Act, at a regular meeting of the Board.

Purpose: The Act establishes the obligation of the Association to keep adequate records and gives all Members the right to examine and copy the financial and other records of the Association for a proper purpose. This policy is adopted to: establish uniform procedures for the inspection and copying of Association records by Association Members; to establish the type of records kept by the Association or its agent and where they are stored, including the availability of records on a website; and to establish the cost of copying Association records. This policy also facilitates delivery or transmission of written statements to permitted persons or organizations describing the amount of unpaid Assessments currently levied against any Parcel.

NOW, THEREFORE, IT IS RESOLVED that the Association does hereby adopt the following policy governing the inspection and copying of Association records:

1. Association Record Retention. The Association shall maintain permanent records in accordance with C.R.S. §38-33.3-317, including minutes of all meetings of Members and the Board, a record of all actions taken by the Members or Board by written ballot or written consent in lieu of a meeting, a record of all actions taken by a committee of the Board in place of the Board on behalf of the Association, and a record of all waivers of notices of meetings of Owners and of the Board or any committee of the Board. The Association shall maintain a record of Parcel Owners in a form that permits preparation of a list of the names and addresses of all Parcel Owners, showing the number of votes each Parcel Owner is entitled to vote. The Association shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

2. Records to be Maintained at Association's Principal Office. In addition to the permanent records described above, the Association shall keep a copy of each of the following at its principal office, all as they may be amended from time to time:

a. List of Owners. A record of Parcel Owners in a form that permits preparation of a list of the names and addresses of all Owners, showing the number of votes each Owner is entitled to vote;

b. Articles of Incorporation. The Association's Articles of Incorporation or other organizational documents;

c. Declaration. The Association's Declaration;

d. Governing Documents. The Association's Governing Documents;

e. Bylaws. The Association's Bylaws;

f. Rules and Regulations. Rules and Regulations adopted by the Board;

g. Minutes. The minutes of all Member's and Board meetings, and records of all action taken by Members or the Board without a meeting, for the past three years;

h. Written Communications. All written communications from the Association to Parcel Owners generally, within the past three years;

i. Directors and Officers. A list of the names and business or home addresses of its current Directors and officers;

j. Annual Report. The Association's most recent annual report, if any; and

k. Financial Audits and Reviews. All financial audits or reviews of the Association conducted during the immediately preceding three years.

3. Records to be Reasonably Available for Inspection and Copying. All financial and other records of the Association shall be made reasonably available for examination and copying by any Owner and such Owners authorized agents.

a. Reasonably Available. The term "reasonably available" means available during normal business hours, upon notice of five business days, or at the next regularly scheduled meeting if such meeting occurs within thirty days after the request, to the extent that the request is made in good faith and for a proper purpose, the request describes with reasonable particularity the records sought and the purpose of the request, and the records are relevant to the purpose of the request.

b. Electronic Availability. The Association's website contains a directory of available records, including links directly to the records, or information on how to request the record. The Association website: <http://elkstreamranch.org/>. Owners are encouraged to check the website for immediate access to frequently requested records and documents. Records are available on the web site for an Owners self-service copying at no cost.

c. Limitations - Membership Lists. A membership list or any part thereof may not be obtained or used by any person for any purpose unrelated to an Owners interest as an Owner without consent of the Board. 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 the Owners 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.

d. Additional Limitations. At the discretion of the Association, certain records may only be inspected in the presence of a Board member or employee of the Manager. No records may be removed from the office without the express written consent of the Board. Further, if a Member requests to inspect records, the Association may photocopy and provide the requested records to the Member in lieu of the Member's inspection of the records if consented to by the Member.

4. Fees. The Association may charge a fee, which may be collected in advance but which shall not exceed the Association's actual cost per page, for copies of Association records.

5. Limited Availability of Certain Records. Consistent with individual Member's right to privacy, attorney-client confidentiality and other considerations, the following records will not be made available without the express written consent of the Board:

a. Personnel. Confidential personnel records.

b. Litigation. Confidential litigation files and matters covering consultation with legal counsel concerning disputes that are subject of pending or imminent court proceedings or are privileged or confidential between attorney and client.

c. Misconduct. Files dealing with investigative proceedings concerning possible or actual criminal misconduct.

d. Privacy. Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy.

e. Work in Progress. Inter-office memoranda, preliminary data, working papers and drafts, and general information or investigations which have not been formally approved by the Board.

6. Criteria for Limitation. In determining whether records may be inspected, the Association shall consider, among other things:

a. Good Faith. Whether the request is made in good faith and for a proper purpose;

b. Relevant Purpose. Whether the records requested are relevant to the purpose of the request;

c. No Improper Purpose. Whether disclosure is for an illegal or improper purpose, or would violate a constitutional or statutory provision or public policy; and

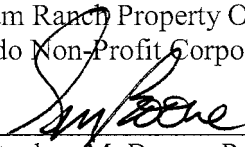
d. Legal Limitations. Whether disclosure may result in an invasion of personal privacy, breach of confidence or privileged information as set forth above.

7. Abuse of Rights. The Association reserves the right to pursue any individual for damages or injunctive relief or both, including reasonable attorneys fees, for abuse of these rights.

PRESIDENT'S CERTIFICATION: The undersigned, being the President of the Elk Stream Ranch Property Owners Association, Inc., a Colorado Non-Profit Corporation, certifies that the foregoing Resolution was approved and adopted by the Board, at a duly called and held meeting of the Board on (date) 6 Aug 10 and in witness thereof, the undersigned has subscribed his name.

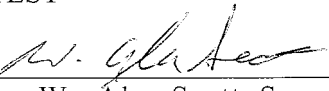
Elk Stream Ranch Property Owners Association, Inc.,
a Colorado Non-Profit Corporation

By:


Stephen M. Boone, President

ATTEST

By:


W. Alan Scott, Secretary /
Treasurer