

PRISTINE POINT OWNERS' ASSOCIATION

P. O. BOX 504 - (970) 349-2002 - CRESTED BUTTE, COLORADO 81224

**THE PRISTINE POINT OWNERS' ASSOCIATION, INC. (PPOA) BOARD OF MANAGERS
HEREBY ADOPTS THE FOLLOWING "PRISTINE POINT RULES AND REGULATIONS".**

WELCOMING NEW OWNERS

Remote Owners:

When individual lots are sold or resold, the PPOA Manager will ensure that all relevant Association documents have been received by the buyer including: Covenants, By-Laws, PPOA Roster, Development Map, current Budget, most recent Newsletter, and a copy of the most recent annual meeting minutes. Buyers will be encouraged to carefully review all recorded documents provided by their realtor or the title insurance company.

When individual lots are sold or resold a member of the PPOA Board will call the new owner and welcome him / her to the Association. Part of this welcome should be an invitation to drop in on one of the Board members when in the area and a request for the owner's telephone number and e-mail address to improve the communication process.

Local Owners:

In addition to the above, when individual lots are under construction, a PPOA Board member will personally introduce himself to the lot owner and ask to be of any assistance possible. The Board member should briefly explain the role of the Board of Managers, our relationship with MLPC, and answer any questions the owner might have.

A PPOA Board member will invite the new local owner to dinner with spouses/families. New local owner contacts with other members of the Association should also be encouraged.

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DELINQUENT DUES COLLECTION POLICY

The Pristine Point Owners' Association (PPOA) is responsible for collecting quarterly dues and special assessments. The vast majority of Association Members will pay their dues in a timely manner. However, it is possible some Members will fail to pay their dues. The PPOA Board feels it would be appropriate to have a documented process to collect unpaid dues and to implement this process consistently for all Members.

Consequently, the PPOA Board has voted to adopt the following Delinquent Dues Collection Policy:

- Dues will be payable on a net 30 day term

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www.MERIDIANLAKE.com

- One Quarter (90 days) Late – Interest will be charged at the rate of 1 ½% per month starting after 30 days. Members will receive a written reminder with their next dues invoice.
- Two Billing Cycles (120 days) Late – Members will receive a second reminder and will continue to accrue interest charges.
- Two Quarters (180 days) late – Members will receive a letter advising of the Board’s intention to place a lien on the property, plus interest due, plus an additional \$25 penalty.
- Three Quarters (270 days) Late – The PPOA Board will file a lien against the property and will charge the Owner the cost of this legal action plus another \$25 penalty and the accumulated penalties from previous actions.

If Owners fail to respond to the above actions, the PPOA Board will consider foreclosing on the property to recover their owed assessments. We hope we never have to resort to this extreme action.

Any Owner who experiences financial difficulties and would like to request a special payment schedule is invited to contact the Board, in writing, for this consideration. Each case will be considered on its own merits.

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**HANDLING OF CONFLICTS OF INTEREST INVOLVING
BOARD MEMBERS**

Board members with a conflict of interest will not participate in the discussion or voting of that specific topic. If necessary, the Board member will be asked to leave the room so that the Board may freely discuss the issue and the Board member will return after the vote has been taken.

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**CONDUCT OF MEETINGS, WHICH MAY REFER TO APPLICABLE
PROVISIONS OF THE NONPROFIT CODE OR OTHER RECOGNIZED
RULES AND PRINCIPLES**

Meetings are conducted in accordance with Roberts Rules of Order and with the Covenants and Bylaws of the Association. The Association’s attorney is consulted prior to the calling of a Special Meeting to confirm that the notice of meeting meets the Colorado Common Interest Ownership Act and the Association’s attorney may attend those Special Meetings. The Association’s attorney is regularly consulted with regard to protocol and points of law.

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**ENFORCEMENT OF COVENANTS AND RULES, INCLUDING NOTICE
AND HEARING PROCEDURES AND THE SCHEDULE OF FINES**

When the Board of Managers becomes aware of, or is advised of, a violation of Covenants or Rules, a Board member meets or telephones the owner and advises them of the violation and gives that owner 10 days to rectify the violation. If the violation is not rectified within 10 days, a letter is mailed to that owner detailing the violation and giving the owner 30 days to rectify the violation or to request or attend a meeting with the Board to explain why the violation cannot be immediately corrected. Attendance at a meeting may be by telephone if requested by the owner. If no response is received within 30 days, a second letter is sent to the owner advising the owner that a fine has been imposed as of the date of the letter and will continue to accrue for the entire period that the owner remains in violation. The Board will pursue, at its discretion, all legal remedies available to it to ensure that the owner takes action to fully comply with the covenants and pay the

appropriate fines. The owner is also given a further opportunity to attend a meeting and explain why the violation cannot be rectified.

SCHEDULE OF FINES:

Covenant Violations	At the Board's Discretion
Architectural Standards, Design & Construction Guidelines	At the Board's Discretion

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INSPECTION AND COPYING OF ASSOCIATION RECORDS BY OWNERS

Association records are available on the Association's website: www.meridianlake.com

The Association has a dedicated telephone line – (970) 349-2002 – and regular newsletters are mailed to owners giving names and contact numbers of the Board members and managers.

Owners may request copies of any Association documents which are either mailed or the owner may collect or view the documents at 42 Stream View Lane, Meridian Lake Meadows, Crested Butte, CO 81224. Copying and mailing is generally at the expense of the Association, but the Association reserves the right to request payment by an owner for copying and/or mailing a large volume of material

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INVESTMENT OF RESERVE FUNDS

Reserve funds are held in a separate interest bearing account at Gunnison Savings & Loan, Crested Butte. Funds from the reserve fund are used for non-budgeted expenses which are considered a benefit to the owners.

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**PROCEDURES FOR THE ADOPTION AND AMENDMENT
OF POLICIES, PROCEDURES AND RULES**

The Board of Managers meets at least four times per year for scheduled Board Meetings and additional meetings are called as required. Managers communicate via e-mail to request that new items be added to the next Agenda including adoption or amendment of policies, procedures or rules. At the first available meeting after that request the Board member will either present his amendment or following a full discussion, a Board member would be asked to draft the amendment and circulate it to the Board for review and comment. Once the wording of the amendment has been finalized, a vote of the Board of Managers would be taken. If the amendment received the support of a majority of the Board, the amendment would be loaded onto the website (www.meridianlake.com) and communicated to owners in the next newsletter and at the Annual Meeting.

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For further clarification of these Policies, contact any Board member.

Approved January 5, 2006

**BOARD OF MANAGERS
PRISTINE POINT OWNERS' ASSOCIATION**

* Note: These policy statements shall be taken in the same context as "Rules and Regulations" as defined and permitted by the Colorado Common Interest Ownership Act.