

**VAIL GATEWAY PLAZA CONDOMINIUMS, INC.
AMENDED AND RESTATED POLICY AND PROCEDURE REGARDING
ENFORCEMENT OF COVENANTS AND RULES WITH RELATED NOTICE AND
HEARING PROCEDURES AND SCHEDULE OF FINES**

SUBJECT: Adoption of an amended procedure regarding enforcement of covenants and rules with related notice and hearing procedures and schedule of fines.

PURPOSE: To adopt a standard procedure to be followed for enforcement of covenants and rules.

AUTHORITY: The Governing Documents of the Association and Colorado law. The Governing Documents are comprised of:

- a. Amended and Restated Declaration for Vail Gateway Plaza Condominiums;
- b. Map for Vail Gateway Plaza Condominiums;
- c. Bylaws for Vail Gateway Plaza Condominiums;
- d. Articles of Incorporation for Vail Gateway Plaza Condominiums;
- e. Rules, Regulations and Policies for Vail Gateway Plaza Condominiums;
- f. Responsible Governance Policies as required by C.R.S. 38-33.3-209.5 for Vail Gateway Plaza Condominiums.

Colorado Law is comprised of:

1. Colorado Common Interest Ownership Act (“CCIOA”) codified at C.R.S. 38-33.3-101 et seq.
2. Colorado Revised Not for Profit Corporate Act (“CRNCPA”).

EFFECTIVE DATE: 1/28/2019
_____, 2019

RESOLUTION: Vail Gateway Plaza Condominiums (“Association”) hereby adopts the following Policy in compliance with CRS 38-33.3-209.5 by and through its Executive Board.

1. Adoption. These policies and procedures are adopted IN compliance with Colorado Law, and to promote the recreation, health, safety, and welfare of Owners and residents of the Association. This Amended and Restated Enforcement Policy takes the place of any prior Enforcement Policies. Any capitalized term not defined herein shall have the meaning provided for said term in the Governing Documents or Coloraod Law.
2. Purpose. To provide a process for enforcement of the Governing Documents that works organically with the Governing Documents. Note: Collection of unpaid Assessments is addressed elsewhere in the Association Governing Documents and by a separate Collection Policy.

3. Who is Subject. All Owners and their Guests.
4. Enforcement Provisions in the Governing Documents. The Governing Documents provide the Association with the authority to exercise various enforcement remedies while also providing for enforcement parameters and mechanisms. The following are general references to the portions of the Governing Documents that address such enforcement authority and parameters. This Amended and Restated Enforcement Policy is intended to provide a cohesive enforcement procedure that incorporates and addresses the various enforcement provisions of the Governing Documents in order to meet the requirements of the Governing Documents in a fair and equitable manner as well as the requirements of C.R.S. 38-33.3-209.5 (2).
 - 4.1. Declaration at Article 15(j) and Bylaws Section 7.2.2 provides authority for the Association to promulgate Rules and Regulations;
 - 4.2. Declaration at Article 35(g) provides that the Executive Board may impose a fine, not to exceed \$200.00 for the first offense and \$500.00 for subsequent violations;
 - 4.3. Section 7.2.1 of the Bylaws provides authority to the Executive Board to enforce the Governing Documents.
5. Power of Executive Board. The Executive Board has the power under the Governing Documents to impose monetary fines under the limitations of Section 35(g) of the Declaration, which shall constitute a lien upon a Unit of the violator and to suspend an Owner's right to vote for violation of any duty imposed under the Governing Documents. This Policy is intended to address the process by which fines may be assessed including notice and hearing procedures and a schedule of fines.
6. Notification of Violation, Hearing Process and Implementation of a Fine. The following constitutes the general procedure for notification of a violation of the Governing Documents and implementation of fines for such violation(s), other than payment of Assessments which are addressed in the Association's Amended and Restated Assessment Collection Policy. In the event of an emergency or other situation that does not, in the Executive Board's discretion, lend itself to following this procedure, the Executive Board may implement penalties and address violations as it deems appropriate as addressed in Section 12.5 below. Additionally, this procedure is not required if the enforcement action will not involve assessment of a fine or penalty but may still be elected to be followed in such event at the discretion of the Executive Board. All determinations on whether a violation occurred and whether to implement a fine or penalty if a violation occurred shall be subject to the discretion of the Executive Board and/or Management.
 - 6.1 Upon determination by the Executive Board or Management that a violation of the Association Governing Documents has occurred and warrants a Notice and/or fine, a Notice shall be provided via posting on the door of the Unit, e-mailed to the e-mail address of the offending Owner if there is one on record or mailed regular United States mail to the address on record for the offending Owner ("Notice"). The Notice generally should include:

- 6.1.1 Nature of the alleged violation;
- 6.1.2 Proposed sanction to be imposed;
- 6.1.3 Name, address and telephone number of a person to contact to challenge the proposed action;
- 6.1.4 Statement that the violator may challenge whether a violation occurred that supports the proposed sanction and/or the nature of the sanction by delivering to the Association written notice, to the address on the Notice, that the Owner desires to challenge the basis or nature of the sanction along with a statement of the reason for the challenge (“Challenge”).
- 6.1.5 That an Owner may request a hearing before an impartial decision maker in their Challenge. No hearing will be held unless expressly requested by the Owner in a timely Challenge. Unless otherwise provided on the Notice the time period for making a Challenge is fifteen (15) days from the date of the Notice Form.
- 6.1.6 If no Challenge is timely made the fines and/or sanctions shall not be subject to further review or challenge.

6.2 Hearing. If an Owner makes a timely Challenge and in the Challenge requests a hearing (“Hearing”) the Hearing shall be scheduled at the Executive Board’s discretion and shall be before an impartial decision maker(s) appointed by the Executive Board (“Decision Maker”). The Decision Maker shall be a person or group of persons who have authority to make a decision regarding the enforcement of the Association’s covenants, conditions and restrictions, including architectural requirements, and other rules and regulations and whom do not have any direct personal or financial interest in the outcome of the Hearing. A Decision Maker shall not be deemed to have a direct personal or financial interest in the outcome if the Decision Maker will not, as a result of the outcome of the Hearing, receive any greater benefit or detriment than will the general membership of the Association. The Hearing shall afford the alleged violator a reasonable opportunity to be heard which time period can be reasonably limited by the Decision Maker or Executive Board. Written documentation may be demanded by and may be submitted to the Executive Board for dissemination to the Decision Maker. The Hearing may be held telephonically. Upon receipt of a timely Challenge, the Executive Board shall provide written Notice of the Hearing (“Notice”) which shall provide the time, place and format for the Hearing, the name(s) of the Decision Maker along with an invitation to the violator to attend the Hearing and produce any statements, evidence, and witnesses. The Notice shall be provided not less than five (5) days before the date of the Hearing. Proof of Notice shall be deemed adequate if a copy of the Notice, together with a statement of the date and manner of delivery, is entered by the officer, manager or director who delivered such Notice. The Notice requirement shall be deemed satisfied if an Owner who is being sanctioned appears at the Hearing. The minutes of the Hearing shall contain a general written statement of the results of the Hearing and the sanction, if any, imposed. The decision of the Executive Board and/or Decision Maker at the Hearing are final and non-appealable. The Decision Maker or the Executive Board has the discretion to waive or reduce fines and penalties based upon ameliorating circumstances and facts.

7. Penalties and Fines.

7.1. General Fines and Penalties. The following constitutes the general fine and penalty schedule for violations of the Governing Documents of the Association, other than nonpayment of Assessments, which are subject to a separate Collection Policy. The Executive Board may implement a different fine schedule for specific events or violations by providing for the same in the Rules and Regulations or amending this Policy to provide for the same. The current Specific Fines and Penalties are set forth in Section 7.2 below. If not otherwise noted on the Notice Form the fines and penalties shall be as listed below but these fines and penalties are in addition to any actual damages, penalties or related costs and expenses that may be the responsibility of the offending Owner. An “Offense” for purposes of this section shall mean a violation of Colorado law or the Association Governing Documents. To constitute a repeat Offense that leads to increased fines as provided for below, the Offense, must be the same or similar Offense. Each new or unrelated Offense shall be addressed as a First Time Offense. :

- 7.1.1 First time Offense occurs - Written warning;
- 7.1.2 Second time Offense occurs – Two Hundred dollars (\$200.00);
- 7.1.3 Any subsequent Offense occurs – Five Hundred Dollars (\$500.00);
- 7.1.4 For Unabated Offenses, which are Offenses that continue unabated for 24 hours after a Notice Form is served, the fine shall be \$200.00 every 24 hours until fully abated and shall increase each time they occur thereafter.

7.2. Specific Fines and Penalties. The following constitutes the schedule of fines and penalties for certain specific types of violations of the Governing Documents. If not otherwise noted on the Notice Form the fines and penalties for these specific violations are as set forth below but these fines and penalties are in addition to any actual damages, penalties or related costs and expenses that may be the responsibility of the offending Owner. An “Offense” for purposes of this section shall mean a violation of Colorado law or the Association Governing Documents:

7.2.1 Violation of Association’s Design Review and Unit Renovation Construction Restrictions and Guidelines

- 7.2.1.1 First time Offense occurs - \$200.00; Warning Letter;
- 7.2.1.2 Any subsequent Offense - Five Hundred dollars (\$500.00);
- 7.2.1.3 For ongoing or continuing Offenses, which are Offenses that continue unabated for 24 hours after a Notice Form is served the fine shall be \$200.00 every 24 hours until fully abated.

7.2.2 Parking Violations. Parking violations may be enforced by the Association and/or its Managing Agent either directly or through third party contractors or any authorized agent of any of the foregoing. Any person or entity that violates any of the Association’s parking regulations shall be subject to fines and penalties.

- 7.2.2.1 First violation - \$100;
- 7.2.2.2 Second violation - \$200;

7.2.2.3 Third and each subsequent violation - \$300.

7.2.2.4 In addition to or in lieu of any of the foregoing penalties, any vehicle found to be parked in violation of the Governing Documents, may be booted, or have other similar devices designed to immobilize such vehicle attached to the vehicle, or be towed. For any vehicle immobilized pursuant to this section, the following penalties shall apply:

7.2.2.4.1 First Wheel Boot - wheel boot shall be removed only upon payment of the sum of \$150;

7.2.2.4.2 Second Wheel Boot of same vehicle or of any other vehicle parked by an individual whose vehicle has once previously been wheel booted - wheel boot shall be removed only upon payment of \$250;

7.2.2.4.3 Third Wheel Boot of the same vehicle or of any other vehicle parked by an individual whose vehicle has twice previously been wheel booted - wheel boot shall be removed only upon payment of \$350.

7.2.2.4.4 If a vehicle is towed the vehicle owner is required to pay any costs or fees charged by the towing company in addition to the fines set forth in Section 6.2.2 above.

It is the intent of the Association that each of the enforcement mechanisms and penalties described in this Section shall be in addition to and not in lieu of any other enforcement mechanisms and penalties that may be available to the Association. Without limitation of the foregoing, the Association may seek an injunction to restrain a person from any further violation hereof, such remedy being in addition to all other remedies available at law, equity or otherwise.

UNDER NO CIRCUMSTANCES SHALL THE ASSOCIATION BE LIABLE FOR ANY DAMAGE TO A VEHICLE THAT IS BOOTED OR IMMOBILIZED OR FOR ANY CLAIMED DAMAGES DUE TO THE IMMOBILIZATION OF THE VEHICLE.

7.2.3. Violation of Pet Provisions/Restrictions.

7.2.3.1 For any violation of any restrictions, rules and regulations regarding animals the Association may, in addition to any other remedies available to it under Colorado Law including contacting animal control and having the offending animal removed from the Association premises at the cost of the owner of the offending animal, assess fines as follows which fines may be assessed against the owner of the offending animal as well as also being assessed against the Owner of any Unit who themselves or whose Guest violates the animal restriction. Management is entitled to make a case by case determination on pet violations as the goal is to penalize habitual offenders:

7.2.3.1 First violation – Verbal Warning – Reasonable effort will be made to give an initial verbal warning followed by a confirmation in writing if warranted but if a verbal warning is not feasible or warranted a written warning only shall be provided (it is encouraged for Owners and

Management to be civil and neighborly with other Owners and Guests and therefore encourage notifying an offending Owner of an initial violation verbally in a polite manner);

7.2.3.2 Second Violation – Written Warning – this is applicable even if a verbal warning was not possible for the first time offense;

7.2.3.3 Third violation - \$200.00 fine;

7.2.3.4 Fourth and subsequent violations - \$500.00 fine;

7.2.3.5 Thereafter the offending Pet can be subject to permanent removal from the Project.

8. Removal of Owner or Guest. In circumstances where an Owner or Guest is violating the behavioral and responsibility requirements of Vail Gateway as set forth in the Governing Documents or as may be readily cognizant to the general populace and said behavior cannot be remedied by following the general enforcement procedures herein, said offending Owner or Guest may be evicted and removed from the Project, with assistance of law enforcement and/or authority for issuance of an ex-parte Temporary Restraining Order from a Court of competent jurisdiction, if necessary, with return to the Project being subject to reasonable regulations and requirements as set by the Association through the Executive Board or Management. The return requirements can be addressed via the Hearing process above but emergent actions for removal of an Owner or Guest for the safety and well-being of other Owners, Guests or the Project can occur prior to and without the need for an advance Hearing.
9. Attorney's Fees and Costs. The Executive Board may engage legal counsel at any time for advice and assistance. If the fact finding process provided for herein leads to a determination that the Owner should be held responsible for an alleged violation, the Association may allocate to the Owner's account with the Association the Association's costs and attorney's fees incurred in asserting the Notice and hearing the Challenge.. If the fact finding process provided for herein leads to a determination that the Owner should not be held responsible for the alleged violation, the Association may not allocate to the Owner's account with the Association any of the Association's costs and attorney's fees incurred in asserting the Notice and hearing the Challenge.
10. Failure to Pay. Any fines/penalties not paid within thirty days (30) from the provision of the Notice of Violation or confirmation of the sanction after a Hearing shall be considered a delinquent Assessment, and shall act as a lien upon the offending Owner's Unit. Said lien may be enforced in the same manner as a lien for unpaid Assessments in accordance with the Governing Documents including the recovery of all attorney fees and costs incurred in collecting the lien and entitling the Association to all collection rights and options as provided for any delinquent Assessment.

11. Alternative Dispute Resolution. Under the Association's Alternative Dispute Resolution Policy, the Association may address any dispute that does not involve implementation of a fine or penalty via alternative means as may be elected by the Executive Board. In the event of dispute that involves a fine or penalty, the dispute may be submitted to alternative dispute resolution proceedings per the Association's Alternative Dispute Resolution Policy if proposed by the Executive Board and agreed to by the offending Owner in lieu of or addition to the process herein.

12. Miscellaneous

12.1 Non-Exclusive Remedies. The remedies set forth are cumulative and non-exclusive.

12.2 No Waiver. The failure of the Executive Board, managing agent of the Association or aggrieved Owner to enforce the Association documents shall not be deemed a waiver of the right to do so for any subsequent violations or a waiver of the right to enforce any other part of the Association Governing Documents.

12.3 No Liability. No member of the Executive Board or the managing agent or any Owner shall be personally liable to any other Owner for the failure to enforce any of the Association Governing Documents at any time.

12.4 Additional Enforcement Rights. Notwithstanding any other provisions in the Governing Documents to the contrary, the Association, acting through its Executive Board, may elect to enforce any provision of the Governing Documents by self-help or by suit at law or in equity to enjoin any violation and to recover monetary damages or both. In any such action the Owner responsible for the violations for which abatement is sought shall be responsible for all attorney's fees and costs incurred by the Association.

12.5 Authorization for Emergency Action. The policy and procedures herein shall not apply to any emergency action which the Executive Board deems is appropriate to take in regard to any violation of the Association Governing Documents. In the event what is deemed by the Executive Board to be an emergency, including any matter that affects life safety or affects the immediate well-being of the Owners or the Units, the Association may act immediately in enforcing the Association Governing Documents without the requirement to meet the procedures set forth above in advance but a Notice shall be provided as soon as practicable thereafter and if a fine or penalty is implemented the Hearing process above shall be applicable thereto.

12.6 Conflicts Between Documents. All of the Governing Documents are intended to be interpreted and read in a harmonious manner to promote an organic and fluid governance of the association. In the event of a true conflict between this Policy and the Map, Declaration or Bylaws; the Map, Declaration and Bylaws shall govern. In the event of a true conflict between this Policy and the Act, the Act shall govern. In the

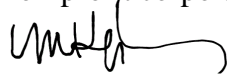
event of a true conflict between this Policy and any other Rules, Regulations and Policies, the more specific policy or rule shall govern including fine structures.

PRESIDENT'S

CERTIFICATION: The undersigned President of Vail Gateway Plaza Condominiums, a Colorado nonprofit corporation, certifies that this Policy was adopted by in compliance with the Governing Documents

Vail Gateway Plaza Condominiums, Inc.
A Colorado non-profit corporation,

By: _____



President of the Executive Board