

- (I) On a monthly basis ~~and by first-class mail and, if AIA has the relevant e-mail address, by e-mail~~, AIA shall send to each Owner who has any outstanding balance owed AIA an itemized list of all assessments, fines, fees, and charges that the Owner owes to AIA. ~~AIA shall send the itemized list to the Owner in English or in any language for which the Owner has indicated a preference for correspondence and notices and to any designated contact for the Owner.~~
- (J) AIA, before it turns over a delinquent account of an Owner to a collection agency or refers it to an attorney for legal action, must send the Owner a notice of delinquency by certified mail, return receipt requested, specifying: (i) the total amount due, with an accounting of how the total was determined; (ii) whether the opportunity to enter into a payment plan exists pursuant to C.R.S. § 38-33.3-316.3 and instructions for contacting ~~AIA the entity~~ to enter into such a payment plan; (iii) the name and contact information for the individual the Owner may contact to request a copy of the Owner's ledger in order to verify the amount of the debt; and (iv) that action is required to cure the delinquency and that failure to do so within thirty days may result in the Owner's delinquent account being turned over to a collection agency, a lawsuit being filed against the owner, the filing and foreclosure of a lien against the Owner's property, or other remedies available under Colorado law. The notice of delinquency must: (i) be written in English and in any language that the Owner has indicated a preference for correspondence and notices; (ii) specify whether the delinquency concerns unpaid assessments; unpaid fines, fees, or charges; or both unpaid assessments and unpaid fines, fees or charges, and if the notice of delinquency concerns unpaid assessments, the notice of delinquency must notify the Owner that the unpaid assessments may lead to foreclosure; (iii) include a description of the steps AIA must take before AIA may take legal action against the Owner, including a description of AIA's cure process; and (iv) include a description of what legal action AIA may take against the Owner, including a description of the types of matters that AIA or the Owner may take to small claims court, including injunctive matters for which AIA seeks an order requiring the Owner to comply with the Governing Documents.
- (K) If the Owner is unwilling or unable to cure the delinquency in full within thirty (30) days, AIA's attorney, on behalf of AIA, will make a good faith effort to set up a payment plan with an Owner for the payment of delinquent assessments, UNLESS the Owner does not occupy the property and has acquired the property as a result of the foreclosure of a security interest encumbering the property OR the Owner has previously entered into a payment plan for the payment of delinquent assessments, in which case the Owner is not entitled to enter into a payment plan.
- (L) Any payment plan entered into with an Owner shall permit the Owner to pay off the deficiency in equal installments over a period of at least eighteen months. Under the repayment plan, the Owner may choose the amount to be paid each month, so long as each payment must be in an amount of at least twenty-five dollars until the balance of the amount owed is less than twenty-five dollars. An Owner who has entered into a repayment plan may elect to pay the remaining balance owed under the repayment plan at any time during the duration of the repayment plan. The Owner must remain current with regular assessments as they come due during the eighteen-month period, or such longer period as the Board may agree. Nothing in the Article prohibits AIA from pursuing legal action against an Owner if the Owner fails to comply with the terms of the Owner's payment plan. An Owner's failure to remit payment of three or more agreed-upon installments or to

- remain current with regular assessments as they come due during the eighteen-month period, constitutes a failure to comply with the terms of the Owner's payment plan.
- (M) Legal remedies available to AIA to collect a delinquent account pursuant to the Governing Documents and Colorado law include filing suit to recover a money judgment personally against the Owner and foreclosure of AIA's statutory lien for assessments, which remedies may be pursued simultaneously. The Board shall review delinquent accounts to determine appropriate collections efforts on a case by case basis and will retain such legal counsel and collections agencies as may be appropriate in its discretion.
 - (N) To the fullest extent permitted by law, Aall attorney fees and costs incurred in pursuing legal remedies to collect a delinquent account, including but not limited to, negotiating and drafting payment plan agreements, preparing and recording of any notice of lien and release of lien, court filing fees, and service of process fees, shall be assessed to the Owner.
 - (O) All payments received on a delinquent account are applied in the following order: first to assessments owed, with the oldest paid first, and the remaining amount first to interest, then to late fees, then to court costs, and then to attorney fees, with the oldest of each paid first.
 - (P) In addition, there will be: (i) a transfer fee, which is also referred to as a record change fee, to be paid to AIA for processing the change of ownership in AIA's records, and (ii) an association status report fee, which is also called a status letter fee, to be paid to the AIA's manager for reporting the amount of dues regularly assessed, information regarding pending special assessments, insurance matters and other matters typically requested by title companies in the course of a sale. AIA does not charge an Owner for a statement of the total amount the Owner owes. The amount of these fees will be set forth in the schedule of fees established by the Board.
 - (Q) Any Owner desiring that AIA communicate with that Owner using a preferred language other than English must make such request in writing signed by the Owner mailed by certified mail return receipt requested to AIA's manager.
 - (R) All notices required by this Article or otherwise required by CCIOA shall be sent according to the requirements of CCIOA in effect at the time the notices are sent and shall comply with CCIOA. If not otherwise specified by CCIOA, all notices required by this Article shall be sent by First Class Mail to the most recent mailing address of record for the Owner and, if AIA has an email address for an Owner, to such Owner's email address. Notices shall be provided to designated agents and in preferred languages as required by CCIOA.

<p style="text-align: center;">ARTICLE 12. POLICY AND PROCEDURES FOR THE ADOPTION AND AMENDMENT OF POLICIES, PROCEDURES, RULES AND REGULATIONS</p>

1. PURPOSE: This policy and procedure outlines the policies and procedures for the adoption and amendment by the Board of policies, procedures, rules and regulations that apply to Arrowhead and AIA, including these Regulations.
2. POWER TO ADOPT OR AMEND: Pursuant to the Governing Documents and CCIOA, the Board shall have the power to adopt and amend any policies, procedures, rules and regulations applicable to Arrowhead or AIA as set forth herein. The Board has the discretion to determine if a policy,

procedure, rule or regulation is necessary for governance of Arrowhead and, or, AIA, or to address issues effecting Arrowhead and, or, AIA.

3. CONSIDERATIONS: In developing a proposed policy, procedure, rule or regulation, the Board shall consider the following:
 - (A) Whether the current documents governing Arrowhead and, or AIA and, or Colorado law grants the Board authority to adopt a proposed policy, procedure, rule or regulation.
 - (B) The need for the proposed policy, procedure, rule, or regulation, based upon the scope and importance of the issue effecting Arrowhead and, or AIA.
 - (C) The immediate and long-term impacts and implications of the proposed policy, procedure, rule, or regulation; and
 - (D) Whether a conflict exists between AIA's governing documents, applicable local, state or federal regulations and statutes and the proposed policy, procedure, rule, or regulation.
4. NOTICE AND COMMENT PERIOD: Prior to the adoption or amendment of a policy, procedure, rule, or regulation, the Board shall provide notice of the proposed adoption or amendment to all Owners by: (i) posting the same on AIA's website, and (ii) ~~mailing emailing a notice the same~~ to all Owners ~~for whom AIA has an email address that need not contain any information except a statement that a proposed amendment has been posted on AIA's website~~. Such internet posting shall include the proposed text of the proposed policy, procedure, rule or regulation, and the time and place of the Board meeting at which the proposed policy, procedure, or rule will be discussed and whether action may be taken. Such internet posting shall be posted on AIA's website for at least ~~ninety-thirty~~ (390) days prior to the meeting at which the proposed adoption or amendment may occur. Owners may submit written comments or attend the meeting and provide comments prior to the Board's vote. An additional notice, without the text of the proposed adoption or amendment, shall also be physically posted in at least two physical locations that will be conspicuous to Owners, such as a Board designated message board, and shall state that a proposed amendment has been posted to AIA's website. Such physical posting of the notice shall also be for at least ~~thirtyninety~~ (390) days prior to the meeting at which the proposed adoption or amendment may occur. Revisions subsequent to the initial posting of proposed policies, procedures, rules and regulations shall be posted online at the Association's website at least ten (10) days prior to the meeting at which the proposed adoption or amendment may occur, but need not be re-sent to Owners and no new notification is required. Except for the correction of typographical errors and filling in dates, no revisions to the proposed policies, procedures, rules and regulations shall occur at the meeting at which the proposed adoption or amendment occurs.
5. ACTION: After notice as required by this procedure, the Board may adopt any policy, procedure, rule, or regulation at a meeting of the Board by affirmative vote of a majority of the Board in attendance when a quorum is present or by any other method authorized by AIA's Governing Documents or pursuant to Colorado law.
6. EMERGENCY: The Board may forego the notice and opportunity to comment in the event the Board determines in its sole discretion that an emergency policy, procedure or rule is imperatively necessary to comply with state or local law or for the preservation of public health, safety, or welfare. Emergency policies, procedures or rules shall become effective upon adoption. Any emergency policy, procedure or rule shall terminate after one hundred twenty days after adoption