

**RESOLUTION
OF
PENN PLAZA OWNERS ASSOCIATION, INC. REGARDING POLICIES AND
PROCEDURES FOR COVENANT AND RULE
ENFORCEMENT**

- SUBJECT:** Adoption of a policy regarding the enforcement of covenants and rules and procedures for the notice of alleged violations, conduct of hearings, and imposition of fines.
- PURPOSE:** To adopt a uniform procedure to be followed when enforcing covenants and rules to facilitate the efficient operation of Penn Plaza Owners Association, Inc. (hereinafter “the Association”).
- AUTHORITY:** The Declaration, Bylaws and Articles of Incorporation of the Association and Colorado law.
- EFFECTIVE DATE:** July 1, 2015
- RESOLUTION:** The Association hereby adopts the following procedures to be followed when enforcing the covenants and rules of the Association:
1. Reporting Violations. Complaints regarding alleged violations may be reported by an owner or tenant within the community, a group of owners or tenants, the Association’s management company, if any, Board member(s) or committee member(s) by submission of a written complaint.
 2. Complaints. Complaints by owners or tenants shall be in writing and submitted to the Board of Directors. The complaining owner or tenant shall have observed the alleged violation and shall identify the complainant (“Complainant”), the alleged violator (“Violator”), if known, and set forth a statement describing the alleged violation, referencing the specific provisions which are alleged to have been violated, when the violation was observed and any other pertinent information. Non-written complaints or written complaints failing to include any information required by this provision will not be investigated or prosecuted.
 3. Initial Warning Letter. If a violation is found to exist, a warning letter shall be sent to the Violator explaining the nature of the violation. The Violator will have 14 days from the date of this initial warning letter to come into compliance.

4. Continued Violation After Initial Warning Letter. If the alleged Violator does not come into compliance within 14 days of initial warning letter, a second letter shall then be sent to the alleged Violator, providing notice and an opportunity for a hearing, and explaining if a violation is found to exist, a fine may be imposed pursuant to this Policy. The letter shall further state that the alleged Violator is entitled to a hearing on the merits of the matter provided that such hearing is requested in writing within 14 days of the date on the second violation letter.

5. Notice of Hearing. If a hearing is requested by the alleged Violator, the Board, committee or other person conducting such hearing as may be determined in the sole discretion of the Board, may serve a written notice of the hearing to all parties involved at least 14 days prior to the hearing date.

6. Hearing. The Board or other Impartial Decision Maker shall hear and decide cases set for hearing. An Impartial Decision Maker is a person or group of persons that do not have any direct personal or financial interest in the outcome. The Board or other Impartial Decision maker may appoint an officer or other Owner to act as the Presiding Officer at the hearing. At the beginning of each hearing, the Presiding Officer, shall introduce the case by describing the alleged violation and the procedure to be followed during the hearing. Each party or designated representative, may, but is not required to, make an opening statement, present evidence and testimony, present witnesses, and make a closing statement. The Presiding Officer may also impose such other rules of conduct as may be appropriate under the given circumstances. Neither the Complainant nor the alleged Violator is required to be in attendance at the hearing. The Board or other Impartial Decision Maker shall base its decision solely on the matters set forth in the Complaint, results of the investigation and such other credible evidence as may be presented at the hearing. Unless otherwise determined by the Board, all hearings shall be open to attendance by all Owners. The Board may hear testimony from both sides at the hearing. The Board will excuse both parties and render a decision.

7. Notice of Decision. The decision of the Board shall be in writing and provided to the Violator and Complainant within 14 days of the hearing, or if no hearing is requested, within 30 days of the second letter. A decision, either finding for or against the Owner, shall be made by a majority of the Board members present at the hearing. Failure to strictly follow the hearing procedures set forth above shall not constitute grounds for appeal of the decision.

8. Fines. Should a fine be imposed on the alleged violator, standard collection action may be pursued which may take form of court action for damages, collected as provided by Colorado law. It is also possible that

standard collection action may include recording of a lien on the unit for nonpayment of the fine.

9. Waiver of Fines. The Board may waive all, or any portion, of the fines if, in its sole discretion, such waiver is appropriate under the circumstances. Additionally, the Board may condition waiver of the entire fine, or any portion thereof, upon the Violator coming into and staying in compliance with the Articles, Declaration, Bylaws or Rules.

10. Reservation of Rights. Nothing in this policy shall require the Association to take specific actions, except that every Owner shall be entitled to notice and opportunity to be heard before an impartial decision maker prior to the imposition of fines. Except as prohibited by law, the Association has and reserves the right to evaluate each violation on a case by case basis and to deviate from or modify the procedures set forth herein as may be necessary or advisable under individual circumstances. Accept as required by statute, failure of the Association to comply with any provision herein provided shall not be deemed a defense to any enforcement or other legal action by the Association.

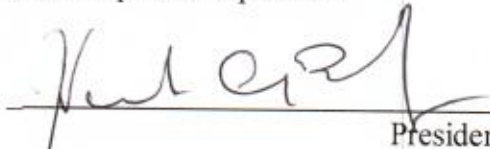
11. Deviations. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.

**PRESIDENT'S
CERTIFICATION:**

The undersigned, being the President of the Penn Plaza Owners Association a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on June 4th, 2015 and in witness thereof, the undersigned has subscribed his/her name.

PENN PLAZA OWNERS ASSOCIATION, INC.
A Colorado nonprofit corporation

By:



President