

POLICY FOR COLLECTION OF UNPAID ASSESSMENTS

Effective: May 2, 2023

1. **Introduction.** The Board of Directors (the Executive Board) of Redstone Canyon Association (RCA), a Colorado corporation (the "Association"), acting pursuant to the powers set forth in the Association's Bylaws, Articles of Incorporation, the Declaration of Covenants, Conditions and Restrictions for RCA (a Common Interest Community), and the Colorado Common Interest Ownership Act ("CCIOA"), has enacted the following Policy effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms used in this Policy shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. This Policy supersedes any previously adopted Policy on the same subject matter.
 2. **Policy Purposes.** The purpose of this Policy is to emphasize that collection of unpaid Assessments is an important part of governing the Association and such collection must be done in a uniform manner in accordance with the Association Documents and CCIOA. It is the intent of the Policy to provide a framework for the collection of past due Assessments in a timely and efficient manner.
 3. **Collection of Unpaid Assessments.** To assist with the collection of unpaid Assessments in a timely and efficient manner, the Association shall do the following:
 - a. Assessments are due annually by June 1 of each year. The Association will send out invoices each year in the month of April and no later than April 30. The Association will send out a follow-up statement to those who have not paid no later than July 1 of that year.
 - b. The account is considered past due if all amounts due are not received by August 1. A late fee of 12% of any past due amounts will be assessed against any owner whose payment is past due as calculated from the due date. In addition, the Association may turn over the account to its Legal Counsel and a demand letter sent by the Association's counsel. The delinquent Owner's parcels voting rights are suspended until the Owner has cured the delinquency.
-

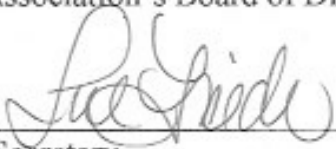
-
- c. In the event payment is not received from any delinquent Owner, within thirty (30) days after the date of the demand letter referenced above, the Association may:
- i. Commence and maintain legal proceedings for the recovery of delinquent Assessments, late fees, interest, attorney fees and costs as may be allowed by the Association Documents or CCIOA.
 - ii. Pursue collection of judgments obtained against Owners; and
 - iii. Take all other lawful action necessary to collect delinquent Assessments in accordance with the Association Documents and Colorado Law.

If the Association fails to follow the procedures set forth above, it shall not be construed as any waiver or release of a delinquent Owner's obligation to pay Assessments or the Association's right to collect the Assessments in accordance with the Association Documents and CCIOA.

4. Association's Attorney Fees and Costs. Any delinquent Owner shall be responsible for attorney fees and costs incurred by the Association in the collection of past due Assessments, whether or not a lawsuit is commenced, in accordance with the Association Documents and CCIOA.

CERTIFICATION

The undersigned, being the duly elected Secretary of RCA (The "Association") certifies that the foregoing Policy for Collection of Unpaid Assessments was approved by a vote of at least a majority of the Association's Board of Directors at a meeting of the Association's Board of Directors held on May 2, 2023.


Secretary

Date 05/02, 2023