

MISSION VIEJO HOMEOWNERS' ASSOCIATION INC.

Policy Regarding Conduct of Meetings

The following procedures regarding conduct of meetings were adopted by the Board of Directors of the Mission Viejo Homeowners' Association Inc. ("Mission Viejo HOA") in compliance with C.R.S. 7-128-203 of the Colorado Revised Non-Profit Act.

Effective Date: June 18, 2013

NOW, THEREFORE, IT IS RESOLVED that Mission Viejo HOA does hereby adopt the following policy regarding the conduct of meetings for all Meetings of the Board of Directors and all Committees of the Board:

Notice of Meetings

Not less than five or more than fifty days in advance of any meeting of the Mission Viejo HOA notice shall be posted on the official Mission Viejo HOA web site. Mission Viejo HOA shall also provide notice of all regular and special meetings by electronic mail to all members who so request and who furnish the Mission Viejo HOA with their electronic mail addresses. The notice shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the declaration or bylaws, any budget changes, and any proposal to remove an officer or member of the Board of Directors.

Open Meetings

All regular meetings of the Board of Directors, all committee meetings and the annual meeting of members are open to all resident members or to any person designated by a resident member in writing as the member's representative. At an appropriate time determined by the Board of Directors, but before the Board votes on an issue under discussion, the Board shall permit residential members or their designated representatives to speak regarding the issue. The Board may place reasonable time restrictions on persons speaking during the meeting. If more than one person desires to address an issue and there are opposing views, the Board shall provide for a reasonable number of persons to speak on each side of the issue. During regular Board of Directors Meetings, fifteen minutes will also be set-aside as an open forum to direct questions not on the agenda to the Board of Directors.

Quorum and Order

As specified in the Mission Viejo HOA Bylaws, when a vote is required at the annual meeting 3% of the all unit members shall constitute a quorum. If there is not a sufficient number of Members present to constitute a quorum, then at the direction of the Board of Directors, another meeting shall be called within (30) days, at which meeting the quorum requirement shall be reduced to (1%). For regular Board of Directors meetings, fifty (50%) of the number of Directors acting and qualified, shall constitute a quorum for the

transaction of business. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. Any action required to be taken or any such action which may be taken at a meeting of the Directors may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all the Directors entitled to vote with respect to the subject matter thereof.

Also as specified in the Mission Viejo HOA Bylaws, Robert's Rules of Order shall generally govern the conduct of the meetings of Mission Viejo HOA in all cases not covered in the Bylaws.

Legal Matters and Recording

Upon the final resolution of any matter for which the Board of Directors received legal advice or that concerned pending or contemplated litigation, the Board may elect to preserve the attorney-client privilege in any appropriate manner, or it may elect to disclose such information, as it deems appropriate, about such matter in an open meeting.

Audio or video recording of a regular Board of Directors or annual meeting is prohibited. Notwithstanding the foregoing, the official record-keeper at any meeting may, at the discretion of the Board of Directors may record proceedings of that meeting for record-keeping purposes. The audio or video tapes of any meeting kept by the official record-keeper shall be retained until such time as the information has been memorialized in the minutes of said meeting and such minutes have been adopted by the Board of Directors. Any audio or video tapes shall be retained by Mission Viejo HOA until such time as the Board of Directors has adopted the minutes for the recorded meeting.

Executive Session

The Board of Directors or any committee thereof may hold an executive or closed door session and may restrict attendance to Board of Directors and such other persons requested by the Board of Directors during a regular or specially announced meeting or a part thereof.

Before the Board of Directors or any committee of the Board convenes in executive session, the chair of the body shall announce the general matter of discussion. The matters to be discussed at such an executive session shall include only matters concerning the following:

- (a) matters pertaining to employees of the residential nonprofit corporation or the managing agent's contract or involving the employment, promotion, discipline, or dismissal of an Officer, agent, or employee of the corporation;
- (b) consultation with legal counsel concerning disputes that are the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client;

- (c) investigative proceedings concerning possible or actual criminal misconduct;
- (d) matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosure;
- (e) any matter the disclosure of which would constitute an unwarranted invasion of individual privacy;
- (f) review of or discussion relating to any written or oral communication from legal counsel.

The minutes of all meetings at which an executive session was held must indicate that an executive session was held and the general subject matter of the executive session.

The Board of Directors shall not adopt any change to the residential nonprofit corporation's Articles of Incorporation or Bylaws during an executive session. An Articles of Incorporation or Bylaw change may be validly adopted only during a regular or special meeting or after the Board of Directors goes back into regular session following an executive session.

Etiquette/Removal from Attendance

At either the Annual Members Meeting or a Meeting of the Board of Directors, if a member refuses to stop talking after his/her allotted time has ended or otherwise disrupts the meeting, the chair of the meeting shall be entitled to request that the speaker cease speaking. If the speaker continues to speak or continues to be disruptive during the remainder of the meeting the Board of Directors may vote to adjourn the meeting. In the alternative, or in addition to adjourning the meeting, the chair of the meeting, in the exercise of his/her reasonable discretion shall be entitled to contact law enforcement and request that the disruptive person be removed from the meeting.

In the event that a court of competent jurisdiction finds any of this Policy void or otherwise unenforceable, the other provisions shall remain in full force and effect.

The undersigned hereby certifies that the foregoing resolution was adopted and made part of the minutes of the meeting of the Board of Directors conducted on the 19th day of April, 2011.

Mission Viejo Homeowners Association Inc.

By: Alan Engels, Mission Viejo HOA President