

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
STONEWATER HOMEOWNERS ASSOCIATION**

The undersigned, President of Stonewater Homeowners Association, a Michigan nonprofit corporation (the "Association"), certifies that the following resolution was duly adopted at a meeting of the Board of Directors held on August 12th, 2019:

The following procedures and rules shall apply with respect to Co-owners' rights to inspection of the Association Books and Records:

1. Subject to the provisions of this Resolution, Owners and their mortgagees are allowed access to the books, records, contracts, and financial statements concerning the administration and operation of the Subdivision (collectively, the "Books and Records").

2. If requested in writing by an Owner or their mortgagee, the Association will mail to the Owner or their mortgagee the Association's income/expenses statement and balance sheet as of the end of the preceding fiscal year.

3. Any Owner or mortgagee that wants access to inspect the Books and Records is required to put their request in writing. The request must:

a. Be directed to the Board of Directors' attention and delivered to the Association at its registered address or at the address of the Association's Management Company.

b. Indicate with reasonable particularity the purpose of the inspection and the Books and Records the Owner or mortgagee desires to inspect.

c. Demonstrate that the Books and Records sought are directly connected with the purpose.

4. Requests that are deemed to demonstrate a proper purpose and are not otherwise limited by this Resolution will be approved. "Proper purpose" means a purpose that is reasonably related to a person's interest as a member of the Subdivision. Any request that is contrary to the best interests of the Association, or fails to demonstrate a proper purpose or fails to identify with reasonable particularity the Books and Records to be inspected, will be denied.

5. The Association or its Managing Agent shall notify the Owner or mortgagee as to whether the request to inspect has been granted within five (5) business days of receipt of a properly delivered written request. The requesting Owner or mortgagee and the Association's Managing Agent shall then coordinate an inspection of the records during regular office hours at a mutually agreed time at the office of the Association's Management Company or other suitable location. A Owner's attorney or other agent who wishes to inspect the Books and Records must follow the procedure set forth in this Resolution, and must also provide the Association's Management Company a power of attorney or other writing authorizing the attorney or agent to act on behalf of the Owner to the extent the attorney or agent is seeking to inspect the records without the Owner present.

6. The requestor shall not disrupt the normal office activities during the inspection. The Association and its Management Company may also impose reasonable time limits on the inspection of any Books and Records.

7. No Books and Records shall be removed from the Management Company's office. The Association, through its Management Company or otherwise, may require that the inspection of the Books and Records be monitored. Any monitor provided by the Association or its Management Company is under no obligation to respond to questions or other inquiries made by the requestor. If the requestor desires any photocopies of the Books and Records, the copies will be made by the Management Company at a reasonable rate per copy, as determined by the Board of Directors or Management Company. By way of example and not limitation, \$1.00/page is a reasonable charge to cover the costs of labor and material.

8. The ability to inspect the following Books and Records would impair the rights of privacy and free association of the Association members, or would otherwise impair the lawful purposes of the Association. Accordingly, Owners and mortgagees, and the attorneys or agents for the Owners and mortgagees, are prohibited from inspecting the following:

a. Any privileged or confidential documents, records, communications or attorney work product.

b. Any and all documents, books, or records specific to an individual Owner or Lot, including but not limited to violation notices, delinquencies, leases, payment histories, disability-related information, copies of payments, or applications and related documents submitted in connection with any modification or alteration to a Lot.

c. Any records for which the disclosure would violate a law or impair the rights of another.

d. Any records that have not yet been reviewed by the Board or are preliminary.

e. The above-referenced documents are not intended to constitute an exhaustive list of all Books and Records that may be excluded from the scope of an Owner's or mortgagee's record inspection request, and the Board of Directors reserves the right to deem the disclosure of additional Books and Records as impairing the rights of privacy of the Association members, or the Association's lawful purposes.

9. This Resolution shall be construed in conjunction with, and not in contravention of, the various provisions of the Subdivision Documents.

Stonewater Homeowners Association

By: Kurt J. Westermann  
Name: Kurt J. Westermann  
Its: President