

**ARBOR PLACE CONDOMINIUM ASSOCIATION
RULES REGARDING ACCESS TO BOOKS AND RECORDS**

The Board of Directors of Arbor Place Condominium Association (the Association") adopts these rules on the 27 day of February, 2019, effective immediately.

BACKGROUND

A. The Association is responsible for governance, maintenance and administration of Sample Condominium (the "Condominium").

B. The Association exists pursuant to the Michigan Condominium Act and the Michigan Nonprofit Corporation Act, as well as the Articles of Incorporation for the Association, the Master Deed and the Condominium Bylaws.

C. The Michigan Condominium Act and Article VI, Section 11 of the Condominium Bylaws authorize the Association's Board of Directors to adopt and enforce reasonable rules and regulations in the interest of the Condominium.

D. The Association's Board of Directors desires to adopt rules with respect to the rights to inspection of books and records of the Condominium, and the procedure for requesting access to such records.

The Association's Board of Directors adopts the following rules and regulations for the Condominium (the "Rules"), which are binding upon all Co-owners and their tenants, occupants, successors and assigns, and which supersede any previously adopted rules on the same subject matter:

1. Subject to the provisions of this Rule, Co-owners and their mortgagees are allowed access to the books, records, contracts, and financial statements concerning the administration and operation of the Condominium (collectively, the "Books and Records").

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

3. Any Co-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 Co-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 Rule will be approved. "Proper purpose" means a purpose that is reasonably related to a person's interest as a member of the Condominium. 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 Co-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 Co-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 Co-owner's attorney or other agent who wishes to inspect the Books and Records must follow the procedure set forth in this Rule, 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 Co-owner to the extent the attorney or agent is seeking to inspect the records without the Co-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, Co-owners and mortgagees, and the attorneys or agents for the Co-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 Co-owner or Unit, 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 Unit.

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 a Co-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 Rule shall be construed in conjunction with, and not in contravention of, the various provisions of the Condominium Documents.

* * * * *

Respectfully submitted,
Board of Directors
Arbor Place Condominium Association