

HERMIT LAKES RECREATION, INC
RULES AND REGULATIONS
March 2026

The following rules and regulations are established by the Board of Directors. The property of the Corporation is for the pleasure, use, and benefit of all members. PLEASE be considerate of other people and their property. By working together, we can keep Hermit Lakes a beautiful, attractive, and enjoyable place to be proud of.

I. MEMBERS AND GUESTS RESPONSIBILITY

Membership entitles a member and his or her spouse to all privileges granted by the Article of Incorporation and the By-Laws of Hermit Lakes Recreation, Inc. All others are considered guests.

- a.) Members must be in good standing, not past due on assessments, to use their membership privileges. Membership dues must be paid by August 10th of the current year to allow the member to be current and in good standing. The Caretakers will notify delinquent members of these restrictions. The Caretakers cannot accept assessment payments of any type. All assessment payments are to be made to Wall Smith and Bateman, P.O. Box 809, Alamosa, CO 81101.
- b.) All members and their guests shall register at the office in the Master Book and the Daily Log when initially arriving and when leaving at the end of their stay. All members, guests, and contractors must sign in at the office when they enter and sign out when they leave. Members are responsible for informing their guests of this sign-in and out procedure and for checking to make certain that this rule is followed.
- c.) All guests must be sponsored by a member in good standing. Members must notify the Caretakers if they have guests arriving unless they are meeting the guests at the gate when the guest arrives or arrive with the guest.
- d.) Members are personally responsible for the conduct and activities of their guests at all times. Should a member need to leave the canyon during the day, the adult guests need not be sponsored while the member is absent. Guests may enter/leave and/or stay at a member's site during the day. If the sponsoring member leaves the grounds overnight, the member must find another member to sponsor the guest, or the guest must also sign out with the member. Guests are not allowed on the property unsponsored or unannounced. If a member cannot be present, a substitute sponsoring member must be arranged who will take responsibility for the guest. The Caretakers are to be notified of this arrangement by the sponsor or the substitute sponsor. The Caretakers are not responsible for finding sponsors for guests.

II. OFFICE HOURS/GATE

Seasonal Period: May 1 through Labor Day and October 1 through November 30. Seasonal Period Office Hours: 8:00 a.m. to Noon and 1:00 p.m. to 5:00 p.m.

- a.) Each Caretaker will have one day off each week Monday through Friday. The Caretakers will also have one day off together each week as set by the board.
- b.) When Caretakers are in attendance during the Off-Seasonal Period, the office hours shall remain the same as the Seasonal Period. Written notice shall be posted at the office when Caretakers are going to be gone.
- c.) The main Gate at Hermit Lakes will remain unlocked from 8:00 a.m. until 9:00 p.m.

year-round. The gate will be closed at all times. Each member has been advised of the gate lock combination. Please do not give this out to non-members, contractors, or guests. This lock is for your safety and peace of mind. Please have the combination available when you are visiting Hermit Lakes so that you DO NOT awaken the Caretakers to ask for the combination.

III. ROADS

All motorized vehicles, including two-wheel vehicles, must stay on existing roads. The speed limit is 20 miles per hour. At times when it is very dry and the roads are very dusty, please slow down to keep the dust down as well. Speeds in excess of established 20 MPH are hazardous not only to the vehicle operator and passengers, but also to oncoming traffic and pedestrians. This applies to everyone including contractors, guests, and members. Only ATVs, UTVs, motorcycles, and bicycles are allowed on the upper Hermit Lakes property. They are confined to the ESTABLISHED TRAIL and are not to make new ruts and trails.

- a.) The main corporation roads will be maintained only from May 15 to December 1. This is the road from the main gate to the last structure on Lake #4 and its main laterals. Any access other than this time period must be coordinated with the Caretakers and approved by the Board. The member requesting access will be charged for corporation equipment and Caretaker time. This does not affect over-snow vehicles.
- b.) No new roads or driveways shall be established without review by the Grounds Committee and prior Board approval. The Board will approve driveways at the time of site approval.

IV. CONTRACTORS

Contractor is defined as any individual or company granted access to Hermit Lakes for the sole purpose of completing work or providing services such as propane refills, septic service, utility companies, etc. that have been requested by a member.

- a.) Members must notify the Caretakers who the contractor is and the scheduled work to be performed by a contractor. A member's contractor may be given annual access by a member when multiple trips are required or expected by notifying the Caretakers.
- b.) All contractors must sign in and out at the office. A member does not have to be present while the work is being completed. The Caretakers are not responsible for overseeing any aspect of the contractor's work at the member's site.
- c.) Contractors may utilize personal trailers or campers with approved sanitation capabilities and stay at the member's site during construction. These vehicles must be removed from Hermit Lakes as soon as construction is completed.
- d.) The Caretakers may assist a member if they enter into an agreement with the Caretakers to oversee a project, provided the assistance is not during scheduled Caretaker work hours. This agreement cannot interfere with the Caretakers daily corporation duties. The Member/Caretaker Form must be completed prior to the work proceeding.
- e.) Member's contractors are not afforded fishing, hunting, or common property access rights or any other guest activities while at Hermit Lakes. Member contractors are restricted to the member's cabin/plot. The members may, however, sign them in as guests but must be present while they are on the grounds just like any other guest.
- f.) Members are not to give the contractors the combination to the main gate. Members are responsible for removing all their construction debris. Do not utilize the corporation dumpsters, they are for household trash ONLY.

V. SHOOTING RANGE

The shooting range is a good resource for many members, but it has some potential hazards. Please observe the rules and always be aware of your surroundings. A signed Shooting Range Release must be renewed annually and kept on file at the office for anyone using the range. Shooting weapons of any sort outside of the shooting range is not allowed on Hermit Lakes Property except:

- a.) B-B guns (see juvenile restrictions below).
- b.) During hunting seasons hunting can take place west of the shooting range. Shooting is not allowed near buildings.
- c.) All other shooting must be done at the authorized Shooting Range. Use of firearms or B-B guns by youth under 18 years of age must have an adult (age 21 or older) present.
- d.) The Shooting Range hours will be from 7:00 a.m. to 6:30 p.m. seven days a week.
- e.) When utilizing the range, the Shooting Flag must be raised on the flagpole provided. The flag is located in a tube at the base of the flagpole. Remember a raised flag is the alert to all members that the range is in use, it is an important safety tool, please use it.
- f.) Targets are to be placed by walking to the target area; motorized vehicles are not to be driven in the range area.
- g.) All shooting debris and old targets are to be placed in the trash receptacle.
- h.) Members are not to shoot at the corporation constructed target frames.
- i.) Board members, Grounds Committee members, and Caretakers may shoot predators and pests on Hermit Lake's property.

VI. FISHING ACTIVITIES

Each membership fish quota shall be 100 fish per fiscal year. Fish caught by a guest shall be part of the member's annual allocation. The count will include all canned, smoked, and/or fish eaten at Hermit Lakes. No members or guests shall be permitted to fill another member's quota.

- a.) All guests 17 years of age and younger are allowed to fish for free. A guest 18 years of age or older must pay \$8.00 for each day or part of a day that they put a line in the water. Even when they do not catch a fish, they still must pay. A guest will only be allowed to leave Hermit Lake's property with 8 fish on any one visit. Guests under 14 years of age will only be allowed to leave with 4 fish per visit.
- b.) If a guest owes fishing fees, or is checking out with fish, the sponsoring member must accompany the guest to the office when they check out and pay the fishing fee. Fees will not be accepted from the guests. The Caretakers have the authority to check both members and guests' fish when leaving the premises.
- c.) Fish fees should be paid at least monthly and paid in full before the member leaves for the season.
- d.) Please dispose of fish guts and parts in the lake in which the fish were caught or bury them. Do not place any fish parts in the dumpsters or trash cans.
- e.) A report must be made at the office of all fish kept and game killed on Hermit Lake's property. For those members who do not hold a valid Colorado Fishing License, the Caretakers will issue a Fish Permit. This is for those members in route home who may be stopped by a Law Enforcement official or Game Warden.
- f.) Children under 14 do not need a permit.
- g.) Absolutely NO Live Minnows, NO Suckers or Sucker Parts, or Illegal Devices are permitted in the lakes or streams.

- h.) There shall be no speed boating, Sea-Doo's, or water-skiing permitted on the lakes.
- i.) Lakes 3 1/2 and 5 are closed to all fishing.
- j.) All boats that are stored on lake shores must have the member's name or plot number on them and must be removed by October 1st.

VII. OTHER RULES

LITTER/TRASH

- a.) Spring Water: Do not pollute with trash or by cleaning fish in the springs.
- b.) Dispose of trash properly, not on the ground or in the lakes. Trash and garbage shall be bagged and placed in the dumpsters located near the corrals.
- c.) Large items such as barrels, appliances, water heaters, etc. should be hauled to the Creede Landfill. The Creede Landfill is open Monday, Thursday and Saturday from 10:00 a.m. to 4:00 p.m.
- d.) Cardboard boxes must be broken down before being placed in the trash bins.
- e.) No electronics of any kind including but not limited to TVs, microwaves, computers, kitchen appliances, etc. can be placed in the dumpsters.

FOLIAGE

Members and guests shall not destroy or remove wildflowers, shrubs, or trees from the confines of Hermit Lake's property (excluding a member's Board approved plot site). Any exceptions must be approved by the Grounds Committee and the Board of Directors.

MAIL

The Caretakers will collect the mail between 1:30 p.m. and 3:00 p.m. Monday through Saturday. It will be distributed to members with mailboxes at the office. A member's sensitive mail will be forwarded at the member's expense if the member leaves a forwarding address and advises the Caretakers of their desire to have mail forwarded. Due to Caretaker workload, the office attending Caretaker may be required to go after mail and leave the office unattended for a short period of time. When this occurs, the Caretaker will leave a sign on the counter notifying the members.

PACKAGES

Will be delivered to the office by the (UPS) carrier on designated days that have been worked out between the carrier and the Caretakers May 1 through Labor Day. During the Off-Seasonal period they will be retrieved from the Hwy149 box by the Caretaker on a limited schedule. Members can also retrieve their packages from the highway box.

CAMPING AND PETS

- a.) Camping is restricted to a member's site or the area near the office.
- b.) Pets must be under the control of the owner at all times.

COMPLAINTS

By members must be in written form and mailed, e-mailed or placed in the Board mail slot, to the Board of Directors. If the matter is urgent the complaint can be hand-delivered to a Board member or placed in their Hermit Lakes mail slot if a Board member is present on the grounds. The complaint will be handled in accordance with the Policy for Infractions of Rules. All complaints must be signed and dated. For minor complaints we encourage neighbors to try to work it out with neighbors.

BEHAVIOR

All members, guests or contractors shall not harass, intimidate, or threaten any person including members, Board members, Caretakers, guests or contractors present on hermit lakes property. Any such behavior should be reported to Law Enforcement and

the Board of Directors immediately. Such behavior shall not be tolerated, and the Board will take appropriate action.

FUEL

Fuel bills should be paid on a monthly basis and paid in full before leaving for the season. Please remember to return the key and record your fuel purchase. The honor system will currently remain in place unless it is being abused. Then, further controls will be carried out.

CORPORATION EQUIPMENT

Uses for work done for a member should be paid to the corporation within 30 days. Payment to the Caretakers for labor is handled between the member and the Caretaker directly. The hourly rates for the grader, backhoe and dump truck are located in the office.

Please be advised that the RULES AND REGULATIONS INFRACTION POLICY OF HERMIT LAKES INC. will be enforced. The Corporation may issue monetary sanctions and late fees and may recover from any member persistent in violation of the Rules and Regulations, any costs and attorney fees incurred in compelling compliance. Habitual or egregious violations or any grossly negligent act regarding Hermit Lakes property may be cause for members to be restricted in their privileges, sanctioned, or terminated from the corporation.

HERMIT LAKE RECREATION, INC.

Rules and Regulations Infraction Policy

Purpose

WHEREAS the Articles of Amendment and Bylaws of the Corporation state the need for a process for sanctions for violations of the Corporation Rules and Regulations the Board of Directors is implementing this policy.

WHEREAS Hermit Lakes Inc. has defined certain rules for the safety and enjoyment of the community to provide for the social, cultural and recreational enjoyment of its members, the Board believes members will respect and adhere to the Rules and Regulations.

WHEREAS the Board will treat each member equitably and fairly. This Policy gives a procedure for doing so.

Specifications

This policy applies to all members, their guests and contractors.

All violation observations must be submitted in writing to the Board of Directors and must be signed and dated by the reporting party.

The Board of Directors reserves the right to determine the degree of the sanction based upon the severity of the infraction.

This policy is effective July 1, 2026, and remains in effect until such time as it may be modified by the Board of Directors by a majority vote at a regularly scheduled meeting. This policy imposes the following in order as listed and described:

Sanctions

1. Verbal Notification
 - a. For an infraction of any one Rule, the member will be notified verbally of the infraction. The infraction may be noticed to the member and refer to their guest(s) or contractor(s) as well as themselves.
 - b. This level of notification can come from the Primary Caretaker, Associate Caretaker or a Board Member. This notification does not come from another member, rather the member shall notify the Board of violation observations.
 - c. The Board shall maintain documentation of the infraction and the verbal notification.
2. Written Notification
 - a. Upon a second infraction, the Board will notify the member by certified Mail or electronically of the infraction of the member, guest(s) or contractor(s).
 - b. Only the Board of Directors makes this notification. The Board shall maintain documentation of the infraction and written notification.
3. Monetary Sanction I
 - a. Upon a third infraction, the Board will notify the member by certified Mail of the infraction and a charge for the violation of \$100 may be imposed.

- b. Only the Board of Directors makes this notification. The Board shall maintain documentation of the infraction and written notification.
4. Monetary Sanction II
- a. Upon the fourth infraction, the Board will notify the member by certified Mail of the infraction and a charge for the violation of \$500 may be imposed.
 - b. Only the Board of Directors makes this notification. The Board shall maintain documentation of the infraction and written notification.
5. Other
- a. The Board of Directors reserves the right to impose immediate sanctions for more serious offenses. Legal counsel should be sought before imposing this level of sanctions.
 - b. Only the Board of Directors makes this notification. The Board shall maintain documentation of the infraction and written notification.

Members

- a. A member has 30 days to provide a written response to the Board if they believe the infraction is in error.
- b. The Board will have 60 days from the issue date of the notice to make a final determination. If no response has been received from the member and the Board has ruled that the infraction is valid the appropriate sanction will be imposed.
- c. Annual Assessments due by August 10 will be considered past due and delinquent on September 1st and will incur interest at the rate of 8% per month on the amount owed.
- d. Sanctions not paid in full to the Corporation within 10 days of the due date shall incur late fees of \$5.00 per month.
- e. Membership privileges shall be suspended until such time as the monetary annual assessments and sanctions have been paid in full.
- f. All annual assessments and monetary sanctions must be paid in full, or the Board will not approve the sale or transfer of the property and club restrictions will be enforced until payment is made in full.
- g. If a member continues to show disregard for the Rules and Regulations at the cost of safety, social, cultural or recreation enjoyment to other members or Hermit Lakes property, the Board, by a unanimous vote at a regularly scheduled meeting may suspend or revoke membership.

Authority

From the Article of Incorporation adopted September 1, 2018: **Article IV, Membership, g) Membership Conduct, 1.** states:

Conduct by a member, family member or guest of that member brought to the attention of the Board of Directors by the membership that's aggressive to the Corporation may be grounds for sanctions to that membership. The Board of Directors shall develop a process to define and address such situations in a fair and equitable manner.

Further, the Bylaws adopted June 27, 2026, **Article X, Board of Directors Meetings, 5.** states:

The Board of Directors may adopt such rules as they deem in the best interest of the Corporation in respect to the conduct of membership. No such regulations shall unreasonably hamper or interfere with the rights or conduct of the members so long as such conduct does not violate any subsisting applicable law, and so long as it is not abhorrent to notions of decency entertained in common by the members of the Corporation. The Board of Directors may develop fair and equitable sanctions for violations of the Corporations Rules and Regulations, By-laws, or Amended Articles of Incorporation.