Smugglers' Notch Homeowners' Association, Inc

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November 11, 2016

Via email and certified mail

RE: Phone Switch Email Response

Dear Lisa

Thank you for your 10/28 email notifying Lonny and me that the resort will impose a new fee to pay for the capital maintenance of a new phone switch. The SNHA on behalf of its membership hereby rejects accepting this new fee. Apart from the attached Memorandum of Understanding specifically identifying phone service and related infrastructure exclusively as a management expense, there is no contractual or other legal basis for imposing the cost of resort infrastructure improvements on homeowners. On behalf of our non-renting constituents, the resort should not expect payment of this charge. On behalf of our renting constituents, please accept this letter as an expressed instruction that the resort should not withhold any rental income for this fee. Any additional communications regarding this subject should be addressed to the SNHA board, which will in turn refer you to our counsel.

Sincerely

Jay Kahn SNHA President