

Colorado Revised Nonprofit Corporation Act: Manager's Guide

Colorado Revised Nonprofit Corporation Act

Candyce D. Cavanagh

Q: What provisions are required to be included in the articles of incorporation?

A: The articles of incorporation must include the following:

- The domestic entity name;
- The registered agent name and registered agent address of the nonprofit corporation's initial registered agent;
- The principal office address of the nonprofit corporation's initial principal office;
- The true name and mailing address of each incorporator;
- Whether or not the nonprofit corporation will have voting members;
- Provisions not inconsistent with law regarding the distribution of assets on dissolution; and
- Characteristics, qualifications, rights, limitations, and obligations attaching to each or any class of members.

Q: What provisions may be articles of incorporation?

A: The following provisions may be included in the articles of incorporation:

- The names and addresses of the individuals who are elected to serve as the initial directors;
- Provisions not inconsistent with law regarding:
 - The purpose or purposes for which the nonprofit corporation is incorporated;
 - Managing and regulating the affairs of the nonprofit corporation;
 - Defining, limiting, and regulating the powers of the nonprofit corporation, its board of directors, and its members, or any class of members; and
 - Whether cumulative voting will be permitted.
- Any of the corporate powers set forth in the Nonprofit Act.

Q: If the Nonprofit Act conditions any matter on presence in bylaws, when is the condition satisfied?

A: The condition is satisfied if such provision is present either in the articles of incorporation or bylaws.

Q: If the Nonprofit Act conditions any matter on absence of a provision in bylaws, when is the condition satisfied?

A: The condition is satisfied only if such provision is absent from both the articles of incorporation and bylaws.

Q: When is a nonprofit corporation incorporated?

A: A nonprofit corporation is incorporated when articles of incorporation are filed with the secretary of state.

Q: Who adopts bylaws?

A: Bylaws may be adopted by:

- Directors, if named in articles
- Incorporator, if directors not named in articles
- Members, if neither directors nor incorporator have adopted

Q: Is the purpose of a nonprofit corporation very broad?

A: Every nonprofit corporation incorporated under the Nonprofit Act has the purpose of engaging in any lawful business or activity unless a more limited purpose is stated in the articles of incorporation.

Q: What are the general powers of a nonprofit corporation?

A: Unless limited in the articles, the nonprofit corporation has the following powers:

- To sue and be sued, and defend in its name;
- To have a corporate seal;
- To make and amend bylaws;
- To purchase, receive, lease, and otherwise acquire, and to own, hold, improve, use, and otherwise deal with, real or personal property or any legal or equitable interest in property, wherever located;
- To sell, convey, mortgage, pledge, lease, exchange, and otherwise dispose of all or any part of its property; Note: in pre-CCIOA PUD, association can convey common elements without owner vote, unless otherwise provided in governing documents;
- To purchase, receive, subscribe for, and otherwise acquire shares and other interests in, and obligations of, any other entity; and to own, hold, vote, use, sell, mortgage, lend, pledge, and otherwise dispose of, and deal in and with, the same;
- To make contracts and guarantees, incur liabilities, borrow money, issue notes, bonds, and other obligations, and secure any of its obligations by mortgage or pledge of any of its property, franchises, or income; (Note: in pre-CCIOA community, specific authority to pledge future income is not required and in pre-CCIOA or post-CCIOA community, owner vote is only required if provided for in governing documents);

- To lend money, invest and reinvest its funds, and receive and hold real and personal property as security for repayment; except that a nonprofit corporation may not lend money to or guarantee the obligation of a director or officer of the nonprofit corporation;
- To be an agent, an associate, a fiduciary, a manager, a member, a partner, a promoter, or a trustee of, or to hold any similar position with, any entity;
- To conduct its activities, locate offices, and exercise the powers granted by the Nonprofit Act within or without this state;
- To elect or appoint directors, officers, employees, and agents of the nonprofit corporation, define their duties, and fix their compensation;
- To pay pensions and establish pension plans, pension trusts, profit sharing plans, and other benefit or incentive plans for any of its current or former directors, officers, employees, and agents;
- To make donations for the public welfare or for charitable, religious, scientific, or educational purposes and for other purposes that further the corporate interest;
- To impose dues, assessments, admission, and transfer fees upon its members;
- To establish conditions for admission of members, admit members, and issue or transfer memberships;
- To carry on a business;
- To make payments or donations and to do any other act, not inconsistent with law, that furthers the affairs of the nonprofit corporation;
- To indemnify current or former directors, officers, employees, fiduciaries, or agents;
- To limit the liability of its directors as provided in section 7-128-402 (1); and
- To cease its corporate activities and dissolve.

Q: How long does a corporation exist?

A: A corporation has perpetual duration unless a shorter period is identified in the articles of incorporation.

Q: What is the effect of failing to hold an annual meeting when required

by bylaws or in accordance with resolution of the board of directors?

A: Failure to hold an annual or regular meeting at the time and date determined in bylaws does not affect the validity of any corporate action and does not work a forfeiture or dissolution of the nonprofit corporation.

Q: Who has authority to call a special meeting?

A: The following people have the authority to call a special meeting:

- The board of directors or a person or persons authorized in the bylaws or resolution of board of directors may call a special meeting;
- On written demand for the meeting stating the purpose or purposes for which it is to be held, signed and dated by members holding at least 10% of all votes entitled to be cast on any issue proposed to be considered may sign and date a written demand for a special meeting. The demand must state the purpose of the meeting.

Note: CCIOA Section 308 regarding meetings applies to both pre-CCIOA and post-CCIOA communities and states special meeting may be called by members holding 20% of votes in the association or such lower amount as provided in Bylaws. Since CCIOA controls over Nonprofit Act and this is a conflict, presumably CCIOA will control.

Q: What is the record date for determining members entitled to notice and vote at special meeting?

A: The record date is the later of:

- The earliest of any of the demands pursuant to which the meeting is called, or
- The date that is 60 days before the date the first of such demands is received by the nonprofit corporation.

Q: When does the board have to call a special meeting that has been requested by the members?

A: The nonprofit corporation must provide notice of a special meeting within 30 days of the date of

receipt of the demand for notice.

Q: When can the members requesting a special meeting call the meeting?

A: If notice for a special meeting demanded by members is not given by the board within 30 days after the date of delivery of the demands to a corporate officer, a person signing the demand or demands may set the time and place of the meeting and give notice.

Q: What must be included in a written ballot in lieu of a meeting?

A: The solicitation for vote by written ballot must:

- Indicate the number of responses needed to meet the quorum requirements;
- State the percentage of approvals necessary to approve each matter other than election of directors;
- State the time by which a ballot must be received by the association to be counted; and
- Be accompanied by written information sufficient to permit each person to reach an informed decision

Q: Can a written ballot be revoked?

A: A written ballot cannot be revoked unless otherwise provided in the bylaws.

Q: When is a written ballot valid?

A: Approval by written ballot is valid when the number of votes exceeds the quorum required to be present at a meeting and the number of approvals equals or exceeds the number of votes required to approve the matter at a meeting.

Q: What is the procedure by which a member may appoint a proxy?

A: Appointment of proxy is made by:

- Signing an appointment form either personally or by a member's attorney-in-fact
- Transmitting or authorizing the transmission providing a written statement of the appointment to the proxy or to the nonprofit corporation

Q: When does a proxy appointment become effective and how long is it valid?

A: A proxy is effective against the nonprofit corporation when received and the appointment is valid for 11 months unless a different period is expressly provided.

Q: How can a member revoke a proxy?

A: Appointment of a proxy is revoked by attending a meeting or by signing and delivering to the secretary either a written statement stating appointment of proxy is revoked or a subsequent appointment form.

Q: Does death or incapacity automatically revoke a proxy?

A: Death or incapacity of the member appointing a proxy does not affect the right of the nonprofit corporation to accept the proxy's authority unless notice of death or incapacity is received before proxy holder exercises authority.

Q: What is the statutory default quorum requirement under the Nonprofit Act?

A: The statutory default quorum requirement is 25% of members present in person or by proxy.

(Note: This provision only applies to pre-CCIOA communities since quorum requirement for post-CCIOA communities only is set forth in CCIOA (10% if > 1000 units and 20% if 1000 units or less.)

Q: Does a member have to stay for the entire meeting to count toward the quorum?

A: No. Once member is present at meeting, they are deemed present for the entire meeting for

purposes of quorum requirement.

Q: For purposes of voting, how many votes are required for matters other than election of directors?

A: For purposes of voting, if quorum is met, other than for voting on directors, votes require majority of those voting.

Q: What are the qualifications of directors?

A: A director must meet the following criteria:

- Director must be an individual
- Director need not be a resident of Colorado or a member of the nonprofit corporation unless the bylaws so provide
- Bylaws may establish other qualifications for directors

Q: What are the terms of a director if not otherwise provided in the Bylaws?

A: One year.

Q: If the board decreases the number of directors, can it get rid of a director?

A: A decrease in the number of directors cannot shorten the term of a director.

Q: What happens when a director's term expires if a new director cannot be elected (e.g., no quorum at meeting, no volunteers)?

A: Despite expiration of a director's term, a director continues to serve until the director's successor is elected, appointed or designated and qualifies or until there is a decrease in the number of directors.

Q: How long does a director serve who is filling a vacancy?

A: Unless otherwise provided in bylaws, a director filling a vacancy serves for the balance of the unexpired term.

Q: Is cause required to remove a director?

A: No. Directors may be removed without cause unless bylaws allow removal only for cause.

(Note: Post-CCIOA communities can require no more than 2/3 of the members present and voting at a meeting called for the purpose of removing the director. Most pre-CCIOA communities allow removal by a majority of all members.)

Q: How many votes are required to remove a director?

A: The number of votes to remove a director must at least equal the number of votes to elect and removal may be only at a meeting called for that purpose.

Q: Can the Board remove a director the board has appointed to fill a vacancy?

A: The board cannot remove a director elected by the board to fill a vacancy.

Q: Unless otherwise provided in the bylaws, if a vacancy occurs, including a vacancy resulting from an increase in the number of directors who fill the vacancy?

A: Under the Nonprofit Act:

- The voting members may fill the vacancy;
- The board of directors may fill the vacancy; or
- If the directors remaining in office constitutes fewer than a quorum of the board, they may fill the vacancy by the affirmative vote of a majority of all the directors remaining in office

(Note: Typically bylaws provide for directors to fill a vacancy.)

Q: What is the procedure for the board to take action without a meeting?

A: Unless otherwise provided in the bylaws, any action that can be taken at a board meeting can be taken outside a board meeting if written notice is given to each member of the board and each member:

- Votes in writing for the action; or
- Votes in writing against the action, abstains in writing from voting or fails to respond or vote; and fails to demand in writing that action not be taken without a meeting.

Q: What information must be included in the notice to directors to take action outside a meeting?

A: The notice must state:

- The action to be taken;
- The time by which a director must respond;
- That failure to respond by the time stated in the notice will have the same effect as abstaining in
 writing by the time stated in the notice and failing to demand a meeting in writing by the time
 stated in the notice that action not be taken without a meeting; and
- Any other matters the nonprofit corporation determines to include.

Q: When is the proposed action outside a meeting deemed to be taken?

A: Action is taken if at the end of the time stated in the notice the affirmative votes for the action received and not revoked equal or exceed the minimum number of votes that would be necessary to take the action at a meeting at which all of the directors then in office were present and voted. Action may be taken by email or facsimile transmission. Writings are to be filed with the minutes of meetings of the board.

Q: What notice is required for board member meetings?

A: Regular meetings of the board may be held without notice of the time, place or purpose of meeting. As to special meetings, at least two days' notice is required.

Q: What are the qualifications for officers?

A: The only two qualifications for officers under the Nonprofit Act include the following:

- An officer shall be an individual who is 18 years of age or older
- An officer need not be a director or member of the nonprofit corporation unless the bylaws so
 prescribe

Q: How are officers appointed?

A: Under the Nonprofit Act:

- Officers may be appointed by the board or in such other manner as the board or bylaws may provide
- An officer may appoint one or more officers or assistant officers if authorized by the bylaws or board.

Q: Who is required to keep and maintain records?

A: Board or bylaws shall designate to the secretary the obligation to prepare and maintain minutes and other records and information required to be kept by the nonprofit corporation.

Q: Can a person hold more than one office?

A: The same person may simultaneously hold more than one office in the nonprofit corporation.

Q: What are the procedures for resignation and removal of an officer?

A: An officer may resign at any time by giving written notice of resignation. Unless otherwise provided in the bylaws, the board may remove any officer at any time with or without cause. The bylaws may make provision for removal of officers by members.

Q: What are the standards of conduct of directors and officers?

A: Duties of directors and officers shall be discharged:

- In good faith;
- With the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
- In a manner the director or officer reasonably believes to be in the best interests of the nonprofit corporation.

Q: How can a director meet the standards of conduct of directors and officers?

A: In discharging duties a director or officer is permitted to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:

- One or more officers or employees whom the director reasonably believes to be reliable and competent in the matters presented;
- Legal counsel, a public accountant, or another person as to matters the director or officer reasonably believes are within such person's professional or expert competence;

In the case of a director, a committee of the board of which the director is not a member if the director reasonably believes the committee merits confidence.

Q: When is a director not acting in good faith?

A: A director is not acting in good faith if the director or officer has knowledge concerning the matter in question that makes reliance otherwise permitted not warranted.

Q: What is the status of a director to the nonprofit corporation?

A: A director shall not be deemed to be a trustee with respect to the nonprofit corporation.

Q: What is the definition of an officer under CCIOA that is used for the Nonprofit Act conflicting interest transaction provisions?

A: "Officer" means any person designated as an officer of the association and any person to whom the board delegates responsibilities, including a managing agent, attorney or accountant employed by the association.

Q: Who is a party related to a director under the Nonprofit Act?

A: A "party related to a director" means spouse, descendent, ancestor, sibling, the spouse or descendent of sibling, estate or trust in which the director has a beneficial interest or entity in which party related to director is a director, officer, or has a financial interest.

Q: What is a conflicting interest transaction?

A: "Conflicting Interest Transaction" means a contract, transaction or other financial relationship between the association and:

- a director of the nonprofit corporation,
- a party related to a director, or
- an entity in which a director of the nonprofit corporation is a director or officer or has a financial interest.

Q: When will a conflicting interest transaction be upheld?

A: Conflicting interest transactions are not void or voidable, cannot be enjoined or set aside, or give rise to an award of damages or other sanctions in a proceeding by a member solely because the conflicting interest transaction involves an interested director who is present at or participates in the meeting that authorized, approves or ratifies the conflicting interest transaction or solely because the director's vote is counted if:

 Material facts as to directors relationship or interest are disclosed or known to the board and board in good faith authorizes, approves or ratifies the transaction by a majority of the disinterested directors (even if disinterested directors are less than a quorum); or

- Material facts are known to members entitled to vote and members specifically authorize,
 approve or ratify in good faith; or
- Conflicting interest transaction is fair to the association.

(Note: Interested directors may be counted in determining presence of a quorum. No loans shall be made by association to directors or officers.)

Q: When is the nonprofit corporation authorized to indemnify a director?

A: A nonprofit corporation may indemnify person who is party to an action because the person is or was a director if the person's conduct was in good faith and the person reasonably believed:

- In the case of conduct in official capacity that the conduct was in the nonprofit corporation's best interests;
- In all other cases, that the conduct was at least not opposed to the nonprofit corporation's best interests; and
- In the case of a criminal proceeding, the person has no reasonable cause to believe the conduct was unlawful.

Q: When is indemnification prohibited?

A: A nonprofit corporation may not indemnify a director:

- In connection with a proceeding by the nonprofit corporation in which the director is adjudged liable to the nonprofit corporation;
- In connection with any other proceeding charging that the director derived an improper personal benefit in which director found liable.

Q: When can a nonprofit corporation advance expenses?

A: Expenses may be advanced if:

• Director furnishes a written affirmation of the director's good faith belief that director met standard of conduct (listed above);

- Director agrees in writing to repay advance if determined director did not meet standard of conduct; and
- Determination is made that the facts then known to those making determination would not preclude indemnification.

Under the terms of the Nonprofit Act, a director's statement is an unlimited general obligation, but need not be secured and may be accepted without reference to financial ability to make repayment.

Q: Can a director request a court order that a nonprofit corporation indemnify the director? When will a court order indemnify the director?

A: Unless otherwise provided in articles, a director may apply for indemnification to the court. The court may order indemnification if:

- It determines that the director is entitled to mandatory indemnification
- It determines that director is fairly and reasonably entitled to indemnification in view of all relevant circumstances, whether or not the director met the standard of conduct (set forth above) or was adjudged liable to the nonprofit corporation for improper personal benefit, except that indemnification is limited to reasonable expenses in connection with the proceeding and incurred to obtain court ordered indemnification

Q: Who determines if the requirements for indemnification have been met?

A: Determination is made by:

- The board by majority vote of those present at which a quorum is present and only those directors not parties to the proceeding vote;
- If quorum cannot be obtained, by a majority vote of a committee of the board that consists of two or more directors not parties to the proceeding though parties to proceeding may participate in designation of directors for the committee;
- If a quorum cannot be obtained and committee cannot be established determination shall be made by:

- o Independent legal counsel selected by board vote or committee; or
- By the voting members who are not also directors and seeking indemnification.

Q: Can a nonprofit corporation indemnify officers, employees, fiduciaries and other agents?

A: Unless otherwise provided in the articles, officers, employees, fiduciaries and agents may be indemnified to the same extent as directors and may be advanced expenses to the same or greater extent if not inconsistent with public policy and if provided in its bylaws or action of board or voting members, or contract.

Q: Can a nonprofit corporation indemnify by insurance even if it is not obligated to indemnify?

A: A nonprofit corporation may purchase insurance to fund indemnification whether or not the nonprofit corporation would have had power to indemnify under the statute.

Q: What are the default requirements under the Nonprofit Act to amend the articles of incorporation?

A: Members holding at least 10% of all votes entitled to be cast on the amendment may propose an amendment and:

- The board must recommend the amendment or if because of conflict of interest, it should communicate that it makes no recommendation
- A quorum must be present and votes cast by those favoring the action must exceed votes cast by those opposing the action, unless a greater number of votes is required by articles or bylaws
- Amendment may be conditioned on any basis
- Notice of meeting must state purpose of meeting and contain or be accompanied by copy or summary of amendment or shall state the general nature of the amendment
- If amendment is to be approved by written consent, material soliciting the approval shall contain or be accompanied by copy or summary of amendment

Q: When can a board amend the bylaws?

A: A Board may amend bylaws unless:

- Statute or articles reserve such power exclusively to the members in whole or part; or
- A particular bylaw expressly prohibits the board from doing so; or
- It would result in a change of rights privileges, preferences, restrictions, or conditions of membership class as to voting, dissolution, redemption, or transfer by changing such rights of another class.

Q: What changes to bylaws require member approval under the Nonprofit Act?

A: See below:

- A bylaw that fixes a lesser or greater quorum requirement or a greater voting requirement for members
- A bylaw that fixes a greater quorum or voting requirement for the board may be amended by members if adopted by members or by either board or members if adopted by board

Q: What corporate records is a nonprofit corporation required to keep?

(Note: CCIOA provision on corporate records applies to both pre-CCIOA and post-CCIOA associations and the Nonprofit Act is relevant only to the extent it is supplemental, but not in conflict. If a community is an exempt community under CCIOA, but its association is a nonprofit corporation, it is subject to corporate records provision of Nonprofit Act.)

A: A nonprofit corporation is required to keep the following records:

- Permanent records: minutes of board and member meetings and records of all actions outside
 meeting by members or board, record of committee actions in place of board and record of
 waivers of notice of meetings of board and members and committees of board
- Appropriate accounting records
- Names and addresses of members in alphabetical order and showing each member's number of

votes

Records must be maintained in written form or in other form capable of conversion into written form within a reasonable time.

Q: What corporate records are to be kept at the principal office?

A: The following records are kept at the nonprofit corporation's principal office:

- Articles of incorporation;
- Bylaws;
- Resolutions of board relating to characteristics, qualifications, rights, limitations, and obligations
 of members or class of members;
- Minutes of members' meetings and records of action taken without meeting for past three years;
- All written communications within past three years to members generally as members;
- List of names and business or home addresses of current directors and officers;
- Copy of most recent periodic report filed with Secretary of State; and
- All financial statements ending during the last three years.

Q: What condition may be imposed on corporate records if the association is not subject to CCIOA?

A: Inspection rights may be conditioned under Nonprofit Act (but not under CCIOA) as follows:

- Member for at least three months;
- Demand made in good faith for proper purpose;
- Particular description of records sought;
- Records directly connected with the described purpose.

OTHER STATUTES:FEDERAL FAIR HOUSING ACT, COLORADO FAIR HOUSING AND CIVIL RIGHTS ACTS

Q: What acts are prohibited under the Federal Fair Housing Act?

A: The following acts are prohibited when based on race, color, religion, sex, familial status or national origin:

- To discriminate against any person in the terms, conditions, or privileges of sale or rental of a dwelling
- In the provision of services or facilities in connection with the sale or rental of a dwelling

Q: What are three examples of discrimination under the Federal Fair Housing Act and the Colorado Fair Housing Act?

A: The following are considered discriminatory practices:

- Refusal to permit at expense of handicapped person reasonable modifications if such modifications may be necessary to afford such person full enjoyment of the premises;
- Refusal to make reasonable accommodations in rules, policies, practices, or services, when such
 accommodations may be necessary to afford such person equal opportunity to use and enjoy a
 dwelling; and
- Failure to comply with design requirements (after March 13, 1991).

Q: What two classes are protected under the Colorado Fair Housing Act that are not addressed in the Federal Fair Housing Act?

A: Sexual orientation and marital status.

Q: What is an assistance animal?

A: An assistance animal is a dog that has been or is being trained as a guide dog, hearing dog or service dog. An assistance animal may also include an emotional support animal.

MISCELLANEOUS STATUTES: COLORADO CONDOMINIUM OWNERSHIP ACT, RENEWABLE ENERGY GENERATION DEVICES, WATER CONSERVATION, UNAUTHORIZED PRACTICE OF LAW,

TELECOMMUNICATIONS ACT

Q: What type of condominium does the Colorado Condominium Act apply to?

A: The Colorado Condominium Act applies to all condominiums.

Q: What is the definition of a unit?

A: A unit consists of any enclosed room or rooms occupying all or part of a floor or floors of a building to be used for residential, professional, commercial or industrial purposes which has access to a public street.

Q: What is an interval and time-span estate?

A: An interval estate is an estate for years terminating on a date certain, during which years title to a time span owner circulates on a fixed schedule and the owner has a vested interest in the same unit.

Time-span estate is an undivided interest in a unit and exclusive right to possession during an annually recurring period of time as set forth in the deed. Condominium documents must permit creation of time-share estates.

Q: What costs are time-span owners responsible for?

A: Time-span owners are individually responsible for assessments, property taxes and charges with respect to the unit, but only in accordance with their fractional interest.

Q: The Colorado Titles and Interests in Land Act states that a covenant, restriction or condition that effectively prohibits or restricts installation of a renewal energy generation device is void and unenforceable. What are renewable energy devices?

A: Renewable energy devices are:

- Solar energy devices, or
- Wind electric generation devices meeting PUC rules on interconnection standards.

Q: May an association adopt any restrictions on renewable energy devices?

A: Yes. Associations may adopt reasonable restrictions. The statute does not preclude:

- Aesthetic provisions that impose reasonable restrictions on dimension, placement or external appearance that do not significantly increase cost of device or significantly decrease performance or efficiency
- Bona fide safety requirements by building or electrical codes
- Reasonable restrictions on wind generation devices regarding sound, provided that there is an ARC process that includes input from applicant

Q: Where are owners precluded from placing renewable energy devices?

A: A person cannot place devices on property:

- Owned by another;
- Leased;
- Property that is collateral for a commercial loan, without consent;
- A limited common element or general common element of a CIC.

Q: What types of restrictions does the Colorado Water Conservation statute have?

A: The following restrictions or covenants are against public policy and prohibited:

- Provisions that prohibit or limit xeriscape
- Provisions that prohibit or limit drought tolerant vegetative landscaping.
- Provisions that require cultivated vegetation exclusively or primarily of turf grass

Q: Although there is no all-inclusive definition of the unauthorized practice of law, what activities are generally prohibited?

A: Generally prohibited are the following:

- Providing legal advice to another person
- Selecting legal documents on behalf of another person (unless under supervision and direction of lawyer)
- Drafting legal documents on behalf of another (unless under direction and supervision of lawyer)
- Interpreting the law as it may apply to another person's situation
- Representing another individual in any legal transaction
- Preparing a matter for trial (unless under direction and supervision of lawyer)

Summary: A person who acts in a representative capacity in protecting, defending or enforcing legal rights and duties of another and counseling, advising and assisting in connection with those rights and duties is practicing law.

Q: What is allowed?

A: Filling out forms that do not require legal skill.

Q: What types of covenants or restrictions are prohibited under the Telecommunications Act of 1996?

A: Restrictions that impair installation, maintenance and use of antennas one meter or less used to receive video programming and receive or transmit wireless signals in areas owned by individual or over which they have exclusive use (limited common elements) are prohibited.

(Note: Restrictions on placement on common elements are permissible.)

Q: Placement preferences that are clearly articulated are permissible provided they comply with certain limitations. What are the limitations?

A: Restrictions are prohibited if they:

- Unreasonably delay or prevent use of equipment
- Unreasonably increase cost
- Preclude acceptable quality signal

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