

**PROCEDURES FOR THE ADOPTION AND AMENDMENT
OF POLICIES, PROCEDURES AND RULES
OF
STONEBURY HOMEOWNERS ASSOCIATION, INC.**

The following resolution has been adopted by Stonebury Homeowners Association, Inc. pursuant to Colorado law, the Declaration and Bylaws of the Association at a regular meeting of the Association.

RECITALS

WHEREAS, Colorado law provides that homeowners associations adopt procedures for the adoption and amendment of policies, procedures and rules; and

WHEREAS, the Subassociation Declaration for Stonebury Homeowners Association, Inc. (the "Declaration") and the Bylaws of Stonebury Homeowners Association, Inc. both authorize the Association to adopt, amend and enforce rules and regulations and policies and procedures; and

WHEREAS, the Association desires to establish such procedures for the adoption and amendment of policies, procedures and rules in compliance with Colorado law.

NOW THEREFORE, BE IT RESOLVED, that the Association adopts the following procedures for the adoption and amendment of policies, procedures and rules.

1. **Board Determination of Need for Rules.** The Board of Directors of the Association may determine from time to time the need for certain rules and regulations, policies and procedures (the "Rule" or "Rules") as it deems necessary or desirable with respect to the interpretation and implementation of the governing documents of the Association, the operation of the Association, the use and enjoyment of Association properties or other properties within the community or for any other purpose.

2. **Basis for Rules.** In making its determination the Board may evaluate the scope and importance of the issue, determine whether or not the Rule already exists, verify that the existing documents are inadequate to address the issue and evaluate the immediate impact and long-term implications of adopting the Rule. In addition, pursuant to Colorado law the Board may rely upon information, opinions, reports or statements of its professional advisors in making its determination of the need for the Rule.

3. **Notice of Proposed Rule.** Once the Board has determined the necessity for the Rule, the Board shall in its discretion cause the Rule to be drafted in resolution format and shall verify that the Rule is reasonable and to be uniformly applied. The Board shall cause notice of the Rule to be provided to the members of the Association as provided in the Declaration or the Bylaws.

4. **Member Comment.** The proposed adoption of a Rule shall be included in the agenda for the Board meeting prior to adoption by the Board and the Board shall provide an

opportunity for members of the Association to comment on the Rule in accordance with Colorado law.

5. **Adoption of the Rule.** Following board discussion of the Rule and member comment, the Board may adopt the Rule. Any such Rules shall be effective only upon adoption by resolution of the Board and 15 days after the Association has provided the notice of adoption of the policy to the members.

6. **Notice of Adoption.** Notice of the adoption of any Rule shall be given in writing as provided for in the governing documents of the Association and by Colorado law and copies of the currently effective Rules shall be made available to each member upon request and payment of the reasonable expense of copying same.

7. **Emergency.** The Board may waive the notice of the proposed Rule and opportunity for member comment in the event that the Board determines in its sole discretion that providing notice and an opportunity to comment is not practical due to the emergency nature of the Rule.

8. **Waiver.** The Board may waive the provisions of this resolution if in its sole discretion such waiver is reasonable under the circumstances.

9. **Definitions.** Unless otherwise set forth in this Resolution, capitalized words or terms used in the Declaration shall have the same meaning herein.

10. **Supplement.** The provisions of this Resolution shall be in addition to and shall supplement the terms and provisions of the Declaration, the Bylaws, and the laws of the State of Colorado governing the Association.

11. **Deviations.** The Board may deviate from the procedures set forth in this Resolution if, in its sole discretion, such deviation is necessary under the circumstances.

12. **Amendment.** The Board of Directors in its sole discretion may amend this procedure from time to time.

13. **Applicability.** This procedure is applicable to the amendment or repeal of Rules by the Board.

IN WITNESS WHEREOF, the undersigned certify that this Resolution was adopted by the Board of Directors of the Stonebury Homeowners Association, Inc. this ____ day of January, 2006, effective January 1, 2006.

STONEBURY HOMEOWNERS ASSOCIATION,
INC.

By: Leslie Gomez
Name: _____
Title: President

ATTEST:

By: *Rick Bauman*
Name: Rick BAUMAN
Title: Secretary