

SMOKY HILL HOMEOWNERS ASSOCIATION
Procedures for Adoption and Amendment of Policies,
Procedures and Rules

RECITALS:

- A. Colorado Revised Statute ("C.R.S.") 38-33.3-209.5(1)(b)(vii) requires the Association to adopt procedures for the adoption and amendment of policies, procedures, and rules.
- B. C.R.S. 38-33.3-302(1)(a) authorizes the Association to adopt and amend Bylaws, Rules, and Regulations.
- C. The Association's Bylaws and governing documents authorize the Board of Directors to administer the affairs of the Association.

THEREFORE, IT IS RESOLVED THAT the following procedures shall apply to the Association's policy, procedure and rule making authority:

1. The Board of Directors in its sole discretion shall determine if there is an issue affecting the Community for which a policy, procedure or rule would be beneficial. The Board of Directors may also review all current policies, procedures, rules and regulations to determine whether any modifications or amendments are necessary. The timing of any such review shall be in the sole discretion of the Board of Directors.
2. The Board will investigate and discuss the reasonable approaches to address the issue affecting the Community.
3. Pursuant to C.R.S. 7-128-401(2)(b), the Board may rely on opinions, information, or statements of its experts, including legal counsel, in investigating reasonable approaches to address the issue(s) affecting the Community.
4. For purposes of this procedure, the Board will take reasonable steps to avoid adopting a policy, procedure, or rule that is contrary to Federal, State, or local law or the Association's Articles of Incorporation, Bylaws, or Declaration; as well as exercising reasonable care to balance the Association's interests with the interests of the individual Members of the Community.
5. Once the Board has investigated the issue and discussed the reasonable approaches to address the issue, the Board shall provide notice to the Members of the issue and the proposal(s) to address the issue by adopting a policy, procedure, or rule or amending an existing policy, procedure or rule.

6. The Board having determined that an issue affects the community for which a policy, procedure, or rule would be beneficial, and discussed reasonable approaches to address the issue, may adopt such policy, procedure, or rule at the discretion of the Board, by Resolution.

Procedure adopted this 13th day of December 2005 by Resolution of the Board of Directors.

A handwritten signature in cursive script, appearing to read "Ronald Weidmann".

Ron Weidmann, President

Smoky Hill Homeowners Association Board of Directors