

HIGHLANDS AT VALLEJO HOMEOWNER'S ASSOCIATION, INC.

POLICY FOR THE ADOPTION AND AMENDMENT OF POLICIES, PROCEDURES AND RULES

Colorado Common Interest Ownership Act ("CCIOA") requires that the Highlands at Vallejo Homeowner's Association, Inc. (the "Association") prepare a policy that outlines how the Association intends to adopt and amend policies, procedures and rules within our Community.

Board Members are elected voluntary officials charged with fiduciary responsibilities for the Association. The Highlands at Vallejo Homeowner's Association, Inc. Board (the "Board") shall have the authority to adopt and/or change policies, procedures and rules as long as the changes do not contradict the governing documents.

Amendment and adoption of policies, procedures and rules.

The Board believes the policies, procedures and rules currently in effect are proper and reasonable for the Association, but also recognize that conditions, attitudes and priorities may change from time to time. In the event it becomes apparent that there needs to be a change to a policy, procedure or rule, the procedures that may be followed are:

- At a regular open meeting, the Board will review, amend and approve by attending majority, the requested change or adoption of a new policy or rule.
- Once the Board has approved the policy, procedure or rule change, that change may be referred to the Association's Attorney for final review at the Board's discretion.

Amendment to the Declarations.

An amendment of this nature would be referred in its entirety to the Association's attorney for consideration and advice before further action would be taken. Upon review by the Association's attorney, the amendment will be presented to owners, if required, for consideration and vote based upon the notice and meeting requirements set forth in the Declarations.

Amendment to the Bylaws.

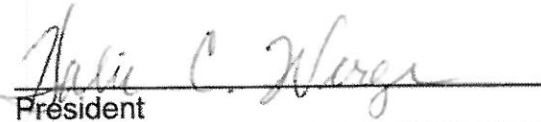
Any proposed amendment to the Bylaws may be reviewed by the Association's attorney and will be presented to owners, if required, for consideration and vote based upon the notice and meeting requirements set forth in the Bylaws.

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Pursuant to the requirements of CCIOA, the Board of Directors for the Highlands at Vallejo Homeowner's Association, Inc., hereby adopts the foregoing amended policy. This amended policy supersedes all previous policies for the adoption and amendment of policies dated prior to this policy and is subject to change after Board approval.

The provisions of this resolution shall be in addition to and in supplement of the terms and provisions of the Association's governing documents and the laws of the State of Colorado governing the Association.

BE IT RESOLVED, that the Association approves the "Policy for the Adoption and Amendment of Policies, Procedures, and Rules," effective July 18, 2016.



President

HIGHLANDS AT VALLEJO HOMEOWNER'S ASSOCIATION, INC.