

MASTER HOMEOWNERS ASSOCIATION FOR GREEN VALLEY RANCH

**ADOPTION AND AMENDMENT OF POLICIES,
PROCEDURES AND RULES POLICY**

WHEREAS, the Colorado Common Interest Ownership Act (“CCIOA”) requires that the Association prepare a policy which outlines how the Association intends to adopt and amend policies, procedures and rules within our community.

For purposes of this policy, policies, procedures and rules within our community are referred to as "Rules" and any amendment, modification, repeal or replacement of any existing Rule is referred to as an "Amendment."

Any Rules adopted by the Association prior to the date of adoption of this policy, including the nine policies and procedures that pursuant to CCIOA shall continue to be effective notwithstanding that they may have been adopted without following all of the procedures of this policy. The Board, by adopting policy, ratifies and reaffirms all such policies and procedures.

Communication with Owners is extremely important. Board members are elected, voluntary officials responsible to the Owners within our community. The following policies are created to inform the Owners of the procedures that will be followed for adoption of Rules and Amendments and to properly communicate any approved Rules or Amendments to the Owners.

AMENDMENT AND ADOPTION OF RULES

While it is the Board's hope that the Rules currently in effect are proper and reasonable for our community, the Board recognizes that conditions, attitudes, expenses and priorities may change from time-to-time. In the event that it becomes apparent that our Board needs to consider a new Rule or a change to a Rule, the following procedures will be followed:

Adoption of Rules. The Board may amend, modify, repeal and replace any of the Rules from time-to-time as it deems necessary.

Proposed Rule. Any proposed Rule or Amendment to an existing Rule will be submitted to the Board for consideration. The Board, a committee authorized by the Board for that purpose, or the Association's attorney (when directed as authorized by the Board) will draft the initial language of a Rule or Amendment and the matter will be placed on the agenda for the next appropriate Board meeting at the direction of the Board.

No Violation. A Rule must not conflict with the Declaration of the community, the Articles of Incorporation or By-Laws of the Association or any federal laws.

When Effective. A Rule or any Amendment will be effective only upon adoption by resolution of the majority of the Board. Upon adoption of such Rule or Amendment notice will be provided to the Owners.

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Discussion of Proposed Rules. A proposed Rule or Amendment will be discussed in an open meeting of the Board prior to the final vote.

- Once the Board has approved the draft, the Rule change may be referred to the Association's attorney for final review.
- An open hearing will take place prior to the final vote regarding the proposed Rule or Amendment by the Board of Directors.
- Assuming that the proposed Rule or Amendment is approved by a majority of the Board in attendance at a meeting of the Board, notice of any new Rule or Amendment will be given to all Owners by mail or other acceptable means of communication. A Rule or Amendment will be deemed effective upon the date of adoption unless otherwise noted in the resolution by which the Rule or Amendment was adopted. The notice will include the effective date of the change.

Waiver of Rules. The strict application of any Rule in any specific case may be modified or waived in whole or in part by the Board if in the opinion of the Board, in its sole discretion, such strict application would be unreasonable or unduly harsh under the circumstances.

Failure to Follow Procedures. The failure to follow any of the procedures set forth in this policy shall not invalidate any Rule or Amendment that is otherwise approved by the Board at a duly convened meeting of the Board.

Adopted by the Board of Directors on November 21, 2016