

**THE SHORES AT THE HIGHLANDS ASSOCIATION, INC.
POLICY REGARDING THE ADOPTION AND AMENDMENT OF POLICIES AND RULES**

Adopted December 29, 2021

The following policy has been adopted by The Shores at The Highlands Association, Inc. (the "Association") pursuant to the provisions of C.R.S. § 38-33.3-209.5, at a regular meeting of the Board of Directors (the "Board").

Purpose: To adopt a policy setting forth procedures for the adoption and amendment of policies, procedures, and rules.

THEREFORE, IT IS RESOLVED that the Association does hereby adopt the following Policy Regarding the Adoption and Amendment of Policies and Rules:

1. Pursuant to the Association's governing documents and C.R.S. § 38-33.3-302, the Board has the authority to create, adopt, enforce, amend, and repeal policies, procedures, rules, and regulations (hereinafter collectively referred to as a "Rule"). The Board may adopt a Rule as may be necessary to facilitate the efficient operation of the Association, including clarification of ambiguous provisions in other documents. The Board has the right, but not the obligation, to conduct an informational meeting of the Owners and solicit their input regarding any new or existing Rule before adopting the same.
2. When the Board, in the exercise of its discretion, determines that a Rule should be adopted, amended, or repealed, as appropriate, it shall do so at a meeting of the Board. At the meeting at which the Board intends to adopt the proposed Rule, at an appropriate time determined by the Board, but before the Board votes on the adoption of the Rule, Members or their agents shall be permitted to speak regarding the Rule. If more than one person desires to address the Rule and there are opposing views, the Board shall provide for a reasonable number of persons to speak in favor of and against the Rule.
3. The Board shall then give notice of the adoption, amendment, or repeal of the Rule in writing by first class U.S. mail to each Member at the address for notices to Members as may be provided for in the Association's Declaration or Bylaws, and shall publish the Rule by any reasonable means available, including but not limited to posting the Rule in the community or on its website, or delivery by e-mail, U.S. mail, newsletter, or personal delivery. The Rule, along with all other Rules of the Association, shall be available for inspection and copying in accordance with the Association's Policy Regarding Inspection and Copying of Association Records.

Any Owner's failure to receive any Rule adopted by the Board is not a defense to any attempt by the Association to enforce the Rule or to levy fines, expenses, or attorney's fees as a result of a violation of the Rule.

The Shores at The Highlands Association, Inc.



President

This Policy Regarding the Adoption and Amendment of Policies and Rules was adopted by the Board of Directors on the 29th day of December, 2021, effective the 29th day of December, 2021, and is attested to by the Secretary of The Shores at The Highlands Association, Inc.



Secretary