

**CEDAR LODGE CONDOMINIUM ASSOCIATION, INC.
ADOPTION AND AMENDMENT PROCEDURE**

Effective Date: 1/1/06

In compliance with the Colorado Common Interest Ownership Act, the Board of Directors desires to adopt a uniform and systematic procedure to amend and adopt policies, procedures and rules.

The Association hereby adopts the following procedure for the adoption and amendment of policies, procedures, and rules:

1. Definitions:
 - A. A policy is a course or principle of action adopted to guide the Board of Directors.
 - B. A procedure is an established or official way of conducting a course of action.
 - C. A rule is defined as a regulation or requirement governing conduct or behavior.
2. Policies and procedures, in general, shall govern the activities of the Board of Directors in the operation of the Association.
3. Rules, in general, shall govern the use of property within the community and the behavior of residents and/or their guests while in the community.
4. The Board of Directors shall have the authority to adopt policies, procedures and rules to the extent they do not conflict with the Declaration, Articles of Incorporation, and Bylaws of the Association.
5. The Board shall have authority to adopt and amend those policies and procedures which govern Association operation. Such policies and procedures shall be adopted at an open Board meeting and documented in the minutes or in a formal resolution.
6. The Board may adopt rules and regulations regarding the use of any property within the community. Prior to adopting final rules, the Board may send notice of a proposed rule to all owners and allow for a comment period. Rules, once adopted, shall be sent to all owners and shall be effective immediately, unless otherwise specified.
7. Pursuant to Article IV, Section 4(b) of the Bylaws, owners may amend rules adopted by the Board or adopt new house rules at an annual or special meeting called for that purpose. Only owners have the authority to amend such rules. No rule may conflict with the terms of the Declaration, the Articles of Incorporation or the Bylaws.

IN WITNESS WHEREOF, the undersigned certify that the Amendment Procedure was adopted by resolution of the Board of Directors of the Association this 4 day of NOV., 2006.

CEDAR LODGE CONDOMINIUM ASSOCIATION, INC. a Colorado
nonprofit corporation,

By: _____

Its: President

ATTEST:

By: _____