

PILGRIM DOWNS HOMEOWNERS ASSOCIATION
BOARD OF MANAGERS
RESOLUTION

ADOPTION AND AMENDMENT OF POLICIES, PROCEDURES AND RULES

The Board of Managers of Pilgrim Downs Homeowners Association, Inc., a Colorado nonprofit corporation (the "Association"), hereby approves and adopts the following Resolution:

RESOLVED, that the following Policy of the Association related to Adoption and Amendment of Policies, Procedures and Rules is hereby adopted and ratified:

1. Scope The Board of Managers of the Association may, from time to time, adopt certain policies, procedures and rules as may be necessary to facilitate the efficient operation of the Association, including the clarification of ambiguous provisions in other documents, or as may be required by law. In order to encourage Owner participation in the development of such policies, procedures and rules and to insure that such policies, procedures and rules are necessary and properly organized, the Board shall follow the following procedures when adopting any policy, procedure, or rule.

2. Drafting Procedure. The Board shall consider the following in drafting policies, procedures and rules: (a) whether the governing documents or Colorado law grants the Board the authority to adopt such a policy, procedure, or rule; (b) the need for such policy, procedure, or rule based upon the scope and importance of the issue and whether the governing documents adequately address the issue; and (c) the immediate and long-term impact and implications of the policy, procedure, or rule.

3. Notice and Comment. A copy of the proposed policy, procedure, or rule shall be provided to all Owners or posted on the Association's website and Owners shall be allowed a minimum of thirty (30) days to provide comment and/or feedback on the proposed policy, procedure, or rule. The adoption of every policy, procedure, or rule shall also be listed on the agenda for the Board meeting prior to adoption by the Board and any Owner who wishes to comment on the proposed policy, procedure, or rule shall be afforded such opportunity in compliance with Colorado law.

4. Emergency. The Board may forego the notice and opportunity to comment in the event the Board determines in its sole discretion that providing notice and opportunity to comment is not practical given the emergency nature of such policy, procedure, or rule.

5. Adoption Procedure. After the period for Owner comment expires, the Board may adopt any policy, procedure, or rule. Upon adoption of a policy, procedure, or rule, the policy, procedure, or rule or notice of such policy, procedure, or rule (including the effective date) shall be provided to all Owners by any reasonable method as determined by the sole discretion of the Board, including but not limited to posting on the Association's website.

6. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration and Bylaws shall have the same meaning herein.

7. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration, Bylaws, and the law of the State of Colorado governing Pilgrim Downs.

8. Deviations. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.

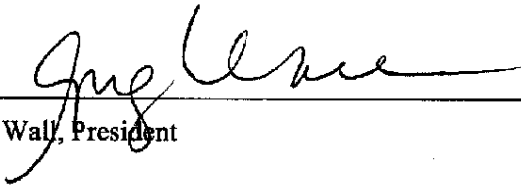
CERTIFICATION

I, the undersigned, do hereby certify:

That I am a duly elected and acting President of Pilgrim Downs Homeowners Association, Inc., a Colorado nonprofit corporation; and

That the foregoing Resolution was duly ratified and approved by action of the Board of Managers of the Association at its meeting held on December 30, 2013, at which a quorum was present.

Dated: December³¹, 2013



Georgia Wall, President