

**RESOLUTION of THE BOARD DIRECTORS  
of  
SETTLER'S VILLAGE SUBASSOCIATION**

The undersigned, constituting a quorum of the Directors of Settler's Village Subassociation, a Colorado nonprofit corporation (the "Association") at a regularly scheduled meeting of the Board, hereby adopt the following resolutions:

WHEREAS, Senate Bill 05-100 which was signed into law on June 6, 2005, contains a provision that requires the Association to adopt policies, procedures, and rules and regulations concerning:

1. The collection of unpaid assessments;
2. Handling of conflicts of interest involving board members;
3. Conduct of meetings, which may refer to applicable provisions of the nonprofit code or other recognized rules and principles;
4. Enforcement of covenants and rules, including notice and hearing procedures and schedule of fines;
5. Inspection and copying of Association records by unit Owners;
6. Investment of reserve funds; and
7. Procedures for the adoption and amendment of policies, procedures and rules.

WHEREAS, the Association desires to comply with this Senate Bill 05-100 provision and to assist the Owners and the Association in the implementation and enforcement of the same; and

WHEREAS, these policies and procedures must be in place and be effective by January 1, 2006, and

NOW THEREFORE, BE IT

RESOLVED, that the policies and procedures relating to the Senate Bill 05-100 provisions and the seven (7) areas listed above, attached hereto are hereby adopted and ratified on behalf of the Association. *Effective December 31, 2005*

FURTHER RESOLVED, that the above resolution and attached policies and procedures shall be effective upon execution of this resolution by the Board.

WITNESS the execution hereof this 31 day of December 2005.

James L. Cohen  
Director

Molly Quinn  
Director

Peggy Cushing  
Director

Don K. Hawokan  
Director

Eric F. Mast  
Director