

STONE CLIFF OWNERS ASSOCIATION, INC.

Resolution of the Board of Directors (Governing Policies)

The Board of Directors of the Stone Cliff Owners Association has adopted the following policies in regards to the governance of the Association.

a. Any legal matters must be approved by the President and be presented to the Association attorney through the Association's management company. The Association's attorney shall not work on any items not presented in this matter.

i. Exception: all collection matters may be presented and discussed to the Association's attorney by the Association's bookkeeper or treasurer.

b. Any expense over \$100 will be sent to the treasurer for approval on the "Service/Purchase Request Form." Any expense over \$1,000 will require the approval of a majority of the Board of Directors, and all applicable bids/invoices will be sent to the Board prior to approval.

c. All Board members will be notified of all Board meetings. Board members may abstain from the meeting if there is a conflict of interest. If notice is given to all Board members, it may be appropriate to conduct an executive Board session - thereby excusing general members or excusing Board members if the issue deals with (1) lawsuits or potential lawsuits; (2) vendor contracts; and (3) collections.

i. Owners are welcome to participate in a Board meeting by contacting the management company in advance and presenting an agenda item. Owner involvement, comments, and suggestions are encouraged.

d. It is the intent that all Board members, in their Director capacity, will refrain from negative comments regarding the current Board, past Board members, management companies, bookkeepers, etc. in correspondence and discussion so as to keep a positive light in the Association.

NOW, BE IT FURTHER RESOLVED that this policy shall be adhered to by all current and future Board members.

NOW, BE IT FURTHER RESOLVED that a copy of this Resolution shall be sent to all owners at their last known address.

Date: 4/15/10


Chairman (President), Board of Directors