

**RESOLUTION
OF THE
SAPPHIRE POINTE MASTER ASSOCIATION, INC.
ADOPTING POLICY AND PROCEDURE FOR
ALTERNATIVE DISPUTE RESOLUTION**

SUBJECT: Adoption of a policy and procedure regarding alternative dispute resolution ("ADR").

PURPOSE: To adopt a standard policy and procedure to be followed for ADR.

AUTHORITY: The Declaration, Articles and Bylaws of the Associations and Colorado law.

**EFFECTIVE
DATE:**

January 1, 2007

RESOLUTION: The Associations hereby adopt the following Policy and Procedure:

1. General Policy. In the event of any dispute involving the Association and an Owner, the Owner is invited and encouraged to meet with the Board to resolve the dispute informally and without the need for litigation. If the Owner requests to meet with the Board, the Board shall make a reasonable effort to comply with the Owner's request. Nothing in this Policy shall be construed to require any specific form of alternative dispute resolution, such as mediation or arbitration, or require the parties to meet.
2. No Waiver. Neither the Association nor the Owner waives any right to pursue whatever legal or other remedial actions available to either party.
3. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Community.
4. Amendment. This Policy may be amended from time to time by the Board of Directors.

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of the Sapphire Pointe Master Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on this 23rd day December 2006 and in witness thereof, the undersigned has subscribed his/her name.

**SAPPHIRE POINTE MASTER
ASSOCIATION, INC.,**
a Colorado nonprofit corporation

By: Julie Camba
President