

EXCESS OPERATING FUNDS RESOLUTION

Adopted at Sterling Pointe Owners Association annual meeting September 7, 2000 by general membership

STERLING POINTE OWNERS ASSOCIATION, INC

In order for the Association which is, in fact, a non-profit organization to not be taxed on income, a tax resolution must be passed by the general membership in the following form:

NON-PROFIT TAX RESOLUTION

To accept the acts of the Board, the results of operation, subject to audit, for the current fiscal year ending December 31, 2000, and the restricted contributions to reserve funded during the current year. After funding, all contributions to reserves, any excess operation funds are to be held as additional operating funds for the next fiscal year. The Board of Directors is hereby authorized to add such excess funds to the following year's operation budget.