

EAGLE PEAK RANCH PROPERTY OWNERS ASSOCIATION

AMENDED BY-LAWS

ARTICLE I – NATURE OF BY-LAWS

These By-Laws are intended to govern the administration of the Eagle Peak Ranch Property Owners Association (hereinafter referred to as "Association"), a nonprofit membership corporation organized under the Colorado Nonprofit Corporation Act (the "Act") and in accordance with the covenants as recorded to benefit and burden the Eagle Peak Ranch subdivision (the "Covenants"). Unless the context clearly indicates otherwise, all definitions set forth in the Act are incorporated herein by reference.

ARTICLE II – BOARD OF DIRECTORS

Section 1. Number and Qualifications: The affairs of the Association shall be governed by the Board of Directors. The Board shall be composed of three persons, all of whom shall be owners of property and shall be elected by the property owners. For the purpose of these By-Laws, a "property owner" is a person who has acquired an interest in a property located within the Eagle Peak Ranch Subdivision whether by Deed or Installment Land Contract. A "sale" includes sale by Deed or Installment Land Contract.

Section 2. General powers: The property, affairs and business of the Association shall be managed by the Board, which shall:

- 2.1. **Personnel.** Employ all personnel necessary for the efficient discharge of the duties of the Board hereunder. If the cost exceeds \$1,000, the request to extend employment must be voted on by all of the property owners and receive a two-thirds majority to proceed. Those employees who handle or are responsible for the handling of moneys shall be bonded by a fidelity bond, unless such requirement is expressly waived pursuant to a vote of a majority of the Board voting at a meeting at which a quorum is present.
- 2.2. **Professional Services.** Employ, if necessary, professional counsel to obtain advice from persons, firms, or corporations such as, but not limited to, landscape architects, architects, planners, biologists, lawyers, accountants, etc. If the cost exceeds \$1,000, the request to extend employment must be voted on by all of the property owners and receive a two-thirds majority to proceed.
- 2.3. **Property Owner Relations.** Maintain businesslike relations with property owners or occupants.
- 2.4. **Interpretation.** The powers herein granted or necessarily implied shall be construed to favor the broadest discretion of the Board of Directors, except that the Board of Directors shall have the duty to exercise all of such powers as required by law.
- 2.5. **Fiscal Responsibility.** The Board of Directors shall be governed by the following with respect to its fiscal duties and responsibilities:

- 2.5.1. Common expenses. The Board shall have the duty to collect the assessments assessed against each property owner, his, her, or their heirs, administrators, successors and assigns, a proportionate part of the common expenses of the entire association as provided in the Declaration and in accordance with applicable law. The Board shall have the power to estimate the cost in advance on an annual basis and to give notice thereof to the individual property owners in the manner herein provided and the same shall be a lien against each property.
- 2.5.2. Notice of Annual Assessment. The board shall give notice to each such lot owner in writing of the amount estimated by the Board, of common expenses for the management of the Association for the ensuing period, directed to the member at the last address known to the Board by ordinary mail. Specifically, a copy of the previous year's actual expenses and the proposed current year budget will be mailed to all property owners in January each year. If the assessment dues remain unchanged from the previous year, then a vote will not be required as to the amount of the assessment. However, if the Board is proposing an assessment dues increase, a detailed explanation for the increase and a ballot will be included. The said notice shall be conclusively presumed to have been delivered five days after deposit in the United States mails. When dues remain unchanged from the previous year, in the event that no objection is made by the lot owners on or before the 20th day after receipt of such notice, the amount shall be deemed to be conclusive and binding. When a dues increase is proposed, ballots should be received by the Secretary by the 30th day after receipt. Ballots will be tallied on the 31st day subject to a quorum of one third of property owners. If an annual assessment is not proposed as required, an assessment shall be presumed to have been made in the amount of the last prior year's assessment. Dues are payable per Resolution 1 of the governance policies. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board, provided that nothing herein shall serve to prohibit or prevent the Board from imposing a lump sum assessment in the case of an immediate need or emergency.
- 2.5.3. Creation of the Lien and Personal Obligation of Assessment. The annual assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made, and may be foreclosed in the manner provided by statute for mechanics liens. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessment shall not pass to the person's successors in title unless expressly assumed by them.
- 2.5.4. Bank Accounts. The depository of the Association shall be such a bank or banks as shall be designated from time to time by the Board and in which the moneys of the Association shall be deposited. Withdrawals of moneys from such accounts shall be only by checks signed by such persons as are authorized by the Board, provided that a management agreement may include among its provisions

authority for the manager to sign checks on behalf of the Association for payment of the obligations of the Association.

- 2.5.5. Interest and Counsel Fees. The Board, at its option, shall have the right in connection with the collection of this or any other charge, to impose an interest charge of 18% per annum if such payment is made after a date certain stated in such notice. In the event that the Board shall effectuate collection of said charges by report to counsel, the Board may add to the aforesaid charge or charges a sum or sums of 20% of the gross amount due as counsel fees, in addition to such costs allowable by law.
- 2.5.6. Expenditure of Funds. The amount of moneys for common expenses deemed necessary by the Board and the manner of expenditure thereof, including but not limited to the allocation thereof, shall be a matter for the sole discretion of the Board.
- 2.5.7. Disbursement. The Board shall take and hold the funds as collected and shall disburse the same for the purposes and in the manner set forth herein and as required by law.
- 2.5.8. Reserves. The Board shall not be obligated to expend all of the revenues collected in any accounting period, but may maintain a reasonable reserve for, among other things, emergencies, contingencies of bad weather or uncollected accounts. Said reserve funds or funds shall, however, be kept in interest-bearing securities either short or long term, or in an insured, interest-bearing savings account(s). The foregoing shall not be construed to mean that the Board shall not be permitted to keep additional cash on hand, in a checking or petty cash account for the necessary discharge of its function.
- 2.5.9. Periodic Audit of Books and Records. An Audit Committee shall be created and maintained. At the discretion of said Committee, the Board shall submit its books, records, and memoranda either to the Audit Committee for review or to a disinterested certified public accountant for review. If the cost of an audit by a CPA firm exceeds \$1,000, the request for such audit must be voted on by all of the property owners and receive a two thirds majority to proceed. An audit report from the Committee and/or CPA shall be submitted in writing to the Board and to all of the property owners. The frequency of the audit shall be at the discretion of the Audit Committee, but generally would be no more frequent than annually.
- 2.5.10. Accounts. The receipts and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses:
 - 2.5.10.1. Current Expenses. Current expenses which shall include all receipts and expenditures within the year for which the budget is made, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, to additional improvements or to operations. The balance of this fund at the end of

each year may be applied to reduce the assessments for current expenses for the succeeding year, or may be distributed to the member as the directors shall determine;

2.5.10.2. Non-Capital Reserve. Reserve for replacement, which shall include funds for repair or replacement required because of damage, depreciation, or obsolescence;

2.5.10.3. Capital Expenditures. Capital expenditures, which shall include the funds to be used for capital expenditures for additional improvements or property that will be part of the common elements;

2.6. Committees. The Board shall establish committees and eliminate committees at their discretion after consultation with the committee chair. Committee membership shall be appointed by the Board after consultation with the committee chair. Committee chairs shall be elected annually by vote of the committee membership.

2.6.1 Architectural Control. In accordance with the Covenants for Eagle Peak Ranch, the Board of Directors shall appoint an Architectural Control Committee for purposes of interpreting, applying and enforcing the provisions of such Covenants. Such Committee shall, after receiving approval in writing from the majority of Board members, commence or defend, as the case may be, such actions at law or equity, in its own name, or in the name of the Association, as may be deemed necessary by the Committee for purposes of enforcing the terms and conditions of the Covenants. In the event such action is commenced or defended, then the costs thereof, including reasonable attorney fees, shall be borne by the Association; provided, however, that in the event that such action is concluded (by settlement, judgment or otherwise) in favor of the Committee, then all such costs, expenses and attorney fees shall be reimbursed to the Association by the party against whom such action has been concluded.

Section 3. Term of Office: Each Board of Directors member shall serve a three-year term. The three terms shall be staggered.

Section 4. Election of Directors: Election of Directors shall be by simple majority vote of the members at the annual meeting or special meeting of property owners. Voting for Board of Directors positions shall be by secret ballot.

Section 5. Vacancies: When a Board of Directors vacancy occurs before the end of the term for that position, the Board may fill the vacancy by a majority vote of the Directors for only the period beginning the day the position is vacated and ending the day of the next annual or special meeting of property owners. If the vacancy occurs within 45 days of a scheduled annual or special meeting of property owners, the position may be filled for up to 120 days from the day the position is vacated.

Section 6. Removal: Any Director who is absent from three successive regular meetings of the Board of Directors or otherwise fails to discharge the responsibilities as a member of the Board of Directors shall be subject to removal from the Board of Directors by a majority vote of the then total Board membership.

Section 7. Compensation: No member of the Board shall receive any compensation for acting as a Director. However, Directors may be reimbursed for out-of-pocket expenses and may be compensated for services rendered to or for the Association in any other capacity.

Section 8. Meeting of Board: Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the members of the Board. Notice of regular meetings of the Board shall be given to each member of the Board by mail or email at least ten days prior to the day of the meeting. Special meetings of the Board may be called by the President on three business days notice to each member of the Board given by mail or email, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or the Secretary in like manner and on like notice on the written request of at least three members of the Board. Any member of the Board may, at any time, waive notice of any meeting of the Board in writing and such waiver shall be deemed equivalent to the giving of notice. Actual attendance by members of the Board at any meeting of the Board shall constitute a waiver of notice by them of the time and place thereof. Voting of the Board members will be disclosed in the minutes. All regular and special meetings of the Board shall be open to attendance by the property owners or their representatives; notification of meetings to property owners will be the same as for the Board. Open Board meetings shall be documented by meeting minutes and distributed to property owners. Minutes shall provide a summary of all voting results.

Section 9. Quorum of Board: At all meetings of the Board, a majority of the members thereof shall constitute a quorum for the transaction of business and the votes of a majority of the members of the Board present and voting at a meeting at which a quorum is present shall constitute a valid decision. If at any meeting of the Board there shall be less than a quorum present, the majority of those present may adjourn the meeting to a new date. At any such adjourned meeting at which a quorum is present, any business which may have been transacted at the original meeting may be transacted without further notice.

Section 10. Non-Waiver: All the rights, duties and privileges of the Board shall be deemed to be continuing and shall not be exhausted by any single act or series of acts. To the same extent, the failure of the Board to apply or implement any provision of these By-Laws shall not preclude the Board's right to apply or implement any provision in the future nor shall any custom bind the Board.

ARTICLE III – OFFICERS

Section 1. Designation: The principal officers of the Association shall be a President, a Vice President, who both shall be members of the Board of Directors, a Secretary and a Treasurer. The Board may also appoint such other assistant Treasurers and assistant Secretaries as in their judgment may be necessary.

Section 2. Election of Officers: The officers of the Association shall be elected annually by the Board of Directors at the first Board of Directors meeting following each annual meeting and such officers shall hold office at the pleasure of the Board.

Section 3. Removal of Officers: Upon an affirmative vote of a two-thirds majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and a successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purposes.

Section 4. President: The President shall be the chief executive officer of the Association, and shall preside at all meetings of the Association and of the Board of Directors. The President shall have all of the general powers and duties which are usually vested in the office of President of an Association.

Section 5. Vice President: The Vice President shall take the place of the President and perform those duties whenever the President shall be absent or unable to act. The Vice President shall also perform such other duties as shall from time to time be imposed by the Board of Directors.

Section 6. Secretary: The Secretary shall keep the minutes of all meetings of the members of the Association; shall have charge of such books and papers as the Board of Directors may direct; and shall, in general, perform all the duties incident to the office of the Secretary. The Secretary need not be a member of the Board, but may be appointed by the Board.

Section 7. Treasurer: The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for the deposit of all moneys and other valuable effects in the same, and to the credit of the Association in such depositories as may from time to time be authorized by the Board of Directors.

Section 8. Other Duties and Powers: The officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Directors.

Section 9. Fidelity Bonds: All officers and members of the Association having the responsibility for handling funds of the Association may be bonded at the expense of the Association.

Section 10. Compensation of Officers: The President and Vice President shall not receive any compensation for their services except reimbursement for out-of-pocket expenses, but may be compensated for services rendered in any other capacity as determined by the board. The Secretary and Treasurer may be compensated for their services if the Board determines that such compensation is appropriate.

Section 11. Eligibility of Directors: Nothing herein contained shall prohibit a Director from being an officer.

ARTICLE IV – FISCAL YEAR

The fiscal year of the Association shall be on a calendar year basis.

ARTICLE V – MEMBERSHIP

There shall be one class of membership in the Association. Any person or entity, or combination of persons or entities owning a lot shall be a member of the Association and shall be entitled to one vote with regard to Association matters, as set forth in the Articles of Incorporation.

ARTICLE VI – MEETINGS OF PROPERTY OWNERS

Section 1. Time of Meeting: Annual meetings of the property owners shall be held as herein above provided for. If the election of Directors shall not be held on the day designated herein for any annual meeting or at any adjournment of such meeting, the Board of Directors shall cause the election to be held at a special meeting as soon thereafter as convenient. At such special meeting the members may elect the Directors and transact other business with the same force and effect as at an annual meeting duly called and held.

Section 2. Place of Meeting: The meeting of the property owners shall be held at a suitable place convenient to the property owners as may be designated by the Board.

Section 3. Special Meetings: Special meetings of members may be called by the President whenever it is deemed such a meeting advisable, and shall be called by the Secretary when so ordered by the Board of Directors or upon written request of members entitled to no less than 33% of all the votes entitled to be cast at such meeting. Such request shall state the purpose or purposes of such meeting and the matter proposed to be acted on thereat. The Secretary shall give notice stating the purpose or purposes of the meeting to all members entitled to vote at such meeting. No special meeting need be called upon the request of members entitled to cast less than 50% of all votes entitled to be cast at such meeting to consider any matter which is substantially the same as a matter voted upon at any meeting of the members held during the preceding 12 months.

Section 4. Notice of Meeting: Except as otherwise provided by law, notice of each meeting of members, whether annual or special, shall be given not less than 10 days, nor more than 50 days before the day on which the meeting is to be held, to the representative or each property owner at the address of its property, by delivering a written or printed notice thereof personally, or by mailing such notice, postage prepaid. Except where expressly required by law, no publication of any notice of a meeting of members shall be required. Every such notice shall state the time and place of the meeting and shall state briefly the purposes thereof.

Section 5. Actions Requiring Vote: To help facilitate decision making on any proposed action requiring a vote of the members, the action shall be summarized by the member, Committee, or the Board member proposing such action. Significant proposed actions (those with estimated financial impact at or above \$1,000 or policy impacts deemed significant by the board) shall be provided to the Secretary a minimum of 45 days prior to the vote. The Secretary shall provide the summary to the members a minimum of 30 days prior to the vote. The summary shall include as a minimum the cost, dates and location of implementing and completing the proposed action.

Section 6. Quorum: At each meeting of the members, one-third of the property owners, present in person or represented by proxy, shall constitute a quorum for the transaction of business except where otherwise provided by law. In the absence of a quorum, the property owners present in person or represented by proxy and entitled to vote, by majority vote, may adjourn the meeting from time to

time, until a quorum shall be present or represented. At any such adjourned meeting at which a quorum may be present, any business may be transacted which might have been transacted at a meeting originally called.

Section 7. Organization: At each meeting of the Association the President or, in the absence of the President, the Vice President, or in the absence of both of them, a Chairman chosen by a majority vote of the property owners present in person or represented by proxy and entitled to vote thereat, shall act as Chairman and the Secretary, or in the absence of the Secretary, a person whom the Chairman shall appoint, shall act as Secretary of the meeting.

Section 8. Conduct of Meetings: The order of business at the annual meeting of the property owners or at any special meeting as far as practicable shall be:

- (a) Verifying the quorum and certifying the proxies.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Approval of the minutes and disposal of any unapproved minutes.
- (d) Receiving report of officers.
- (e) Receiving reports of committees.
- (f) Appointment of judges of election, if necessary.
- (g) Election of Directors, if any.
- (h) Old business.
- (i) New business.
- (j) Adjournment.

Section 9. Voting: Except as otherwise required by law, or specifically required by Article V of the By-Laws:

- 9.1 The owner(s) of each property shall have such vote as set forth in Article V of the By-Laws. If only one of the multiple owners of a lot is present at a meeting of the association, in person or by proxy, such owner is entitled to cast all the votes allocated to that lot. If more than one of the multiple owners are present, the votes allocated to that lot may be cast only in accordance with the agreement of a majority in interest of the owners, unless the declaration expressly provides otherwise. There is majority agreement if any one of the multiple owners casts the votes allocated to that lot without protest being made promptly to the person presiding over the meeting by any of the other owners of the lot.
- 9.2 Proxies are entitled to be included in any vote. All proxies shall be in writing, signed by all individual owners of each property or by a duly authorized representative(s), and delivered to the Secretary of the meeting. A proxy may be used (1) to provide a quorum, and/or (2) to designate a specific vote or a specific representative to cast a vote for said proxy. If a proxy does not designate a specific vote or a specific representative in writing, said proxy's vote on any action or nominee shall be deemed an abstention. No proxy shall be voted on after 11 months from its date unless said proxy provides for a longer period.
- 9.3 Secret ballots may be used:
 - (a) At the discretion of the Board.

- (b) At any annual or special meeting of the membership when approved by the chair or when requested by voters representing two or more properties, in person or by proxy.
 - (c) At any committee meeting at the discretion of the chair.
- 9.4 A quorum being present, a majority unless specified by these By-Laws of all those voting in person or by proxy shall be sufficient on those matters which are to be voted on by the property owners. The election of Directors shall be by ballot. Unless demanded by at least 25% of the members present in person or by proxy at such meeting and entitled to vote thereat or determined by the Chairman of the meeting to be advisable, the vote on any other question need not be by ballot.
- 9.5 Cumulative voting shall not be permitted.

Section 10. Judges: If at any meeting of the members a vote by ballot shall be taken on any questions, the Chairman of such meeting may appoint two judges to act thereat with respect to such vote. Each judge so appointed shall first subscribe to an oath faithfully to execute the duties of a judge at such meeting with strict impartiality and according to the best of his ability. Such judges shall decide upon the qualifications of voters and shall report the number of members represented at the meeting and entitled to vote on such question, shall conduct and accept the votes, and, when the voting is completed, shall ascertain and report the number of votes respectively for and against the question. Reports of judges shall be in writing, signed and delivered by them to the Secretary of the meeting. The judges need not be members of the Association, and any officer of the Association may be a judge on any question other than a vote for or against the officer's own election to any position with the Association or any other question in which the officer may be directly interested.

Section 11. Meeting Minutes: Minutes shall be distributed to the property owners within 45 days of property owner meetings.

ARTICLE VII – TITLE TO PROPERTIES

Title to properties may be taken in the name of an individual, or in the name of two or more persons as tenants in common or as joint tenants with right of survivorship, or in the name of a corporation or partnership, or in the name of a fiduciary. Any officer of a corporate property owner shall be eligible to serve on the Board.

ARTICLE VIII – MAINTENANCE, REPAIR AND ALTERATION OF PROPERTY

All maintenance, repairs, and replacements to the common facilities, such as roads, (unless necessitated by the negligence, misuse, or neglect of a property owner, in which case such expense shall be charged to such property owner) shall be made by the Board and charged to all property owners as a common expense.

ARTICLE IX – INSURANCE

The Eagle Peak Ranch Property Owners Association shall purchase and maintain insurance on behalf of persons who are or were directors or officers to cover expense and liability, as those terms are defined in C.R.S. 7-129-101 and including defense costs and attorneys' fees, asserted against or incurred by the person in that capacity or arising from the person's status as a director or officer, regardless of whether the Eagle Peak Ranch Property Owners Association would have the power to indemnify the person against such expense and liability under the Act.

ARTICLE X – ADDITIONS, ALTERATIONS, OR IMPROVEMENTS BY THE BOARD

Whenever, in the judgment of the Board, common facilities such as roads shall require additions, alterations or improvements costing in excess of \$1,000, said alterations and improvements shall not be made unless they have been approved by a majority of the members present and voting at a meeting at which a quorum is present. When said approval has been obtained, all members shall be assessed for the cost thereof as a common charge. In the event of any emergency, the Board may expend sums in excess of \$1,000 to protect Eagle Peak Ranch from imminent damage.

ARTICLE XI – RIGHT OF ACCESS

Each property owner shall grant a right of access to the owner's property to any person authorized by the Board for the purpose of inspecting for and correcting any condition originating on the property and threatening another property or common element, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the property owner. In case of an emergency, such right of entry shall be immediate whether the property owner is present at the time or not.

ARTICLE XII – MISCELLANEOUS

Section 1. Examination of Books: Each property owner and each mortgagee of a property shall be permitted to examine the books of account of the Board at a reasonable time on business days.

Section 2. Notices: All notices hereunder to the Association shall be sent by registered or certified mail to the Board in care of the President of the Association and/or to the managing agent if there be a managing agent. All notices to any property owner shall be sent registered or certified mail to such address as may have been designated by the owner from time to time in writing to the Board. All notices shall be deemed to have been given when mailed except notice of change of address which shall be deemed to have been given when received.

Section 3. Invalidity: The invalidity of any part of these By-Laws shall not impair or affect in any manner the enforceability or affect the balance of the By-Laws.

Section 4. Waiver: No restriction, condition, obligations or covenant contained in these By-Laws shall be deemed to have been abrogated or waived by reason of the failure to enforce the same irrespective of the number of violations or breaches thereof which may occur.

ARTICLE XIII – AMENDMENTS

These By-Laws, or any of them, may be altered or repealed, or new By-Laws may be made, at any meeting of the Association duly constituted for such purpose, by an affirmative vote of 75% of the votes cast in person or by proxy.

ARTICLE XIV – ENFORCEMENT

The Association shall have the power to enforce the terms of these By-Laws or any rule or regulation promulgated pursuant thereto, by any or all of the following: by sending notice to the offending party to cause certain things to be done or undone; by restoring the Association to its original position and charging the breaching party with the entire cost or any part thereof; by taking any other action before any court, summary or otherwise, as may be provided by law; by complaint to the duly constituted authorities. If enforcement expense is anticipated to exceed \$1,000, approval by two thirds of property owners is required.

ARTICLE XV – EXCULPABILITY OF BOARD AND OFFICERS

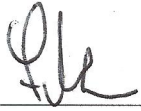
Neither the Board as a body nor any member thereof nor any officer of the Association shall be personally liable to any property owner in any respect for any action or lack of action arising out of the execution of office. Each property owner shall be bound by the good faith actions of the Board and officers of the Association in the execution of the duties of said directors and officers. Unless acting in bad faith, no director or officer of the Association shall be liable to any property owner or other person for misfeasance or malfeasance in office.

ARTICLE XVI – CONFLICT

Anything to the contrary herein notwithstanding, if any provision of these By-Laws is in conflict with or contraction of the requirements of any law, then the requirements of said law shall be deemed controlling.

We, the Board of Directors of the Eagle Peak Ranch Property Owners Association, do hereby certify:

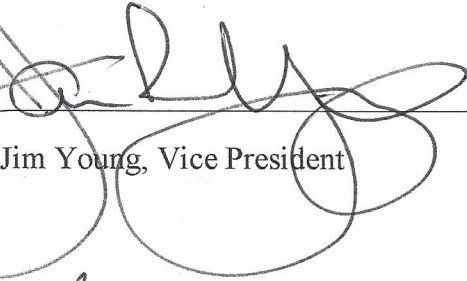
That, the foregoing By-Laws constitute the Amended By-Laws of said Association, as duly approved by the requisite percentage of homeowners as required by the original By-Laws and as duly adopted at a meeting of the Association, held on the 20 day of May, 2017.



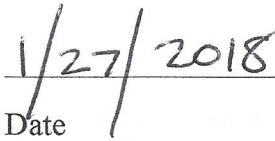
Frank Mann, President



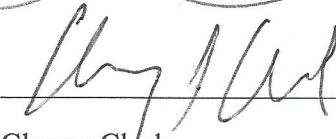
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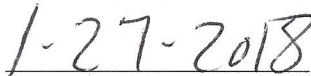
Jim Young, Vice President



Date



Clancy Clark



Date