

BYLAWS OF THE HIGHLAND MEADOWS HOMEOWNERS ASSOCIATION

Introduction

These are the Bylaws of Highland Meadows Homeowners Association; a subdivision of the Highland Meadows PUD located in Summit County, CO, a Non Profit Corporation.

ARTICLE 1 OFFICE

Section 1.1 The Executive Board will determine the principal office location for the Association which shall be set forth with the Secretary of State.

ARTICLE 2 DEFINITIONS

(a) **Good standing:** Good standing means the lot owner(s) is(are) current with all fees and assessments.

ARTICLE 3 EXECUTIVE BOARD

Section 3.1 GENERAL POWERS The property, business, and affairs of the Association shall be controlled and managed by the executive board.

Section 3.1.1 Powers and Duties The executive board may act in all instances on behalf of the Association, except as provided in the Declaration, the Articles, these Bylaws or the Colorado Common Interest Ownership Act (the "Act"). The Executive Board shall have, subject to the limitations contained in the Declaration and the Act, the powers and duties necessary for the administration of the affairs of the Association and of the Common Interest Community, which shall include the powers and duties set forth in Article 3 of the Declaration, the Articles and those set forth in the Act.

Section 3.2 NUMBER The executive board shall consist of no less than 3 persons. The number of directors may be changed by a vote of the Executive Board. Further, reduction in the number of directors shall not have the effect of reducing the term of an incumbent director.

Section 3.3 QUALIFICATION, ELECTIONS, AND TERM Directors shall be members of the Association in good standing and shall be elected by the members of the Association at the annual meeting. At each election of directors, each member shall have the right to vote for as many persons as there are directors to be elected. Cumulative voting shall not be allowed. Directors shall serve for terms of two years. Two directors shall be elected in even-numbered years, and the remaining directors shall be elected in odd-numbered years. Directors shall serve until their successors are duly elected and qualified.

Section 3.4 QUORUM, VOTE REQUIRED, AND ADJOURNMENT At any meeting of the executive board a majority of the qualified directors shall constitute a quorum. If a quorum is present, the action of a majority of the directors present and voting shall be the act of the executive board of directors. If a quorum is not present, the majority of directors present may adjourn the meeting from time to time without further notice other than an announcement at the meeting.

Section 3.5 ACTION OF DIRECTORS WITHOUT A MEETING Any action required or permitted to be taken by the executive board at a board meeting may be taken without a meeting if each and every member of the Board of Directors in writing either (i) votes for such action, or (ii) votes against such action, or (iii) abstains from voting and waives the right to demand that a meeting be held in accordance with Article 128, section 7-128-202 of the Colorado Revised Nonprofit Act.

Section 3.6 COMMUNICATION IN LIEU OF ATTENDANCE A director may attend a meeting of the Executive Board of Directors by using an electronic or telephonic communication method whereby the director may be heard or read by the other members and may hear the deliberations of the other members on any matter properly brought before the directors. The director's vote shall be counted and the presence noted as if that director were present in person on that particular matter.

Section 3.7 REMOVAL AND RESIGNATION

(b) **Removal:** Any director may be removed with cause by a vote of two-thirds of the total number of members in the Association at a meeting called for that purpose.

(c) **Resignation:** Any director may resign by submitting a written notice to the Executive Board of Directors stating the effective date of resignation; acceptance of the resignation shall not be necessary to make it effective. Any director missing three consecutive board meetings without just cause will be deemed to have resigned from the executive board, which resignation shall be accepted by the affirmative vote of a majority of the directors.

Section 3.8 NOTICE AND WAIVER. (a) Special Meetings of the Executive Board may be called by the President or two or more directors; (b) Five days' notice of special meetings shall be given to each director by the caller of the meeting. Such notice may be given orally in person or by telephone or in writing or emailed to each director; (c) Written waiver of notice signed by a director or attendance at a meeting of the Executive Board of Directors by a director shall constitute a waiver of notice of such meeting, except where attendance is for the express purpose of objection to the failure to receive such notice or to defects in said notice.

Section 3.9 VACANCIES Any vacancy occurring on the executive board whether by removal, resignation, death, or otherwise shall be filled by a majority vote of the remaining directors though not less than a quorum of the board. A director elected to fill a vacancy on the board of directors shall hold office until the next annual election of directors and until his successor is duly elected and qualified.

Section 3.10 MEETING There shall be a regular meeting of the board of directors following the annual meeting of the members of the Association, and the board may establish additional regular meetings to be held at such other places and at such other times as it may determine from time to time. After the establishment of a time and place for such regular meeting or meetings, no further notice thereof need be given. Special meetings of the executive board may be called by the president or upon written request delivered to the secretary by any two directors.

ARTICLE 4 **OFFICERS**

Section 4.1 **GENERAL** The officers of the Association shall be a president, vice-president, secretary, and treasurer; all of whom shall be elected by the Executive Board of Directors to serve at the desire of the board.

Section 4.2 **PRESIDENT** The president shall be the principal executive officer of the Association and, subject to the control of the Executive Board of Directors, shall direct, supervise, coordinate and have general control over the affairs of the Association and shall have the powers generally attributable to the chief executive officer of an association. The president shall be a director and shall preside at all meeting of the member of the Association.

Section 4.3 **VICE-PRESIDENT** A vice-president shall act in place of the president in case of death, absence, or inability or failure to act and shall perform such other duties and have such authority as from time to time may be delegated by the Executive Board of Directors or by the president. The vice-president shall be a director.

Section 4.4 **SECRETARY** The secretary shall be the custodian of the records and shall see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law and that the books, report, and other documents and records of the Association are properly kept and filed. The secretary need not be a director.

Section 4.5 **TREASURER** The treasurer shall be responsible for Association funds and securities, for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. This officer shall be responsible for the deposit of all monies and other valuable effects in depositories designated by the Owners and shall perform all the duties incident to the office of treasurer of a nonprofit corporation organized under the laws of the State of Colorado. The treasurer may endorse on behalf of the Association, for collection only, checks, notes, and other obligations and shall deposit the same and all monies in the name of and to the credit of the Association's banks designated by the Owners. Except for reserve funds described below, the treasurer may have custody of and shall have the power to endorse for transfer, on behalf of the Association, stock, securities or other investments owned or controlled by the Association or as fiduciary for others. Reserve funds of the Association shall be deposited in segregated accounts or in prudent investments, as the Executive Board decides. Funds may be withdrawn from these reserves for the purposes for which they were deposited, by check or order, authorized by the treasurer, and executed by two directors, one of whom may be the treasurer if the treasurer is also a director.

Section 4.6 **STATEMENTS OF UNPAID ASSESSMENTS** The treasurer, assistant treasurer, a manager employed by the Association or, in their absence, any officer having access to the books and records of the Association may prepare, certify, and execute statements of unpaid assessments, in accordance with Section 38-33.3-316 of the Act. The Association may charge a reasonable fee for preparing statements of unpaid assessments. The amount of this fee and the time of payment shall be established by resolution of the Executive Board of Directors. The Association may refuse to furnish statements of unpaid assessments until the fee is paid. Any unpaid fees may be assessed as a Common Expense against the Lot for which the statement is furnished.

Section 4.7 **COMPENSATION** No officer shall receive any compensation from the Association for acting as an officer, except as may be set and approved by resolution adopted by a total of the majority vote of the votes in the Association at a regular or special meeting of the Association. An officer may also receive reimbursement for necessary expenses actually incurred in connection with Association duties, as are approved by the Executive Board.

Section 4.8 DELEGATING OF POWERS In case of absence of any officer of the Association or for any other reason that may seem sufficient to the Executive Board of Directors, the executive board may delegate the absent officer's duties and powers for the time being to any officer or any director.

Section 4.9 REMOVAL OF OFFICERS Any officer may be removed, either with or without cause by note of the Executive Board. A successor may be elected at any regular meeting of the Executive Board or at any special meeting of the Executive Board called for that purpose.

ARTICLE 5 MEMBERSHIPS and VOTING

Section 5.1 VOTING

Section 5.1.1 The Association shall have one (1) class of voting membership. Members shall all be Lot Owners. Lot Owners in good standing shall be entitled to one vote for each Lot owned. When more than one person holds an ownership interest in any Lot, all such persons shall be entitled to vote, provided, however that the vote for any Lot shall be exercised by a representative of such person(s) designated in a written notice to the Executive Board signed by all of such persons or by person(s) demonstrating to the satisfaction of the Executive Board that they own a majority interest in such Lot. The Secretary of the Association shall be entitled to rely upon any such written notice until a new notice meeting the requirements of this paragraph is received. In no event shall more than one vote be cast with respect to any one Lot.

Section 5.1.2 Membership interests shall be appurtenant to the lot. Upon sale or conveyance of the lot, such membership interest shall terminate.

Section 5.2 ESTATES AND TRUSTS Memberships held in estates or trusts, or the like, may be voted by the administrator, executor, guardian, trustee, conservator, receiver, or other fiduciary thereof without such membership or the fee title to the property being transferred to such fiduciary. However, such fiduciary shall first file with the Association satisfactory evidence of such fiduciary relationship.

Section 5.3 QUORUM Except as otherwise provided in these Bylaws, the Owners present in person or by proxy at any meeting of Owners representing not less than thirty-three percent (33%) of the votes in the Association shall constitute a quorum at that meeting.

Section 5.4 MAJORITY VOTE The vote of a majority of the votes in the Association present in person or by proxy at a meeting of Owners at which a quorum shall be present shall be binding on all Owners for all purposes except where a higher percentage vote is required in the Declaration, the Articles, these Bylaws, by the Act or by the Colorado Revised Nonprofit Corporation Act.

If a quorum is not represented at a meeting, a majority of the memberships represented in person or by proxy may adjourn the meeting from time to time without notice other than announcement at the meeting.

Section 5.5 VOTING The Executive Board of Directors may decide that voting of the Owners on any matter required or permitted by the statutes of Colorado, the Declaration, or these Bylaws shall be written communication. Pursuant to the Colorado Revised Nonprofit Corporation Act, any action that may be taken at any annual regular or special meeting of the Owners may be taken without a meeting if the Secretary delivers a written ballot to every member entitled to vote on the matter.

(a) A written ballot shall: (i) set forth each proposed action; and (ii) provide an opportunity to vote for or against each proposed action.

(b) Approval by written ballot shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

Section 5.6 SECRET BALLOT Secret ballots will be executed according to the Act in the following circumstances: when voting in contested board elections (i.e., there are more candidates than positions); at the discretion of the board; and upon the request of 20% of the homeowners present at a homeowner meeting.

Section 5.7 BUDGET Unless a majority of all Lot Owners reject the budget, the budget shall be deemed ratified, whether or not a quorum is present at that meeting.

ARTICLE 6 MEETINGS

Section 6.1 MEETINGS OF THE MEMBERS (OWNERS)

Section 6.1.1 Annual Meeting The annual meeting of the members for the purpose of electing directors and transaction of such other matters as may properly come before the meeting shall be held at a location where the Executive Board deems reasonable and convenient in Summit County, Colorado. The date and time of the annual meeting will be established by the Executive Board. The secretary shall give notice of the annual meeting at such time as the secretary may schedule, not less than ten or more than fifty days prior to the meeting of the Members.

Section 6.1.2 Notice: Notice of each meeting of the Members shall be physically posted in a conspicuous place if feasible and practicable at least 24 hours prior to any meeting of the Members. Written notice of each meeting of Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of the notice, postage prepaid, or by personal delivery, at least 10 days before, but not more than 50 days before the meeting to each Member, addressed to the Member's address last appearing on the books of the Association, or supplied by a Member to the Association for the purpose of notice. In addition to mailing, but not in lieu of, notice may also be sent by any other means permitted by the Colorado Revised Nonprofit Corporation Act, including, but not limited to, facsimile and e-mail delivery. If the Association has the ability to give electronic notice, the Association shall e-mail notice of the meeting to any Member who requests, and who provides his or her e-mail address to the Association in addition to the above specified delivery of notice. Any such e-mail notice shall be given at least 24 hours prior to the meeting. The notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting. No matters shall be heard nor action adopted at a special meeting except as stated or allowed in the notice.

Section 6.1.3 Proxies: For the purposes of determining a quorum with respect to a particular issue and for the purposes of casting a vote for or against that issue, a homeowner may appoint a proxy in accordance with the rules set forth in the Act. A proxy must be dated and terminates eleven months after its date unless a different period is provided. Pursuant to the CRNCA, a proxy can be revoked by the person appointing the proxy by: (i) attending the meeting and voting in person; or (ii) signing and delivering a written revocation of the appointment to the association; or (iii) appointing a subsequent and different proxy. The association is entitled to reject a proxy appointment if the association's secretary, acting in good faith, has reasonable basis for doubt about the validity of the signature on the proxy. Any action of the association based upon the acceptance or rejection of a proxy appointment or proxy revocation is valid unless and until a court determines otherwise.

Section 6.1.4 Special Meetings of the Members The President, two or more members of the Executive Board, or upon receipt of a petition signed by no less than 20% of the Members, the Secretary shall call a special meeting of the Members. If after 30 days of receipt of said request, the secretary-treasurer shall neglect or refuse to issue such call, the board of directors or the members delivering the petition making the request may do so.

Section 6.3 EXECUTIVE BOARD MEETINGS

Section 6.3.1 Regular Executive Board Meetings: As suggested by its name, regular board meetings are reoccurring meetings of the board set on a consistent day/time/location throughout the year. No formal notice to owners of such meetings is required unless the association's governing documents require owners be provided with notice.

Section 6.3.2 Special Meetings of the Executive Board: Special meetings of the board are typically called by either the President or two or more members of the Executive Board. Notice for any special meeting of the Executive Board must be given to each director at least 2 days prior to the special board meetings.

Section 6.3.3 Proxies: For the purposes of determining a quorum with respect to a particular issue and for the purposes of casting a vote for or against that issue, a director may execute, in writing, a proxy to be held by another director. The proxy shall specify a yes, no, or abstain vote on each particular issue for which the proxy was executed. Proxies which do not specify a yes, no, or abstain vote shall not be counted for the purpose of having a quorum present nor as a vote on the particular issue before the Executive Board.

Section 6.3.4 Executive sessions: Members of the executive board may hold an executive session in accordance with the Act for only those matters enumerated in C.R.S. 38-33.3-308 (3) and (4) in paragraphs (a) to (f)

**ARTICLE 7
AMENDMENTS**

Section 7.1 AMENDMENTS These By-Laws may be amended or repealed and replaced with new By-Laws from time to time by either: (i) the affirmative vote of two thirds of the memberships represented at any annual or special meeting provided that the notice of such meeting states that such amendment, repeal, or adoption is to be considered, or (ii) upon a majority vote of the Executive Board of Directors as permitted by the Colorado Revised Nonprofit Corporation Act.

Approved and adopted as of the 17th day of February, 2019 by the undersigned members of the Executive Board of directors of this Association.

Cadence White

[Signature]

Barbara Thomas

[Signature]
