

FIRST AMENDED BYLAWS OF  
SMOKY HILL HOMEOWNERS ASSOCIATION, INC.

(a Colorado nonprofit Corporation)

PREAMBLE

These Bylaws replace any previous bylaws for the Smoky Hill Homeowners Association, Inc., ("Corporation"). Any previous bylaws shall no longer be in effect. Nothing contained in these Bylaws shall supersede or contradict any language of the Revised Protective Covenants for Smoky Hill 400 Community, City of Centennial, Arapahoe County, Colorado, as amended, on file with the Arapahoe County Clerk and Recorder's Office ("Covenants"). In the event of a conflict between these Bylaws and the Covenants, the Covenants shall prevail. If any portion of this document is determined invalid in a Court of law the remainder of these Bylaws shall remain valid and in effect.

ARTICLE I

Offices

1. Business Office: The Corporation may have offices in the State of Colorado, as the Board of Directors may determine or as the affairs of the Corporation may require from time to time.

2. Registered Office: The Corporation shall have, and continuously maintain in the State of Colorado, a registered office and a registered agent whose office is identical with such registered office, as required by the Colorado Nonprofit Corporation Act. The registered office may be, but need not be; identical with the principal office in the State of Colorado, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE II

Members

1. Classes of Members: The Corporation shall have one class of membership or members. The designation of such class and the qualifications and rights of the members of such class shall be as follows:

2. Qualification of Members: Regular members of the Corporation shall consist of those persons who are lot owners within the geographical area known and officially platted in the office of the Clerk and Recorder of the County of Arapahoe and State of Colorado, as "Smoky Hill 400," and who, in addition, shall be at least eighteen years of age and shall be a member of a household for which that household's assessed Corporation fees or dues have been paid for the then current fiscal year. Each regular member so defined shall be entitled to vote on each issue put to the determination of the membership.

3. Voting Rights: Each member in good standing shall be entitled to one vote per lot on each matter submitted to a vote of the members. A member is determined to be in good standing if all dues are paid no later than 7:30 p.m. on the night of the annual meeting.

4. Transfer of Membership: Membership in this Corporation is not transferable or assignable.

### ARTICLE III

#### Meetings of Members

1. Annual Meeting: An annual meeting of the members shall generally be held on the second Tuesday in the month of April in each year, beginning at the hour of 7:00 o'clock, p.m., for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Colorado, such meeting shall be held on the next succeeding business day. If the election of Directors is not held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as possible.

2. Special Meetings: Special meetings of the members may be called by the President, the Board of Directors, or not less than one-tenth of the members having voting rights.

3. Place of Meeting: The Board of Directors may designate any place within the State of Colorado, County of Arapahoe, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting is otherwise called, the place of meeting shall be at the Smoky Hill Metropolitan District Club House, located at 5405 S. Telluride Street, Centennial, CO 80015.

4. Notice of Meetings: Written notice stating the place, day, and hour of any meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, not less than ten days (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the President, Secretary, or the officers or persons calling the meeting. In case of a special meeting or when required by statute or by these bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member's last known mailing address as it appears in the records of the Corporation, with postage prepaid.

5. Informal Action by Members: Any action required by law to be taken at a meeting of the members, or any action which may be taken at a meeting of members, may be taken without a meeting if a majority, fifty percent plus one (50% + 1), of the members entitled to vote on the subject matter thereof provide their written consent to such action.

6. Voting by Mail: When members are to elect directors, such election may be conducted by mail or any other manner determined by the Board of Directors in accordance with Colorado law. Proxies are not allowed unless otherwise adopted by a resolution of the Board of Directors.

7. Acceptance of Written Votes: All written votes shall be delivered to the Smoky Hill Associations Post Office box no later than 5 pm on the day of the vote or delivered in person to any member of the Board of Directors no later than 7:30 p.m. on the day of the vote. All written votes must be in a sealed envelope.

8. Meeting Procedure: Meetings shall be conducted in compliance with the Smoky Hill Homeowner Association Meeting Policy.

9. Quorum: A minimum of 4 members at any meeting shall constitute a quorum. If a quorum is not present at any meeting of the members, a majority of the members present may adjourn the meeting from time to time without further notice.

## ARTICLE IV

### Board of Directors

1. General Powers: The affairs of the Corporation shall be managed by its Board of Directors. Directors need not be residents of the State of Colorado but must be members in good standing of the Corporation. Only one member of a household may be on the Board of Directors. All members of the Board of Directors shall be eligible to vote on any issues brought before the Board.

2. Number, Tenure, and Qualifications: The number of Directors shall be seven (7). Each Director shall hold office for a two (2) year term, with three (3) in the odd numbered years and four (4) in the even numbered years being elected in alternating years.

3. Regular Meetings: Regular meetings of the Board of Directors shall be held without notice other than this bylaw. Regular meetings are generally held the second Tuesday of each month at 6:30 pm at the Smoky Hill Metropolitan District Club House.

4. Executive Session Board Members or any committee thereof may hold an executive or closed door session and may restrict attendance to executive board members and such other persons requested by the executive board during a regular or specially announced meeting or a part thereof. During an executive session, the Board of Directors may only discuss the following: (1) matters pertaining to employees of the Corporation; (2) consultation with legal counsel regarding privileged or confidential matters; (3) investigative proceedings concerning possible or actual criminal misconduct; (4) matters subject to specific constitutional, statutory, or judicially imposed requirements protecting such matters from public disclosure; (5) any matter the disclosure of which would constitute an unwarranted invasion of individual privacy; or (6) review of or discussion relating to

any written or oral communication from legal counsel. Before convening an executive session the chair of the body conducting the meeting shall state the general subject matter of discussion, as enumerated directly above, for notation in the regular meeting minutes. In addition, the body convening an executive session shall keep "Executive Session Meeting Minutes" that record the executive session's participants, events, and decisions in more detail. The Secretary shall keep a separate binder for Executive Session Meeting Minutes which shall not be available to membership, except as set forth in the Association's policy regarding inspection and copying of Corporation records by members, promulgated under C.R.S. § 38-33.3-209.5 (2008), or as approved by the Board of directors in consultation with the Corporation's attorney. Any printed material provided to the Board shall remain with the Secretary at the conclusion of the meeting.

5. Special Meetings: Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors. The person or persons authorized to call special meetings of the Board may fix any place within the State of Colorado and County of Arapahoe as the place for holding any special meeting of the Board called by them.

6. Notice: Notice of any special meeting, with the exception of the Executive Session, of the Board of Directors shall be given and the purpose stated at least two days previously thereto by written notice delivered personally or sent by mail or e-mail to each Director at his address as shown by the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice is given by e-mail such notice shall be deemed to be delivered when the e-mail is sent. Any Director may waive written notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of written notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically

required by law or by these bylaws. All recipients must respond electronically or via telephone call to the party calling the special meeting.

7. Quorum: A simple majority of the serving or remaining Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board. If less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

8. Manner of Acting: The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these bylaws.

9. Vacancies: Any vacancy occurring on the Board of Directors and any directorship to be filled by reason of an increase in the number of directors may be filled by the affirmative vote of a majority of the remaining Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

10. Removal of Board Members: A Board Member can be removed by a simple majority vote of members at the annual meeting at which a quorum is present; or a Board Member can be removed by a simple majority vote of the Board of Directors at a Regular Meeting or a Special Meeting of the Board of Directors at which a quorum is present.

11. Compensation: Directors, as such, shall not receive any stated salaries for their services but, by resolution of the Board of Directors, all expenses can be reimbursed; but nothing herein contained shall be construed to preclude any Director from serving the Corporation in some other capacity and receiving compensation therefore.

12. Urgent Business Occasionally, the President may need to have a business item approved outside of the regular monthly meeting but may not be able to make that decision unilaterally; however, the President may poll the other Directors for majority approval of the issues at hand. If approved in this matter, the item must appear under new business at the next scheduled monthly meeting with each Director ratifying their vote and having that fact reflected in the minutes.

Urgent Business may include, but is not limited to, emergency legal action or urgent payment of bills.

## ARTICLE V

### Officers

1. Officers: The officers of the Corporation shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer, and such other officers as may be designated in accordance with the provisions of this Article. The Board of Directors may designate such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

2. Election and Term of Office: The officers of the Corporation shall be elected annually by the Board of Directors at the next regular meeting of the Board of Directors following the annual meeting of the Association. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as possible. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been fully elected and shall have qualified.

3. Removal: Any volunteer officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever, in its judgment, the best interests of the Corporation would be served thereby.

4. Vacancies: A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

5. President: The President shall be the principal executive officer of the Corporation and shall in general supervise and control all of the business and affairs of the Corporation. He shall preside at all meetings of the members and of

the Board of Directors. He may sign, with the Secretary or any other proper officer of the Corporation, contracts or other instruments which the Board of Directors has authorized to be executed, except in the cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws or by statute to some other officer or agent of the Corporation; and in general he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

6. Vice President: In the absence of the President or in event of his inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

7. Treasurer: If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. The Treasurer, or their designee, as approved by the Board, shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for monies due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VII of these bylaws; at least once each year at the annual meeting of the membership he shall report to the membership concerning the financial conditions of the Corporation; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors. The financial records provided by the Treasurer and approved by the Board are all understood to be subject to annual audit by a certified public accountant.

8. Secretary: The Secretary, or their designee, as approved by the Board, shall keep the minutes of the meetings of the members and of the Board of

Directors in one or more books provided for that purpose and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors. The meeting minutes shall be approved from the prior meeting and if any corrections are required to those, shall be noted and posted on the Smoky Hill Home Owner's Association website at smokyhillhoa.net. Copies will be available upon request of the Secretary.

9. Assistant Treasurers and Assistant Secretaries: (or their designee, as approved by the Board) if required by the Board of Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The assistant Treasurer and Assistant Secretary and their designees, in general, shall perform such duties as shall be assigned to them by the Treasurer or the Secretary or by the President or the Board of Directors.

## ARTICLE VI

### Committees

1. Committees of Directors: The Board of Directors, by resolution adopted by majority of the Directors in office, may designate and appoint one or more committees, each of which shall consist of at least one Director. The purpose and responsibility of the committee shall be to advise the Board of Directors on the subject for the committee had been formed. No committee shall have the power to act independently or on behalf of the Board.

2. Architectural Review Committee (ARC): The ARC shall consist of three members, of which at least one shall be a member of the Board of Directors. The committee shall be approved the Board of Directors. The ARC shall have the responsibility and authority to set guidelines for any issues involving architecture or landscape of the community. A copy of the ARC guidelines is attached hereto and incorporated herein as Exhibit A. Additionally, the ARC shall be the final review of any properties requiring recommendation for legal action as set forth more fully in

the Covenants. A summary of the timeline used for legal action is attached hereto and incorporated herein as Exhibit B.

3. Term of Office: Each member of a committee shall continue at the pleasure of the Board until such time that the committee is no longer needed.

4. Chairman: One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

5. Vacancies: Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

6. Quorum: Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

7. Rules: Each committee may adopt rules for its own government not inconsistent with these bylaws or with rules adopted by the Board of Directors.

## ARTICLE VII

### Indemnification

1. Third-Party and Derivative Actions: The Corporation shall indemnify, in advance, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (including an action by or in the right of the Corporation), by reason of the fact that he is or was a director, officer, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another Corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid or necessarily incurred, in settlement or otherwise, by him in connection with such action, suit or proceeding, except in relation to matters as to which any such director, officer, agent, employee, person serving at the Corporation's request, or former director, officer, agent, employee, or

person serving at the Corporation's request, shall be adjudged in such action, suit or proceeding to be liable for willful misconduct in the performance of duty and to such matters as shall be settled by agreement predicated on the existence of such liability, unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability and in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper; but such indemnification shall not be deemed exclusive of any other rights to which the director, officer, agent, employee, or other person serving at the Corporation's request is entitled to under any agreement, or otherwise.

2. Determination: Any indemnification under these Bylaws (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee, agent, or person serving at the Corporation's request is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 1 of this Article VII. Such determination shall be made: (a) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding; or, (b) by independent legal counsel in a written opinion requested by the Board of Directors; or, (c) by the affirmative vote of the majority of the members entitled to vote and be represented at a meeting called for such purpose. However, if a director, officer, employee or agent of the Corporation, or person serving at the Corporation's request has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 of this Article VII or in defense of any claim, issue or matter therein, he or she shall automatically be indemnified against expenses (including attorney's fees) actually and necessarily incurred in connection therewith without the necessity of any such determination that he or she has met the applicable standard of conduct set forth in Section 1 of this Article VII.

3. Payment in Advance: Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding as authorized by the Board of

Directors as provided in Section 2 of this Article VII upon receipt of a written agreement by the party seeking indemnification to repay such expenses if and when it should ultimately be determined that he or she is not entitled to be indemnified by the Corporation as under this Article VII.

4. Insurance: The Board of Directors may exercise the Corporation's power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Corporation, against any liability regardless of whether the Corporation would have the power to indemnify that person against such liability hereunder or otherwise.

5. Other coverage: The indemnification provided by this Article VII shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the Corporation's Articles of Incorporation, these Bylaws, the Corporation's Covenants, agreement, vote of members or disinterested Directors, the Colorado Nonprofit Corporation Act, the Colorado Common Interest Ownership Act, or otherwise, both as to action in an official capacity and as to action in any other capacity while holding such office, and shall continue as to a person who has ceased to be or serve as a director, officer, employee, agent or one and shall inure to the benefit of the heirs and personal representatives of such a person.

## ARTICLE VIII

### Contracts, Checks, Deposits, Gifts, and Proxies

1. Contracts: The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

2. Checks. Drafts. Etc.: All checks, drafts, money orders, notes, or other evidence of indebtedness issued in the Corporation's name shall be signed by such officer(s) or agent(s) of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

3. Deposits: All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

4. Gifts: The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation.

5. Proxies: Unless otherwise provided by resolution adopted by the Board of Directors, the President or any Vice President may from time to time appoint one or more agents or attorneys in-fact to take action on the Corporation's behalf or cast votes which the Corporation may be entitled to cast in any association, corporation, or other organization in which the Corporation is a member or otherwise entitled to vote.

6. Fidelity Insurance: If the Corporation delegates any powers relating to collection, deposit, transfer, or disbursement of Corporation funds to persons other than the Corporation's Directors or Officers, such person shall maintain fidelity insurance coverage or a bond in an amount not less than fifty thousand dollars or such higher amount as the board may require. Furthermore, such person shall maintain all Corporation funds separately from any other funds and such person shall prepare and present an annual financial statement accounting for association funds.

## ARTICLE IX

### Books and Records

The Corporation shall keep records sufficient to comply with the requirements set forth in C.R.S. §§ 7-136-101 and 38-33.3-317 as amended. The Corporation shall make its records available for inspection and copying as set forth in its Records Inspection Policy under C.R.S. § 38-33.3-210(1)(b)(V).

ARTICLE X

Fiscal Year

The Corporation's fiscal year shall run from January 1st to December 31st of each year.

ARTICLE XI

Corporate Seal

The corporate seal shall be in such form as shall be approved by resolution of the Board of Directors. Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or otherwise reproduced. The impression of the seal may be made and attested by either the Secretary or an Assistant Secretary for the authentication of contracts or other papers requiring the seal.

ARTICLE XI

Waiver of Notice: Whenever any notice is required to be given under the provisions of the Colorado Nonprofit Corporation Act or under the provisions of the Articles of Incorporation or the Bylaws of the Corporation, a waiver thereof in writing signed by the person or person entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XII

The Corporation shall not endorse any candidate for municipal, state, or federal office but such restriction shall not be construed to prohibit political speeches by candidates or their representatives or sponsors at meetings of the membership.

ARTICLE XIII

Amendments to Bylaws

These bylaws may be altered, amended or repealed and new bylaws may be adopted by a majority of the Directors present at any regular meeting or at any

special meeting, if at least two days written notice is given to all the Board Members of the intention to alter, amend, or repeal or to adopt new bylaws at such meeting.

By signature below, the Secretary of the Board of Directors certifies these First Amended Bylaws received the approval of a majority of the Directors upon at least two days written notice of a meeting duly called for such purpose.

Signed and effective as of this 14<sup>th</sup> day of April, 2009

SMOKY HILL HOMEOWNERS  
ASSOCIATION, INC.,  
a Colorado nonprofit corporation

By: Caryn Winkler  
Secretary