

THE SURREY RIDGE
HOMEOWNERS ASSOCIATION

BY-LAWS

ARTICLE I

Membership

Section 1. "Association" shall mean the association of all owners of lots in filings or units 1 through 4 SURREY RIDGE, Douglas County, Colorado, which owners are referred to as "members" herein.

Section 2. "Properties" shall mean all lots in SURREY RIDGE, filing or units 1 through 4, according to the recorded plat thereof in Douglas County, Colorado, and shall include those areas variously described as wilderness areas, a private park, and tracts B, C, D, and E.

Section 3. "Owner" shall mean the record owner of fee simple title to any lot which is part of the properties. The owner(s) of each lot shall have one vote per lot regardless of how many persons are the recorded owners of each lot.

Section 4. "Dues paying member" shall mean the owner of any lot who has contributed the annual dues then in effect. Such member shall be entitled to all rights and privileges of the Association including the use and enjoyment of the private park, wilderness areas, and bridle paths in SURREY RIDGE.

ARTICLE II

Maintenance of Common Areas

The Association shall be vested with the right to maintain a right-of-way for all bridle path easements for the benefit of the Association, and shall be vested with providing for the maintenance and use of the private park and wilderness areas.

ARTICLE III

Meeting of Members

Section 1. Annual Meetings. The first annual meeting of the members shall be held on the second Tuesday in May, 1982, and each subsequent regular annual meeting of the members shall be

held on the second Tuesday of May of each year thereafter, at the hour of 7:30 o'clock P.M. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday. The agenda for the annual meeting shall include at least the election of directors and the establishment of annual dues for the succeeding year.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of one-fifth of the members.

Section 3. Notice of Special Meetings. Notice of each special meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by copy of such notice, delivered not less than fifteen (15) days nor more than sixty (60) days before such meeting to each member, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the purpose, place, day and hour of the meeting.

Section 4. Quorum. The presence at the meeting of members or of proxies entitled to cast one-fifth of the votes of the membership shall constitute a quorum for any action except as otherwise provided in these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his lot.

ARTICLE IV

Board of Directors

Section 1. Number. The affairs of this Association shall be managed by a Board of seven members of the Association.

Section 2. Term of Office. At the first annual meeting the members shall elect seven directors who shall each serve a one-year term. At each succeeding annual meeting the members shall elect five directors who shall serve one-year terms. In addition, in order to maintain a seven director board and in order to provide continuity of direction to the Association, at each annual meeting following the first annual meeting, the directors who are completing their one-year term of office shall elect two of their Board to serve one additional year. These two directors shall be ineligible to serve their second year in an officer capacity and in no event shall any one individual be able to serve more than two consecutive years on the Board.

Section 3. Resignation and Removal. Any director may be removed from the Board, with or without cause, by a two-thirds vote of the members in attendance at any special meeting at which a quorum is established. Any director may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4. Vacancies. In the event of the death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 5. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed, upon approval by a majority of the Board, for his actual expenses incurred in the performance of his duties.

Section 6. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the unanimous written approval of all other directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V

Nomination and Election of Directors

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting.

The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association who need not be directors. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting and shall serve until the close of the next annual meeting. The names of the persons appointed shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

Meetings of Directors

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the same day of the next week.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

Powers and Duties of the Board of Directors

Section 1. Powers. The Board of Directors shall have the power to:

- (a) elect and remove the officers for the Association;
- (b) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- (c) suspend the right to use the common area properties and to suspend such other rights and privileges as may then be in effect.

ARTICLE VIII

Officers and Their Duties

Section 1. Enumeration of Officers. The officers of this Association shall be a president, vice-president, secretary and a treasurer, who shall at all times be members of the Board of Directors, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office until the next annual election of directors unless he shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period; have such authority, and perform such duties as the Board may, from time to time determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President: The president shall preside at all meetings of the Board of Directors and shall see that orders and resolutions of the Board are carried out.

Vice-President: The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary: The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer: The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall co-sign checks with any other director authorized to sign Association checks; shall pay all general property taxes on common area properties of the Association; and shall present an annual statement of income and expenses at the annual meeting for election of directors.

ARTICLE IX

Books and Records

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The By-Laws of the Association shall be available for inspection by any member at the address of the president of the Association, where copies may be purchased at reasonable cost.

ARTICLE X

Annual Dues

Each member shall contribute annual dues in an amount determined by the members at the annual meeting for election of directors. Such dues shall first be applied by the Board of Directors for payment of property taxes on Association property, next to reasonable maintenance of the bridle paths and common areas, and finally to such other and further use as the Board may determine for the benefit of the Association from time to time.

ARTICLE XI

Amendments

These By-Laws may be amended by a vote of at least two-thirds of the quorum of members present in person or by proxy at any duly convened meeting of the members of the Association. Any such meeting shall be upon thirty day advance notice to the Association members, which notice shall state the amendment to be voted upon.

Signed and dated this 13th day of April, 1982, by the members of the Board of Directors.

Roger A. Hicks
Joanne C. Pessa
Jay A. Chinger

Judith L. Wright
Carolee J. Layl
Richard G. Peterson