

BYLAWS
OF
ANTELOPE HILLS ASSOCIATION

As Amended
Approved July 13, 2005

ARTICLE I

Purposes and Objects

Section 1. Purposes and Objects. The purpose for which this non-profit corporation is formed is to govern Antelope Hills Subdivision, situate in Gunnison County, Colorado, in accordance with the terms and conditions of the Declaration of Protective Covenants for Antelope Hills, the Articles of Incorporation, and the Bylaws for this corporation.

Section 2. Compliance. All present or future owners, tenants, future tenants, or any other person that might use the facilities of the project in any manner, are subject to the regulations set forth in these Bylaws. The mere acquisition of any of the lots of that project or the mere act of occupancy of said units will signify that these Bylaws are accepted, ratified, and will be complied with.

ARTICLE II

Membership

Section 1. Automatic Membership. The owner of a lot, upon becoming such owner, shall be entitled and required to be a member of the Association and shall remain a member for the period of his ownership.

Section 2. One Membership. There shall be one membership in the Association for each owner. That membership shall be appurtenant to the lot and shall be transferred automatically by a conveyance of that lot to the new owner. Each membership shall be entitled to one (1) vote, and in the event that the membership is held by more than one owner, the vote may be cast only as a single unit, and split or divided votes of membership shall not be allowed.

Section 3. Transfer. No person other than an owner may be a member of the Association, and a membership may not be transferred except in connection with the conveyance or transfer of the lot; provided, however, that such membership may be assigned to the holder of a mortgage as further security for the loan secured by the lien of the mortgage holder upon the lot.

Section 4. Person. The term "person" for the purpose of membership shall include a corporation, partnership, trust, joint venture, or other legal entity which has valid title to any lot. Any officer, director, or partner of such entity may exercise the membership rights of the entity and shall further be entitled to serve on the board of directors and as an officer of the corporation.

Section 5. Termination. Such membership shall terminate without any formal corporation action whenever such person ceases to own a lot, but such termination shall not relieve or release any such former lot from any liability or obligation incurred under or in any way connected with the Antelope Hills Association during the period of such ownership and membership in this corporation, or impair any rights or remedies which the board of directors of the corporation or others may have against such former owner and member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto.

ARTICLE III

Meetings

Section 1. Annual Meeting. The annual meeting of the corporation shall be held ~~in the spring~~ of each year, at a place and time to be set by the board of directors, and notice thereof shall be given to the membership. At the annual meeting, the membership shall elect the board of directors and transact such other business as may properly come before it. (*Amended April 28, 2005*)

Section 2. Special Meetings. Special meetings may be called at any time by the board of directors or upon a petition signed by a majority of the members. No business shall be transacted at a special meeting except as stated in the notice unless by consent of three-fourths of the owners present, either in person or by proxy.

Section 3. Notice of Meetings. Notice of the date, place, and time of the annual meeting shall be given to each member of the corporation at least ten days prior thereto, either by delivering such notice to the member personally or by mailing the same to him by United States mail. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the membership register of the corporation, with postage prepaid thereon.

Section 4. Quorum. ~~One-third~~ *Ten percent (10%)* of the members of the corporation in good standing and in actual attendance in person or by proxy at any annual or special meeting of the corporation shall constitute a quorum at such meeting for the purpose of transacting business. If a quorum be present, the affirmative vote of the majority of the members present at such meeting in person or by proxy and entitled to vote on the subject matter shall be the act of the membership, unless the vote of a greater number is required by the Articles of Incorporation, the laws of the State of Colorado, or the Declaration of Protective Covenants. (*Amended April 20, 1995*)

Section 5. Voting of Proxies. At all meetings of the members, a member may vote by proxy executed in writing by the member or his duly authorized attorney-in-fact. Such proxy shall be filed with the secretary-treasurer of the corporation before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution unless otherwise provided by the proxy.

Section 6. Cumulative voting. Cumulative voting for directors shall not be allowed.

Section 7. Order of Business. The order of business at the annual meeting, and as applicable at any special meeting, shall be as follows:

- (a) Roll call;
- (b) Proof of notice of meeting;
- (c) Reading and approval of any unapproved minutes;
- (d) Reports of officers and committees;
- (e) Election of directors;
- (f) Unfinished business;
- (g) New business;
- (h) Adjournment.

ARTICLE IV

Board of Directors

Section 1. Number of Directors. The board of directors shall consist of ~~seven~~ *five* members of which *two shall be owners of Subdivision II property, two shall be owners of Mobile Home Subdivision and/or Subdivision I property and one, referred to as "floater", shall be owner of any property with in the three subdivisions of Antelope Hills Association. (Amended October 14, 1997)*

Section 2. Powers and Duties. The board of directors shall have the powers and duties necessary for the administration of the affairs of the corporation and for the operation and maintenance of a subdivision project. Such powers and duties shall include, but not be limited to, the following:

- (a) To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations, and all other provisions set forth in the Declaration of Protective Covenants.
- (b) To establish, make, and enforce compliance with such reasonable rules as may be necessary for the operation, use, and occupancy of the subdivision, with the right to amend the same from time to time. A copy of such rules and regulations shall be delivered or mailed to each member promptly upon the adoption thereof.
- (c) To take title to, own, maintain, administer, and keep in good order and condition all open spaces within Antelope Hills subdivision and any structures, buildings, recreational devices, or property of any nature and description used in the enjoyment of such open space.
- (d) To insure and keep insured all of the insurable common general elements as provided in the Declaration of Protective Covenants.
- (e) To fix, determine, levy, and collect the common assessments, prorated monthly, to be paid by each of the owners of the entire Antelope Hill Subdivision, and to adjust, decrease, or increase the amount of such common assessments.
- (f) To fix, determine, levy, and collect the special assessments, whenever in the opinion of the board of directors it is necessary to do so in order to meet increased operating or maintenance expenses of costs,

or additional capital expenses, or because of emergencies.

- (g) To levy and collect special assessments as to a particular subdivision only when requested by the owners within such subdivision for the purpose of providing special services to such subdivision. Such special assessments may include by way of illustration, but not limitation, assessments for improvements of roads, curbs, utilities, open space, recreational facilities, or like matters.
- (h) All monthly or other assessments shall be in itemized statement form and shall set forth the details of the various expenses for which the assessments are being made.
- (i) To collect delinquent assessments by suit or otherwise, and to enjoin or seek damages from an owner as is provided in the Declaration and these Bylaws.
- (j) To impose and collect membership fees and dues as against each member for the purpose of maintaining and operating all facilities provided for the use and enjoyment of the members of the Association, their family and guests.
- (k) To hire and employ a manager to carry out the purposes of the Association.
- (l) To enter upon any lot for the purpose of maintaining and repairing any building or structure located thereon under the terms and conditions of the Declaration of Protective Covenants of Antelope Hills.
- (m) To grant and convey easements and rights of ways for utilities over and across any of the lands owned by the Association under such terms and conditions as it may determine to be just and proper.
- (n) To protect and defend the entire premises from loss and damage by suit or otherwise.
- (o) To borrow funds in order to pay for any expenditure or outlay required to execute all such instruments evidencing such indebtedness as the board of directors may deem necessary, and such indebtedness

shall be the several obligation of all the owners in the same proportion as their interest in the general common areas.

- (p) To enter into contracts within the scope of their duties and powers.
- (q) To establish a bank account for the common treasury and for all separate funds which are required or may be deemed advisable by the board of directors.

To keep and maintain full and accurate books and records showing all the receipts, expenses, or disbursements, and to permit examination thereof at any reasonable time by each of the owners, and to cause a complete audit of the books and accounts by a competent public accountant once a year.

To prepare and deliver annually to each owner a statement of the general finances of the Association.

To meet at least once each quarter.

- (u) To designate the personnel necessary for the maintenance and operation of the Association business.

To own, operate, and maintain utility systems for the benefit of the Antelope Hills Subdivision, including water and sewer service.

In general, to carry on the administration of this corporation and to do all of those things necessary and reasonable in order to carry out the purposes of the homeowners association.

Section 3. Tenure. Each director shall hold office for a term of three years from the date of his election and until his successor shall have been elected and qualified to office, subject only to the provisions of Article III, Section 5. *If a director is not in attendance for three consecutive meetings demonstrates a lack of interest as exhibited by irregular attendance or conduct not promoting the well being of the Association the director may be dismissed upon a majority vote of the disinterested board members. (Amended June 8, 1994) (Amended September 24, 2009)*

Section 4. Qualifications. Directors shall be members of the corporation.

Section 5. Term of Office. Directors shall be elected at each annual meeting and shall serve for a term of three years, as above provided. Provided, however, that at the organizational meeting of the corporation, ~~three~~ two directors shall be elected for a term of three years, two directors shall be elected for a term of two years and ~~two~~ one directors shall be elected for

a term of one year. Thereafter, one director shall be elected at each annual meeting to fill the vacancy of the director whose term expires in that year. (*Amended October 14, 1997*)

Section 6. Elections. Elections for the board of directors shall be by ballot, either oral or written, with the person receiving the highest number of ballots cast for such director vacancy being declared elected.

Section 7. Vacancies. The board of directors is empowered to fill any vacancy that may occur in its own body, or among the officers of the corporation, and the person so appointed to such office shall hold that office until the expiration of the term of the person he succeeds.

Section 8. Compensation. No director shall be entitled to receive any compensation as a director of the corporation; provided, however, that he may be reimbursed for any actual expenses incurred in the performance of his duties as such director.

Section 9. Chairman and Secretary-treasurer. The president of the corporation shall be the chairman of the board of directors and the secretary-treasurer of the corporation shall be the secretary-treasurer of the board of directors.

Section 10. Regular Meetings. The regular annual meeting of the board of directors shall be held without other notice than this Bylaw immediately after and at the same place as the annual meeting of the members of the corporation. Additional regular meetings shall be held quarterly at a time and place to be designated in the notice of such meeting.

Section 11. Special Meetings. Special meetings of the board of directors may be called by the president or any two directors. Such special meetings shall be held at a time and place designated in the notice of such meeting.

Section 12. Quorum. A majority of the board of directors, as provided in Section 1 of this article, shall constitute a quorum for the transaction of business at any meeting of the board of directors. The act of the majority of the directors present at a meeting which a quorum is present shall be the act of the board of directors, unless the act of a greater number of directors is required by the Articles of Incorporation, or the statutes of the State of Colorado.

Section 13. Notice. Notice of any regular quarterly meeting or any special meeting of the board of directors shall be given at least three days previous thereto by written notice delivered personally to a director or mailed to each director by United States mail at his address as shown on the membership roll of the corporation. Any director may waive notice of any meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the expressed 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 of directors need be specified in a waiver of notice of such meeting.

ARTICLE V

Officers

Section 1. Number. The officers of the corporation shall be a president, a vice-president, and a secretary and treasurer. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the board of directors. Any two or more offices may be held by the same person, except the offices of president and secretary.

Section 2. Tenure. The officers set forth in Section 1 of this article shall be elected at the annual meeting of the board of directors of the corporation and shall hold office until the next annual meeting of the board of directors and until their successors have been elected and qualified.

Section 3. Qualifications. The president, vice-president, secretary and treasurer shall be members of the board of directors. Any additional officers elected or appointed by the board of directors need not be members of the board of directors of the corporation.

Section 4. Vacancy. A vacancy in any office because of the death, resignation, removal, disqualification, or inability to act shall be filled by the board of directors for the unexpired portion of the term of that office.

Section 5. President. The president shall be the principal executive officer of the corporation and, subject to the control of the board of directors, shall in general supervise and control all of the business and affairs of the corporation. He shall, when present, 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 thereunto authorized by the board of directors, deeds, mortgagees, contracts, or other instruments, and in general, shall perform all duties incident to the office of the president and such other duties as may be prescribed by the board of directors from time to time.

Section 6. Vice-President. In the absence of the president, or in the event of his death or inability or refusal to act, the vice-president shall perform the duties of the president, and when so acting, shall have all of the powers of and be subject to all the restrictions upon the president and shall perform such other duties as from time to time may be assigned to him by the president or by the board of directors.

Section 7. Secretary. The secretary shall: (a) keep the minutes of the members' meetings and of the board of directors' meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws; (c) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized; and (d) in general, perform all duties incident to the office of the secretary and such other duties as from time to time may be assigned by the president or by the board of directors.

Section 8. Treasurer. The treasurer shall: (a) 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; (b) ~~he shall~~ be responsible for all funds of the corporation; receive and give receipts for monies due and payable to the corporation from any source whatsoever; deposit all such monies in the name of the corporation in such banks as shall be

selected in accordance with the provisions of Article VI of the Bylaws; sign checks and drafts for the payment of corporate funds; and (c) in general perform all of the duties as from time to time may be assigned to him by the president or by the board of directors.

~~Section 10. Salaries. Officers of the corporation may receive salary or compensation for their services in such office, if in the discretion of the board of directors, it is deemed necessary and reasonable. (Deleted July 13, 2005)~~

ARTICLE VI

Contracts, Loans, Checks, and Deposits

Section 1. Contracts. The board of directors may authorize, by resolution, any officer or officers, agent or agents, 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.

Section 2. Loans. No loans shall be contracted on behalf of the corporation, and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board of directors. Such authority may be general and confined to specific instances.

Section 3. Checks, drafts, etc. All checks, drafts, or other orders for payment of money, notes, or other evidences of indebtedness issued in the name of the corporation shall be signed by any one of the following officers of the corporation:

President
Vice-president
Secretary/treasurer, or
Managing agent of the Association

Section 4. Deposits. All funds of the corporation not otherwise employed 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 elect.

ARTICLE VII

Fiscal Year

The fiscal year of the corporation shall be on the 1st day of January and terminate on the 31st day of December of each year.

ARTICLE VIII

Seal

The board of directors shall provide a corporate seal, which shall be circular in form and shall have inscribed thereon the name of the corporation, the state of incorporation, and the word "SEAL".

ARTICLE IX

Waiver of Notice

Whenever any notice is required to be given to any member or director of the corporation under the provisions of these Bylaws or under the provisions of the State of Colorado, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of notice.

ARTICLE X

Indemnification of Officers and Directors

The corporation shall indemnify every officer or director, his heirs, executors, and administrators, against all loss, costs, and expense, including counsel fees, reasonably incurred by him in connection with any action, suit, or proceeding to which he may be made a party by reason of his being or having been an officer or director of the corporation, except as to matters as to which he shall be finally adjudged in such action, suit, or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the corporation is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duties as such officer or director in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such officer or director may be entitled. All liability, loss, damage, costs, and expenses incurred or suffered by the corporation by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the corporation as common expenses; provided, however, that nothing in this article shall be deemed to obligate the corporation to indemnify any member or owner of a lot who is or has been an officer or director of the corporation with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Declaration of Protective Covenants as a member or owner of a lot covered thereby.

ARTICLE XI

Special Voting Requirements

Notwithstanding any other provision of the Articles of Incorporation or Bylaws, the following special conditions shall apply when applicable:

- (a) A special assessment for any capital improvements or any special purposes pertaining to a particular subdivision shall be enacted and adopted upon a majority vote of the lot owners in that particular subdivision and shall apply to and be assessed against the lot owners in that particular subdivision only.
- (b) Upon a request being made to the board of directors for any assessment for any of the purposes outlined above, by either a member of the Association or a member of the board of directors, the board of

directors shall refer such proposed assessment to the subdivisions involved for a vote as provided above. Such proposal shall be delivered to the senior director from such subdivision and he or she shall call a meeting of lot owners within that subdivision within 10 days from the date that the request is made. The results of the vote of that subdivision will then be certified to the board of directors by such director. If no action is taken by the lot owners within such subdivision within 30 days from the date such request is given to such subdivision, the failure to take any action shall be deemed an approval of and a majority vote in favor of such assessment.

ARTICLE XII

Obligation of the Owners

Section 1. Assessments. Except as otherwise provided in the Declaration of Protective Covenants, all owners shall be obligated to the common monthly assessments imposed by the corporation to meet the common expenses, and all owners within a particular subdivision shall be obligated to pay the monthly expenses of that subdivision. The assessments shall be due monthly, in advance. A member shall be deemed to be in good standing and entitled to vote at any annual meeting or at a special meeting of members, within the meaning of these Bylaws, if and only if he shall have fully paid all assessments made or levied against him and the lot owned by him.

Section 2. Rules and Regulations. The board of directors shall have the power to establish, make, and enforce compliance with such rules and regulations as may be necessary, with the right to amend the same from time to time.

ARTICLE XIII

Amendments

These Bylaws may be altered, amended, or repealed, and new bylaws adopted, by the board of directors at any regular meeting upon an affirmative vote of not less than two-thirds of the entire membership of the board of directors.