

**AMENDED AND RESTATED BYLAWS  
FOR  
THE SPRINGS AT COAL CREEK RANCH  
HOMEOWNERS ASSOCIATION, INC.**

**RECITALS**

The Springs at Coal Creek Ranch, Inc., a Colorado nonprofit corporation (“Association”), certifies that:

- A. The Association desires to amend and restate its Bylaws currently in effect.
- B. The provisions set forth in these Amended and Restated Bylaws supersede and replace the existing Bylaws and any amendments.
- C. The Bylaws of the Association are amended by striking all articles in their entirety, and by substituting the following:

**ARTICLE 1. INTRODUCTION AND PURPOSE**

The Association is a Colorado nonprofit corporation under the Colorado Revised Nonprofit Corporation Act.

These Amended and Restated Bylaws are adopted to regulate and manage the affairs of the Association. The Association’s purposes are to: act as the owners’ association pursuant to the Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Coal Creek Ranch, as may be amended from time to time (the “Declaration”); operate and govern the community known as Coal Creek Ranch; provide for the administration, maintenance, preservation and architectural review of the Lots and Common Area within the Coal Creek Ranch Community; and to preserve the value and desirability of the Community and further the interests of the Residents of the Community.

**ARTICLE 2. DEFINITIONS**

All terms used in these Amended and Restated Bylaws have the same meaning as set forth in the Declaration. As used in these Bylaws, the term “Member” means the same as “Owner” as defined in the Declaration. The terms Executive Board and Board of Directors have the same meaning.

**ARTICLE 3. MEMBERSHIP AND VOTING**

**Section 3.1 Membership.** Every person who is an Owner of a Lot is a Member of the Association. Membership is appurtenant to and may not be separated from ownership of any Lot. Ownership of the Lot is the sole qualification for membership. Voting rights and other rights of the Members are vested in Owners, as provided for in the Declaration, these Bylaws, and as allowed for under the Colorado Revised Nonprofit Corporation Act.

**Section 3.2 Suspension of Member Rights.** Without notice or hearing, during any period in which a Member is in default in the payment of any assessment levied by the Association, the Member's voting rights and the right to use of the recreational facilities will be deemed suspended by the Board of Directors. After notice and an opportunity for a hearing, a Member's voting rights and use rights of the recreational facilities may also be suspended for a period not to exceed 60 days or during any period of violation of any other provision of the Governing Documents, whichever is greater.

**Section 3.3 Member Voting Rights.** The Community members may exercise their voting power as more particularly provided in the Declaration. Each unit or lot has one vote. The members shall have the right to vote for the Board of Directors as well as a Delegate to the Master Association. The members of the association may adopt and amend bylaws and rules and regulations; adopt and amend budgets for revenues, expenditures, and reserves and collect assessments for common expenses from lot owners; hire and terminate managing agents and other employees, agents, and independent contractors; institute, defend, or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more-unit owners on matters affecting the common interest community; make contracts and incur liabilities; regulate the use, maintenance, repair, replacement, and modification of common elements.

**Section 3.4 Member Voting.**

- a) The Owner of a Lot is entitled to one equally weighted vote for the Lot.
- b) Each Member eligible to vote may vote in person or by proxy at any meeting of the Members.
- c) If only one of several Owners of a Lot is present at a meeting, the Owner present is entitled to cast the vote allocated to the Lot. Only one vote per lot is allowed.
- d) If more than one of the Owners is present, the vote allocated to the Lot may be cast only in accordance with the agreement of the owners. If co-Owners disagree or attempt to cast more than one vote, no such votes will be counted.

**Section 3.5 Voting List/Membership List.** The Association will maintain a record of the names of all Owners in a form that permits preparation of a list of the Members' names and physical addresses at which the Association communicates with them. At all times, the list will be available for inspection and copying in accordance with the Association's records inspection policy.

**Section 3.6 Limitation on Use of Voting List/Membership List.** Unless the Board of Directors gives its prior consent, the Association's voting lists and membership list, or any part thereof, may not be: (a) obtained or used by any person for any purpose unrelated to a Member's interest as a Member; (b) used to solicit money or property unless the money or property will be used solely to solicit the votes of the Members in an election by the Association; (c) used for any commercial purpose; or (d) sold to or purchased by any person.

**Section 3.7 Transfer of Membership.** Transfer of memberships will be made on the Association's books only upon presentation of evidence, satisfactory to the Association, of the transfer of ownership of the Lot. Prior to presentation of such evidence, the Association may treat the previous Owner as the Member entitled to all rights connected with a membership, including the rights to vote and to receive notice, without liability.

**ARTICLE 4. MEETINGS OF MEMBERS**

**Section 4.1 Meetings.** Matters relating to meetings of Members shall be governed by these Bylaws and by the Declaration and the laws of the State of Colorado. All meetings of the association and board of directors are open to every unit owner of the association, or to any person designated by a unit owner in writing as the unit owner's representative. At an appropriate time determined by the board, unit owners or their designated representatives shall be permitted to speak regarding issues for discussion at the meeting. The Board of Directors may hold an executive or closed-door session and may restrict attendance to executive board members and such other person requested by the executive board during a regular or specially announced meeting or a part thereof. The matters to be discussed at an executive session are those limited by the Colorado Common Ownership statute. Prior to the time the members of the executive board thereof convene in executive session, the chair of the Board shall announce the general matter of discussion. No rule or regulation of the board thereof shall be adopted during an executive session. A rule or regulation may be validly adopted only during a regular or special meeting or after the body goes back into regular session following an executive session. The minutes of all meetings at which an executive session was held shall indicate that an executive session was held, and the general subject matter of the executive session.

**Section 4.2 Annual Meetings.** An annual meeting of the Members will be held at least once per year, during each of the Association's fiscal years. The specific date and time of the annual meeting will be designated by the Board of Directors. The members may transact such business as may properly come before the meeting and will include the election of the Board of Directors and an election of the Delegate to the Master Association. Failure to hold an annual meeting will not affect the validity of any association action and will not be considered a forfeiture or dissolution of the Association.

**Section 4.3 Special Meetings.** Special meetings of the Members may be called by the president of the Association, by a majority of the members of the Board of Directors, or by the secretary upon receipt of a written petition signed by Members comprising at least 20% of the total votes of all Members. A written petition by the Members must identify the special meeting purpose on each page of the petition, which must be a purpose for which the Association membership is authorized to act under the Governing Documents. The Board of Directors will determine the form of notice, and the date, time, and place of the meeting. If the secretary does not give notice for a special meeting demanded pursuant to a proper petition within 30 days after the date the written demand(s) is delivered to the secretary, the person(s) signing the demand(s) may set the time and place of the meeting and give notice pursuant to the terms of these Bylaws. Any meeting called under this section will be conducted by the president of the Board, or in his/her absence, a person chosen by a majority of the Board.

**Section 4.4 Record Date.** The record date for determining Members entitled to notice of any Member meeting will be the date of the notice of the meeting, unless the record date is otherwise determined by the Board.

**Section 4.5 Notice of Meetings.** Written notice of each Member meeting will be given to each Member entitled to vote at such meeting 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 hand delivery, at least ten days before, but not more than 50 days before the meeting, addressed to the Member's address last appearing on the Association's books, or supplied by a Member to the Association for the purpose of notice. The notice will also be physically posted in a conspicuous place in the Community. In addition, if electronic means are available, notice will be sent by e-mail to any Member who requests e-mail delivery and furnishes the Association with his e-mail address at least 24 hours before the meeting. The notice will

specify the place, day, and hour of the meeting, and in the case of a special meeting, the purpose of the meeting. No matters will be heard nor action adopted at a special meeting except as stated or allowed in the notice. Notice of an annual meeting need not include a description of the purpose(s) except with respect to: (a) an amendment or restatement to the Association's Declaration, Articles of Incorporation, or Bylaws; (b) any proposal to remove an officer or director from office; (c) any budget changes; or (d) any other purpose for which a statement of purpose is required by law or the Governing Documents.

**Section 4.6 Place of Meeting.** Meetings of Members will be held at the Association's principal office or at another place as fixed by the Board of Directors and specified in the meeting notice. The meeting may be held by electronic means.

**Section 4.7 Proxies.**

- a) A Member entitled to vote in any meeting may vote in person or by proxy in writing, executed by the Member or his/her duly authorized attorney-in-fact, and filed with the chairperson of the meeting prior to the time the proxy is exercised. The vote allocated to a Lot may be cast under a proxy duly executed by an Owner.
- b) All proxies will be in writing and filed with the secretary or designee of the Association at or prior to the meeting.
- c) If a Lot is owned by more than one person, each Owner of the Lot may vote or register protest to the casting of the vote by the other Owners of the Lot through a duly executed proxy. In the event of disagreement between or among co-Owners and an attempt by two or more of them to cast such vote or votes, such vote or votes will not be counted.
- d) An Owner may revoke a proxy given under this section by written notice of revocation to the person presiding over the meeting.
- e) A proxy is void if it is not dated.
- f) A proxy terminates upon use at the designated meeting, unless otherwise provided in the proxy, and no proxy shall be valid in any event for more than three months from its date. A proxy automatically terminates upon sale of the Lot for which the proxy was issued.
- g) A proxy holder may not appoint a substitute proxy holder unless expressly authorized to do so in the proxy.
- h) Any form of proxy furnished or solicited by the Association and any form of written ballot furnished by the Association shall afford an opportunity thereon for Members to specify a choice between approval and disapproval of each matter or group of related matters, which at the time the form of proxy or written ballot is prepared, is known may come before the meeting, and shall provide, subject to reasonably specified conditions, that if a Member specifies a choice with respect to any such matter, the vote shall be cast in accordance therewith.

**Section 4.8 Quorum.** Except as may otherwise be provided in the Declaration, the Articles of Incorporation, or these Bylaws, and except as hereinafter provided with respect to the calling of another meeting, the presence of at least 20% of all the Members eligible to vote at the beginning of any meeting, in person or by proxy, constitutes a quorum for any action taken at such meeting. Once a quorum is established for a meeting, it is conclusively presumed to exist until the meeting is adjourned. If the required quorum is not present, the Members who are present have the power to adjourn the meeting, from time to time to a later date, and the presence of at least 5% of all the Members eligible to vote at the beginning of the adjourned meeting, in person or by proxy, constitutes a quorum for any action taken at the adjourned of the meeting.

**Section 4.9 Adjourned and Reconvened Meetings.** Any membership meeting may be adjourned, to be reconvened at a later date or time, by Members holding a majority of the vote represented at the meeting, regardless of whether a quorum is present. Any business that could have been transacted properly at the original session of the meeting may be transacted at the reconvened session. No additional notice of the reconvened session is required if the original session is adjourned for no more than 30 days after the date set for the original meeting.

**Section 4.10 Voting in Elections of the Executive Board/Other Voting.**

- a) In an election of the Board of Directors at the annual meeting, the candidate(s) receiving the largest number of votes will be elected. On all other items, the vote of more than 50% of Members voting at the meeting at which at least a quorum is present will constitute a majority and will be binding upon all Members of the Association for all purposes except where a higher percentage vote is required in the Declaration, these Bylaws, the Articles of Incorporation, as amended, or by law.
- b) Voting may be by voice, by show of hands, by consent, by mail, by electronic means, by proxy, by written ballot, or as otherwise determined by the chairperson prior to the meeting, or by a majority of the Members present at a meeting. Any contested election of Directors to the Board shall be conducted by secret ballot, which shall be counted by a neutral third party.
- c) Any member who is not on the ballot or a committee of volunteers will count the ballots. The volunteers will be Members of the Association and may be appointed at the meeting, in a fair manner, by the person presiding during that portion of the meeting.

**Section 4.11 Order of Business.** The chairperson may establish the order of business and prescribe reasonable rules for the conduct at any meeting of Members of the Association. Failure to strictly follow Robert's Rules of Order will not invalidate any action taken at a meeting.

**Section 4.12 Certification of Election After Meeting.** Promptly after any meeting of Members to elect a Board of Directors and/or a Delegate to the Master Association, the Secretary of the Association or his/her agent shall certify, in writing, to the Board of Directors of the Association the name and address of the those elected and the time and place of the meeting at which they were elected.

**Section 4.13 Waiver of Notice.** A Member's attendance at a meeting, whether in person or by proxy, is deemed to be the Member's waiver of improper notice of the date, time, and location of the meeting and of any specific business being conducted at the meeting, unless the Member specifically objects to improper notice at the time the meeting is called to order or the Member objects to improper notice of the specific business before the business is put to a vote.

**Section 4.14 Voting by Mail or Electronic Means in Lieu of Meeting.**

- a) In case of a vote by mail or electronic means in lieu of a meeting of Members, written notice will be mailed or delivered to all Members within the Association at each Member's address as it appears in the Association's records given for notice purposes. The notice will include: (i) a proposed written resolution setting forth a description of the proposed action; (ii) a statement that Members are entitled to vote by mail or electronic means for or against such proposal; (iii) a date and time at least ten days after the date such notice will have been given, on or before which all votes must be received at the Association's office at the address designated in the notice; and (iv)

the number of votes which must be received to meet the quorum requirement and the percentage of votes received needed to carry the vote. Voting by mail or electronic means will be acceptable in all instances in the Declaration, Articles of Incorporation, or these Bylaws requiring the vote of Members at a meeting.

- b) The Association may conduct elections by mail or electronic means, in its sole discretion, and pursuant to procedures adopted by the Association; provided however, that any procedures adopted will provide for notice to Members of the opportunity to run for a vacant position and/or nominate any Member for a vacant position, subject to the nominated Member's consent.

## **ARTICLE 5. BOARD OF DIRECTORS**

**Section 5.1 Number of Directors.** The Association's affairs are governed by a Board of Directors which consists of five (5) members, elected or appointed as provided below (the "Board"). Co-Owners of the same Lot may not serve on the Board at the same time. In the case where, through removal or resignation, the total number of Board members is less than five, the Board will be considered properly constituted until the vacancies are filled. The number of directors may be increased or decreased by amendment of these Bylaws.

### **Section 5.2 Qualifications of Directors.**

- a) Only one Owner per Lot who is eligible to vote, resides in the community, is current in payment of assessments, and otherwise in good standing, may be elected to, or appointed to fill a vacancy on the Board. An Owner is entitled to hold only one director seat at a time regardless of the number of Lots owned.
- b) If any Lot is owned by a partnership, corporation, or trust, any officer, partner, or trustee of that entity will be eligible to serve as a director and is deemed to be a Member for the purposes of these Bylaws as long as he/she resides in the Community.
- c) Any director who is more than 30 days delinquent in payment of any assessment will not be qualified to serve on the Board.
- d) Any director who is in violation of any provision of the Association's Governing Documents for more than 30 days will not be qualified to serve on the Board.
- e) Any director who maintains an adversarial proceeding of any type against the Association will not be qualified to serve on the Board.
- f) If a director is not qualified to serve on the Board, the director's position will be deemed vacant.

**Section 5.6 Vacancies.** Vacancies on the Board caused by any reason (other than removal) may be filled by appointment by a majority vote of the remaining Board members at any time after the vacancy occurs, even though the directors present at that meeting may constitute less than a quorum. Each person so appointed will be a director who will serve for the remainder of the unexpired term.

**Section 5.7 Compensation.** No director will receive compensation for any service rendered as a director to the Association. However, any director may be reimbursed for actual expenses incurred performing Association duties. Reasonable food and non-alcoholic beverages purchased for Board meetings will not be considered compensation.

**Section 5.8 Action of the Board Without a Meeting.** Any action required to be taken or which may be taken at a meeting of the Board, may be taken without a meeting if a consent, in writing, setting forth the action so taken shall be signed by all of the Board members, and otherwise in accordance with the applicable requirements of the Colorado Revised Nonprofit Corporation Act.

## **ARTICLE 6. MEETINGS OF THE BOARD OF DIRECTORS**

**Section 6.1 Meeting Location and Open Meetings.** All Board meetings will be open to attendance by Members or their designated representatives, as provided by Colorado law. All Board meetings will be held at the Association's principal office, or at another location within or convenient to the Community as may be fixed by the Board of Directors. Meetings may also be held by conference call or electronic means, if necessary, provided that Members have the opportunity to access the conference call or electronic means.

**Section 6.2 Regular Meetings.** Regular Board meetings will be held at the time, place and hour as may be set by the Board. The Board may set a schedule of regular meetings by resolution, and no further notice is necessary. Agendas for Board meetings will be made reasonably available for examination by Members or their representatives.

**Section 6.3 Special Meetings.** Special Board meetings will be held when called by the president or by any two directors. If notice for a special meeting demanded by two or more directors is not given by the Board within 30 days after the date the written demand(s) is delivered to the Board, the directors signing the demand(s) may set the time and place of the meeting and give notice, pursuant to the terms of these Bylaws. Only those matters contained in the notice of the special meeting may be discussed, unless all directors are present at the meeting and agree to waive the notice requirement for such other matters. Agendas for special Board meetings will be made reasonably available as provided above.

**Section 6.4 Notice of Board Meetings.** Unless the Board has adopted a meeting schedule, written notice of each Board meeting will be given by, or at the direction of, the secretary or person authorized to call the meeting. Notice may be mailed, postage prepaid, at least three days before the meeting, or by any other means permitted by the Colorado Revised Nonprofit Corporation Act, including, but not limited to, personal delivery, facsimile, and e-mail delivery to each Board member, addressed to the Board member's address last appearing on the Association's books or supplied by a Board member for the purpose of notice. The notice will specify the place, day, and hour of the meeting, and in the case of a special meeting, the purpose of the meeting.

**Section 6.5 Waiver of Notice.** A waiver of notice of any Board meeting signed by a director, whether before or after the meeting, will be the equivalent to giving notice of the meeting to the director. A director's attendance at a meeting constitutes waiver of notice of the meeting except when the director attends for the express purpose of objecting to the transaction of business because the meeting is not properly called or convened.

**Section 6.6 Quorum and Voting.** A majority of the directors constitute a quorum for the transaction of business. One or more directors who participate by means of telephone or electronic communication will be deemed present for establishing a quorum if all persons so participating can hear each other. A quorum must be present during the entire meeting. The votes of a majority of the directors present at a meeting constitutes a Board decision. If at any meeting there will be less than a quorum present, a majority of those present may adjourn the meeting.

**Section 6.7 Director Proxies.** To determine 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 must be directed to 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 will not be counted for the purpose of having a quorum present or as a vote on the particular issue before the Board.

**Section 6.8 Action without a Meeting.** The directors have the right to take any action in the absence of a meeting, which they could otherwise have taken at a meeting, if a notice stating the action to be taken and the time by which a director must respond is transmitted, in writing, to each director, and each director, by the time stated in the notice votes in writing for such action, votes in writing against such

action, abstains from voting or fails to respond. If a director demands in writing that action not be taken without a meeting, then a meeting is required to be held.

The action is authorized if the number of directors voting in favor of the action equals or exceeds the minimum number of votes that would be necessary to take such action at a meeting at which all of the directors then in office were present and voted. An abstention is not a vote in favor or against an action. Any action taken under this section has the same effect as though taken at a Board meeting. All signed written instruments necessary for any action taken pursuant to this section are to be filed with the minutes of the Board meetings.

## **ARTICLE 7. POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

**Section 7.1 Powers of the Board of Directors.** The Board may act in all instances on the Association's behalf, except as provided in the Declaration, these Bylaws, or the Act. The Board has, subject to the limitations contained in the Declaration and the Act, the powers necessary to administer the Association's affairs, and to operate and maintain the Community including the following:

- a) exercise powers conferred by the Governing Documents
- b) adopt and amend Rules and Regulations, governance policies, policies and procedures, and guidelines
- c) adopt and amend budgets subject to any Governing Document requirements
- d) collect assessments as provided by the Governing Documents
- e) enforce Governing Documents, provided that the Board will have discretion to pursue enforcement action in any particular case as long as the Association does not act arbitrarily and capriciously
- f) engage or employ a managing agent or manager for the Community, at a compensation established by the Board, to perform duties and services authorized by the Board, provided that the directors are not to be relieved of responsibilities under the Governing Documents or law
- g) employ independent contractors or employees as it deems necessary, and prescribe their duties
- h) institute, defend or intervene in litigation or administrative proceedings or seek injunctive relief for:
  - i. violations of the Governing Documents
  - ii. matters affecting the Community on behalf of the Association or two or more Owners
- i) make contracts, administer financial accounts, and incur liabilities in the Association's name
- j) acquire, hold, encumber, and convey, in the Association's name and in the ordinary course of business, any right, title to, or interest in real estate, pursuant to the consent requirements set forth in the Governing Documents, if any
- k) grant easements, leases, licenses, or concessions through or over the Common Area
- l) borrow funds and grant an interest in future assessments to pay for any expenditure or outlay authorized by the provisions of the Declaration and these Bylaws, and to execute all instruments evidencing the debt necessary, subject to the requirements in the Declaration
- m) cause all persons having fiscal responsibilities for the Association's assets to be insured and/or bonded

- n) appoint committees as desired or as required in the Declaration, which may consist of or include Owners who are not Board members, who will have authority to recommend only to the extent designated in the Governing Documents or delegated by the Board and pursuant to Colorado law, subject to the Board's sole discretion to accept or reject any committee recommendation
- o) exercise all powers, duties, rights and obligations not reserved to the membership by other provisions of the Governing Documents or Colorado law.

**Section 7.2 Duties of the Board of Directors.** The Board has a duty to act in all instances on the Association's behalf, except as provided in the Declaration, these Bylaws, or the Act. The Board has, subject to the limitations contained in the Declaration and the Act, the duties necessary to administer the Association's affairs, and to operate and maintain the Community, including:

- a) Duty to maintain the community as determined by the Board and as set forth in the Declaration. The Board may, by resolution, delegate portions of its authority to an executive committee or to other committees, to officers of the Association, or to agents and employees of the Association, but such delegation of authority shall not relieve the Board of the ultimate responsibility for management of the affairs of the Association. Action by or on behalf of the Association may be taken by the Board or any duly authorized executive committee, officer, agent, or employee without a vote of Members, except as otherwise specifically provided in this Declaration.
- b) Duty to keep and maintain full and accurate books and records showing the Association's receipts, expenses, or disbursements and assure that the managing agent maintains all funds and accounts of the association separate from the funds and accounts of other associations. The managing agent shall prepare an annual accounting for association funds and a financial statement to be prepared and presented to the association.
- c) Duty to indemnify, as provided in these Bylaws.
- d) Duty to supervise all persons acting on the Association's behalf and/or at the Association's discretion.
- e) Duty to procure and maintain general liability and property insurance as set forth in the Governing Documents and to assure that the managing agency attains fidelity insurance coverage or a bond in an amount not less than fifty thousand dollars or such higher amount as the Board may require.
- f) Duty to procure and maintain professional liability insurance on behalf of any person who is or was a member of the Board of Directors, the manager, committee members, or anyone acting at the direction of the Board, arising out of any action, suit, or proceeding asserted against the person by virtue of the person's actions on behalf of the Association or at the direction of the Board.
- g) Duty to adopt and maintain responsible governance policies required by law to the extent procedures are not already set in these Bylaws or the Declaration.
- h) Duties as provided by law, and other duties related to powers conferred on the Board.

## **ARTICLE 8. OFFICERS AND DUTIES**

**Section 8.1 Designation and Qualification.** The Association's officers consist of a president, one or more vice presidents, a secretary, a treasurer, and any other officers and assistant officers the Board deems necessary. All officers must be duly-elected members of the Board. Except for the offices of secretary and treasurer, which may be held by the same person, no person may hold more than one office simultaneously.

**Section 8.2 Election and Terms of Office.** The Board will elect the officers for two-year terms. Elections for any expired officer term will occur at the first Board meeting following the annual meeting; provided however, each officer may continue to serve until a successor is elected, the Board of Directors removes the officer, or the officer resigns.

**Section 8.3 Resignation of Officers.** Any officer may resign at any time by giving written notice to the Board, the president, or the secretary. If the notice does not contain an effective date, it will be effective upon delivery. Acceptance of a resignation will not be necessary to make it effective.

**Section 8.4 Vacancies.** A vacancy in any office may be filled by appointment by majority vote of the Board. Unless earlier removed, the officer appointed to the vacancy will serve for the remainder of the term of the officer replaced.

**Section 8.5 Officers' Duties.**

- a) President. The president will be the chief executive officer and will have the powers and duties incident to the office of president of a Colorado nonprofit corporation including, but not limited to the following: preside at all Board meetings; ensure that Board decisions and resolutions are carried out; sign all contracts, leases, and other written instruments; and direct, supervise, coordinate, and have general control over the Association's day-to-day affairs, including communication with the Association manager between Board meetings.
- b) Vice President. The vice president will act in the president's place and perform the president's duties whenever the president is absent or unable to act and will perform other duties imposed by the Board of Directors. If neither the president nor the vice president is able to act, the Board of Directors will appoint another director to act in the president's place on an interim basis.
- c) Secretary. The secretary will record the votes and maintain the minutes of all Board and Delegate meetings; serve notice of Board and Member meetings; keep appropriate current records showing the Association Delegates and Members and their addresses and perform other duties incident to the office of secretary or as required by the Board.
- d) Treasurer. The treasurer will receive, deposit, and disburse Association funds and securities and maintain full and accurate financial records; prepare an annual budget and financial statements to be presented to the membership; and perform other duties incident to the office of treasurer or as may be required by the Board.

Any officer's duties may be delegated to the managing agent or another Board member; provided, however, the officer will not be relieved of any responsibility under this section or under Colorado law.

**ARTICLE 9. STANDARD OF CONDUCT FOR DIRECTORS AND OFFICERS**

**Section 9.1 Standard of Conduct for Directors and Officers.** Each director and officer will perform his/her duties in good faith, in a manner the director or officer reasonably believes to be in the Association's best interests, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances. In performing his/her duties, a director or officer will be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

- a) one or more officers or employees of the Association whom the director or officer reasonably believes to be reliable and competent in the matters presented
- b) legal counsel, community association manager, public accountant, or other person as to matters which the director or officer reasonably believes to be within such person's professional or expert competence

- c) a committee of the Association on which the director or officer does not serve if the director reasonably believes the committee merits confidence.

A director or officer will not be considered to be acting in good faith if the director or officer has knowledge concerning the matter in question that would cause such reliance to be unwarranted. A director or officer will not be liable to the Association or its Members for any action the director or officer takes or omits to take as a director or officer if, in connection with the action or omission, the director or officer performs his duties in compliance with this section. A director or officer, regardless of title, will not be deemed to be a trustee with respect to the Association or with respect to any property held or administered by the Association.

The Board of Directors will have the power and authority to adopt additional reasonable standards or code of conduct for directors and officers which do not conflict with this section.

## **ARTICLE 10. ASSOCIATION RECORDS**

**Section 10.1 Records and the Right to Inspect Records.** The Association or its managing agent, if any, will keep, maintain, and disclose records as required by Colorado law. The Association's records will be subject to inspection and copying by any Member, at the Member's expense, in accordance with Colorado law and the Association's responsible governance policy regarding inspection and copying of records. The policy may require advance notice of inspection, specify hours and days of the week during which inspection will be permitted, establish a reasonable maximum time limit for any inspection session, and establish reasonable fees for copies.

### **Section 10.2 Disclosure of Records.**

- a) The Association will provide written notice to all Members of a change in the Association's address, designated agent, or managing agent within 90 days of the change.
- b) The Association will make the following information available to Members within 90 days of the end of the fiscal year:
  - i. the date on which the fiscal year begins
  - ii. the operating budget for the current fiscal year
  - iii. a list of the current regular and special assessments
  - iv. the annual financial statements, including any amounts held in reserve for the prior fiscal year
  - v. the results of the most recent available financial audit or review
  - vi. a list of the Association's insurance policies, including the insurer's name, policy limits, policy deductibles, additional named insureds, and expiration dates for each policy
  - vii. the Association's Bylaws, Articles of Incorporation, and Rules and Regulations
  - viii. minutes of Board and Member meetings for the prior fiscal year
  - ix. the Association's responsible governance policies.

This information will be posted on a website, kept in a binder or file at the Association's principal place of business or mailed to any Members who so request. The Association will send notice that such information is available to each Member within 90 days of the end of the fiscal year. If the information is posted on a website, the Association will send notice to the Members of the web address by first class mail or by e-mail.

All financial records maintained by the association will be made available to any member for inspection and copying, along with minutes of each meeting and any executive session of the Board of Directors. Personal information regarding any owner, member or lessee may be withheld.

**Section 10.3 Minutes.** Minutes or any similar record of Board and Member meetings, when signed by the secretary or acting secretary of the meeting, will be presumed to truthfully evidence the matters set forth in the minutes. A recitation in the minutes that notice of the meeting was properly given will be prima facie evidence that the notice was given.

## **ARTICLE 11. INDEMNIFICATION**

### **Section 11.1 Obligation to Indemnify.**

- a) The Association will indemnify 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; by reason of the fact that the person is or was a director, delegate, officer, or committee member of the Association; provided the person is or was acting at the Board's request in such capacity; and provided that the person: (i) acted in good faith, and; (ii) in a manner that the person reasonably believed to be in the Association's best interests, and; (iii) with respect to any claimed criminal action or proceeding, had no reasonable cause to believe the conduct was unlawful. The determination of any action, suit, or proceeding by judgment, order, settlement, or conviction, or upon a plea of *nolo contendere* or its equivalent, will not of itself create a presumption that the person did not act in good faith and in a manner reasonably believed to be in the Association's best interests and, with respect to any criminal action or proceeding, had reasonable cause to believe the conduct was unlawful.
- b) Notwithstanding anything in subsection (a) above, unless a court of competent jurisdiction determines that, in view of all circumstances of the case, the person is fairly and reasonably entitled to expenses, if not a covered claim on the Association's professional liability insurance, no indemnification will be made: (i) in connection with a proceeding by or in the right of the Association, the person has been adjudged to be liable to the Association; or (ii) in connection with any other proceeding charging that the person received an improper personal benefit, whether or not involving action in an official capacity, where the person has been adjudged liable on the basis the person received an improper personal benefit.
- c) To the extent that the person has been wholly successful on the merits in defense of any action, suit, or proceeding as described above, the person will be indemnified against actual and reasonable expenses (including expert witness fees, attorney fees, and costs) incurred in connection with the action, suit, or proceeding.

**Section 11.2 Determination Required on Indemnification.** The Board of Directors will determine whether the person requesting indemnification has met the applicable standard of conduct set forth above. The determination will be made by the Board of Directors by a majority vote of a quorum consisting of those members of the Board who are not parties to the action, suit, or proceeding. If the Board cannot make the determination or if the Board so directs, a determination may be made at the discretion of the Board, by: (a) independent legal counsel selected by a majority of the full Board, or (b) by the voting Members, but voting Members who are also at the same time seeking indemnification may not vote on the determination.

**Section 11.3 Payment in Advance of Final Disposition.** If a claim is not covered by the Association's professional liability insurance, the Association will pay for or reimburse the reasonable expenses as described above in advance of final disposition of the action, suit, or proceeding if the person requesting indemnification provides the Board of Directors with a written affirmation of that person's good faith belief that he or she has met the standard of conduct described above, and a written statement that the person will repay the advance if it is ultimately determined that he did not meet the standard of conduct described above.

**Section 11.4 No Limitation of Indemnification Rights.** The indemnification provided in this article will not be deemed exclusive of or a limitation upon any rights granted pursuant to the Governing Documents, the Act, and the Colorado Revised Nonprofit Act, as those statutes may be amended from time to time.

## **ARTICLE 12. AMENDMENT**

**Section 12.1 Amendment.** These Bylaws may be amended by an affirmative vote of a majority of the members present at a meeting at which a quorum is present. The affirmative vote of Members representing a majority of the votes cast, in person or by proxy at a duly called meeting at which a quorum is present, or by mail ballot as provided for in these Bylaws, is required for amendments concerning the following matters:

- a) quorum requirements
- b) voting requirements; or
- c) director qualifications, powers and duties, or terms of office (except that the Board may fill vacancies in its membership for the unexpired portion of any term).

## **ARTICLE 13. MISCELLANEOUS**

### **Section 13.1 Electronic Communications.**

- a) **Records and Signatures.** Unless otherwise prohibited by Colorado law that requires documents be sent by first class, certified mail or with a return receipt, whenever the Governing Documents require that a document, record, or instrument be “written” or “in writing,” the requirement is deemed satisfied by an electronic record if the Board of Directors has affirmatively published regulations permitting an electronic record or document as a substitute for a written item. Whenever the Governing Documents require a signature on a document, record or instrument, an electronic signature satisfies that requirement only if:
  - i. the electronic signature is easily recognizable as a secure electronic signature which is capable of verification, under the sole control of the signatory, and attached to the electronic document in such a way that the document cannot be modified without invalidating the signature; or
  - ii. the Board of Directors reasonably believes that the signatory affixed the electronic signature with the intent to sign the electronic document, and that the electronic document has not been modified since the signature was affixed.
- b) **Verification and Liability for Falsification.** The Board of Directors may require reasonable verification of any electronic signature, document, record or instrument. Absent or pending verification, the Board may refuse to accept any electronic signature or electronic record that, in the Board’s sole discretion, is not clearly authentic. Neither the Board of Directors nor the Association will be liable to any Owner or any other person for accepting or acting in reliance upon an electronic signature or electronic record that the Board reasonably believes to be authentic or rejecting any such item which the Board reasonably believes not to be authentic. Any Member or person who negligently, recklessly or intentionally submits any falsified electronic record or unauthorized electronic signature will fully indemnify the Association for actual damages, reasonable attorney fees actually incurred and expenses incurred as a result of such acts.

**Section 13.2 Fiscal Year.** The Board has the right to establish and change the fiscal year of the Association.

**Section 13.3 Notices.** Unless otherwise required by law or the Governing Documents, all notices to the Association or the Board will be delivered to the managing agent's office, or, if there is no managing agent, to the Association's office, or to such other address as the Board may designate by written notice to all Members. All notices to any Member will be transmitted to the Member's address as it appears in the Association's records. All notices will be deemed to have been given when mailed or transmitted, except notices of change of address, which will be deemed to have been given when received.

**Section 13.4 Conflicts.** In the case of any conflict between the Declaration and these Bylaws or the Articles of Incorporation, the terms of the Declaration will control. In the case of any conflicts between the Articles of Incorporation and these Bylaws, the terms of the Articles of Incorporation will control.

**Section 13.5 Waiver.** No provision contained in these Bylaws will be deemed to have been abrogated or waived by reason of any failure to enforce the same, no matter the number of violations or breaches which may occur or have occurred.

**Section 13.6 Interpretation.** The provisions of these Bylaws are to be liberally construed to ensure the Community is operated and maintained to optimize and maximize each Member's enjoyment and use.

#### **CERTIFICATION**

The officer signing below certifies these Amended and Restated Bylaws received the affirmative vote of Members representing at least 67% of the total allocated votes in the Association. The officer further certifies that 51% of the First Mortgagees (based upon one vote for each First Mortgage owned or held) are deemed to have approved this amendment in accordance with the procedures outlined in C.R.S. § 38-33.3-217(1)(b). The records of such approvals are on file in the records of the Association.

This \_\_\_\_ day of \_\_\_\_\_, 202\_\_.

The SPRINGS AT COAL CREEK RANCH  
HOMEOWNERS ASSOCIATION, INC.  
a Colorado Nonprofit Corporation

By: \_\_\_\_\_  
\_\_\_\_\_, President