



***AMENDED AND RESTATED
BYLAWS
OF
PAWNEE HILLS
A REAL ESTATE SUBDIVISION***



*AMENDED AND RESTATED
BYLAWS
OF
PAWNEE HILLS
A REAL ESTATE SUBDIVISION*

ARTICLE I

NAME AND LOCATION

The name of the corporation is PAWNEE HILLS COMMUNITY ASSOCIATION, hereinafter referred to as "Association". The principal office of the corporation shall be located at 35644 Cheyenne Trail Elizabeth, CO 80107; however, meetings of members and directors may be held at such places within the State of Colorado as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

1. Association. "Association" shall mean and refer to Pawnee Hills Community Association, a Colorado nonprofit corporation, its successors and assigns.
2. Owner. "Owner" shall mean and refer to the fee simple title owner, whether one or more persons or entities, of any lot located within Pawnee Hills Filing One and Pawnee Hills filing Two, Elbert County, Colorado
3. Properties. "Properties" shall mean and refer to that certain real property hereinabove described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.
4. Subdivision. "Subdivision" shall mean the real property duly platted as Pawnee Hills Filing One, Reception No. 194095 and Pawnee Hills Filing Two, Reception No. 197147 located in Elbert County, Colorado.
5. Common Area. "Common Area" shall mean and refer to all real property (including the improvements thereon) owned by the Association for the common use and enjoyment of the Owners. The real property owned by the Association as common area is described as follows:

Lot 6, Block 9; PAWNEE HILLS FILING ONE and Lot 19, Block 6, PAWNEE HILLS FILING TWO, according to the respective recorded plats thereof, Elbert County, Colorado.



6. Lot. "Lot" shall mean each subdivision Lot so designated on the duly filed plats of the respective subdivisions by Lot numbers with exception of the common area as heretofore defined.
7. Member. "Member" shall mean and refer to every person or entity who holds membership in the Association.
8. Declaration. "Declaration" shall mean the Declaration of Amendment of Protective Covenant executed August 3, 1977 by Declarant, Reception No. 215544, relating to the subject property, as subsequently amended.
9. Good Standing. A member is deemed in good standing and entitled to vote at any annual or special meeting, if and only if, he shall have fully paid all assessments made or levied against him and the lot owned by him. A member is in good standing if there are no current actions for violations of the governing documents.
10. Architectural Review Committee. "Architectural Review Committee" shall mean the committee appointed by the Board of Directors of the Pawnee Hills Community Association, responsible for maintaining the aesthetic and structural integrity of the association.
11. Governing Documents. Articles of Incorporation, Declaration of Protective Covenants, Bylaws, and Rules & Regulations.

ARTICLE III

MEMBERSHIP AND VOTING

1. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is made subject to the covenants of record and amendments thereto concerning Pawnee Hills Filing One and Pawnee Hills Filing Two shall be a member of this Association. Membership is transferable only by transfer of ownership in a Lot and shall terminate without any formal Association action whenever such person or entity ceases to own the Lot, but such termination shall not relieve or release any such former owner from any liability or obligation incurred to the Association during the period of such ownership and membership in this Association, nor shall such termination impair any rights or remedies which the Board of Directors of the Association 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 obligation incident thereof.

2. Voting Rights. Members shall be all those owners as defined in Paragraph 1 of this Article. Members shall be entitled to one vote for each Lot in which they hold the interests required for membership by Paragraph 1. When more than one person holds such interest or interests in any Lot all such persons shall be members, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot.
3. Quorum. Thirty percent (30%) of the votes of the membership, as of the date of any meeting, whether in person or by proxy, shall constitute a quorum for the transaction of business at such meeting, and majority vote of such quorum shall be sufficient on any matter properly before the membership. If a quorum is not present at any meeting of the members by person or by proxy, the meeting is adjourned.
4. Proxies. Members in good standing may cast votes in person or by proxy. To be valid and recognized, proxies must be in writing and filed with an officer of the Association before the appointed time for any meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by a member of his Lot.

ARTICLE IV

ADMINISTRATION

1. Annual Meetings. The annual meetings of the Association shall be held at such time and place as may be determined by the Board of Directors in each year.
2. Special Meetings. Special meetings of the membership may be called at any time by the President or by the Board of Directors, or upon written request of twenty percent (20%) of the membership entitled to vote.
3. Notice of Meetings. Written notice for each meeting of the members shall be given by, or at the direction of the Secretary or person authorized to call the meeting by mailing a copy of such notice, the agenda, and proxy, postage prepaid, at least ten (10) days and a maximum of fifty (50) days before such meeting to each member entitled to vote thereat, 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 place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.
4. Place and Time of Meetings. Meetings of the Association shall be held at such time and place as the Board of Directors determine, and requires physical posting of notice in a conspicuous place within the community.



5. Order of Business. The order of business at all meetings of the members shall be as follows:

- (a) Call to order
- (b) Roll call certification of proxies
- (c) Approval of agenda
- (d) Reading of minutes of preceding meeting
- (e) Reports of directors and officers
- (f) Reports of Committees
- (g) Report of the Facility Personnel or Managing Agent (if any)
- (h) Unfinished business
- (i) Election of directors (if applicable)
- (j) General and new business
- (k) Adjournment

6. Number of Directors. The affairs of this Association shall be managed by five (5) directors or such greater number as may be provided by amendment of these Bylaws. Directors need not be members of the Association; however, the majority of the directors must be members of the Association and in good standing.

7. Election. Elections for directors shall be held at the annual meeting. At the expiration of the initial term of office of each of the respective directors, a successor shall be elected to serve a term of three years. Directors shall hold office until their successors have been elected and hold their first meeting. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may be cast, with respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. Persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted. Elected members as directors must be in good standing as defined herein.

8. Term Limit. The term limit for a Board of Director will be two (2) consecutive terms of three (3) years. After the second consecutive term, the Board Member must wait one (1) year before they are re-elected or appointed to be on the Board.

9. 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 next day which is not a legal holiday.

10. 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.

11. 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.

12. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. Any director appointed by the board can be removed by a majority vote of the board. In the event of death, resignation or removal of a director, his successor shall be appointed by the remaining members of the Board.

13. Vacancies. Vacancies on the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a director until a successor is elected at the next annual meeting of the Association unless a director appointed by the board is removed by a majority vote of the board.

14. Compensation. No Director shall receive compensation for any service he may render to the Association; however, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

15. 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 unanimous written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors and recorded in the minutes of the subsequent meeting of the directors.

16. Powers and Responsibilities of Board of Directors. The Board of Directors shall have the power to:

(a) 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;

(b) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declarations;

(c) Appoint an Architectural Review Committee, in addition appoint other committees as deemed appropriate;

(d) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties;

(e) Fix the amount of assessments (monthly and special) in accord with the terms specified in the Declaration;

(f) Send written notice of each special assessment to every owner subject thereto at least thirty

(30) days in advance of each special assessment and requires physical posting of notice in a conspicuous place in the community;

(g) Issue or cause an appropriate officer to issue upon demand by any person a letter setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of such a letter;

(h) To maintain the common area in good order, condition and repair;

(i) Maintain a working capital account which shall be treated as an escrow account for reserves;

(j) Collect delinquent assessments by suit or otherwise and to enjoin or seek damages from an owner should an owner be in violation of the governing documents as defined herein;

(k) Protect and defend the common areas from loss and damage by suit or otherwise;

(l) Borrow funds for any reasonable and/or necessary purpose in connection with their duties and to execute all such instruments evidencing such indebtedness as is expressly authorized by vote of the Board and any such indebtedness shall be assessed among all of the owners in the same proportion as their voting interest;

(m) Enter into contracts in order to carry out its duties;

(n) Establish one or more bank accounts for the common treasury and for all separate funds which are required or may be deemed advisable;

(o) Keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof at any reasonable time by any or all of the members;

(p) Designate the personnel necessary for the maintenance and operation of the common facilities;

(q) Suspend the voting rights and right to use of the recreational facilities of any member who is in default in the payment of any monthly, annual, or special assessment levied by the Association;

(r) Suspend, after notice and hearing, the rights of a member for violation of any governing documents of the Association of use of the common area and facilities, for such length of time as the member remains in noncompliance;

(s) May declare the office of a member of the Board of Directors to be vacant in the event



such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

(t) Cause all officers or employees having fiscal responsibilities to be bonded, as the Board may deem appropriate.

ARTICLE V

OFFICERS AND THEIR DUTIES

1. Enumeration of Offices. The officers of this Association shall be a President and Vice-President, a Secretary, and a Treasurer, and such other officers as the Board may by resolution create.
2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following the annual meeting of the members.
3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.
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 determine.
5. Resignation and Removal. Any officer may be removed from office with or without cause upon affirmative vote of a majority of the directors of the Board. Any officer may resign at any time by 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.
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 replaced.
7. Multiple Officers. Only the offices of Secretary and Treasurer may be held by the same person.
8. Duties. The duties of the officers are as follows:

President

- (a) The President shall preside at all meetings of the Board of Directors and the annual meeting, shall see that orders and resolutions of the Board are carried out, shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign all checks and promissory notes.

Vice-President

- (b) 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 by him by the Board.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members, 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

(d) 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 sign all checks and promissory notes of the Association, keep proper books of account, cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year, and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership.

ARTICLE VI

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours and upon reasonable notice, be subject to inspection by any member. The governing documents of the Association as defined herein shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE VII

AMENDMENTS

1. These Bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy. Prior to the meeting the proposed amendment must be on the agenda and posted for the membership at least 10 days before the meeting.



2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE VIII

INDEMNIFICATION AND LIABILITY

1. Indemnification of Officers, Directors, Committee Members, and Managing Agent. The Association shall indemnify every Director, officer, committee member, and managing agent, their respective successors and/or personal representatives, against all loss, costs and expenses, including counsel fees, reasonably incurred in connection with any action, suit or proceeding to which they may be made a party by reason of being or having been a director, officer, committee member or managing agent of the Association, except with regard to matters as to which they 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 Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of duty as director, officer, committee member or managing agent in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such director, officer, committee member or managing agent may be entitled. All liability, loss, damage, cost and expense incurred or suffered by the Association by reason of, arising out of, or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expenses.

2. Liability of Owners. Contracts or other commitments made by the Board of Directors, officers, committee members or the managing agent shall be as agent for the Association, and the owners shall have no personal responsibility on any such contract or commitment.

ARTICLE IX

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January, and end on the 31st day of December of every year.

PAWNEE HILLS COMMUNITY ASSOCIATION

By: Cynthia E. Crogger
President

ATTEST:

Andra Ganhart
Secretary

Paulette Cresaw
Director

David L. Powell
Director

[Signature]
Director

Being all of the Directors of PAWNEE HILLS COMMUNITY ASSOCIATION