

WOODSIDE PARK, UNITS 5 & 6, HOMEOWNERS ASSOCIATION

BY-LAWS

ARTICLE I Voting Rights

Section 1. Right to Vote.

The right to vote upon Association matters shall be vested in the Members as set forth in the Articles of Incorporation. The member's voting rights are limited by the number of lots owned by the member. Only one vote is permitted per lot owned by the member. A Member's voting rights may be suspended for non-payment of dues and/or assessments.

Section 2. Election of Directors.

Within thirty (30) days of the time at which the exclusive right to vote on Association matters is no longer vested in the Declarant, its successors or assigns as provided in the Articles of Incorporation, a meeting of the Members will be held for the purpose of electing a Board of Directors of the Association to succeed the original Board of Directors appointed by Declarant.

Section 3. Proxies.

Voting by proxy is hereby authorized provided that all proxies shall be filed in writing with the Secretary of the Association at least forty-eight (48) hours prior to the time of any meeting.

Section 4. Quorum.

One-third (1/3) of the Members entitled to vote shall constitute a quorum for the transaction of any business of this Association, including the election of Directors.

Section 5. Adoption of Resolutions.

It shall require a vote of the majority of the Members present at a meeting in person or by proxy to adopt a resolution presented at a membership meeting for adoption.

ARTICLE II Membership Meetings

Section 1. Annual Meetings.

The annual meetings of the Association shall be held on the last day in the month of March of each year at Woodside Park, Park County, Colorado or at such other time and place as may be fixed by the Board of Directors.

Section 2. Special Meetings.

Special meetings of Members of the Association may be called by the President, or by resolution of the Board of Directors, or upon a petition signed by not less than 25% of the Members entitled to vote, the same having been presented to the Secretary. A notice of any special meeting shall state the time and place of the meeting and the purpose thereof. No business shall be transacted at any special meeting except as stated in such notice, unless by agreement of more than 50% of the Members present entitled to vote, either in person or by proxy.

Section 3. Place of Meeting.

Meetings, both general and special, of the membership shall be held at Woodside Park or at any other suitable place convenient to Members as may be designated by the Board of Directors.

Section 4. Notice of Meeting.

Notice of the annual meeting of Members of the Association shall be mailed to Members at least fifteen (15) days prior to the date fixed for such meeting. Notices of special meetings shall be given to Members at least five (5) days before such meeting is to be held. All such notices shall be mailed by the Secretary of the Association, postage prepaid, and addressed to the Member at the Member's last known address as shown on the records of the Association. Notice of all meetings shall be sent in similar manner to all holders of first Deeds of Trust upon written request.

Section 5. Adjourned Meeting.

If any meeting of the Members cannot proceed by reason of the fact that a quorum is not present, either in person or by proxy at said meeting, the President may schedule another meeting and give proper notice not more than thirty (30) days from the time of the original meeting.

Section 6. Order of Business.

The order of business at the annual meeting of the Members shall be as follows:

- (a) Roll call of Members present
- (b) Inspection and verification of proxies
- (c) Report of officers
- (d) Committee reports
- (e) Appointment of inspectors for canvass of ballots to be cast
- (f) Election of Members to the Board of Directors
- (g) Unfinished business
- (h) New business

**ARTICLE III
Board of Directors**

Section 1. Number and Qualifications.

Not less than three or more than five members shall be elected at the annual meeting from the Members of the Association. A member of the Board shall serve until their successors are duly elected and qualified.

Section 2. Election and Term of Office.

Two Members of the Board of Directors shall be elected by the Members at a special meeting called for said purpose for two year terms and the remaining members of the Board of Directors will be elected for a one year term. Thereafter, all Directors will be elected for two year terms at

the annual meeting of the Members so that the terms of the Directors are staggered. Nothing herein shall prevent the Election of a Director whose term has expired to a new term as the Director.

Section 3. Vacancies.

Vacancies in the membership of the Board of Directors caused by any reason shall be filled by a vote of a 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 membership.

Section 4. Removal of Directors.

The term of office of any Director shall be declared vacant when such Director ceases to be a Member of the Association. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association.

Section 5. Compensation.

Directors shall not be paid any compensation for their services performed as such Directors unless a resolution authorizing such remuneration shall have been adopted by the Association. Directors may be reimbursed for actual expenses incurred in connection with their duties as such Directors.

Section 6. Organization Meeting.

Following the election of a new Board of Directors, or the election of Directors at the annual meeting of the Members, an organization meeting shall be held at a time and place fixed by the Board of Directors following which officers of the Association shall be elected as provided for in Article IV hereof.

Section 7. Regular Meetings.

Regular meetings of the Board of Directors shall be held at such time and place as shall be determined from time to time by the President of the Association or by a majority of its Board of Directors. Notice of regular meetings of the Board of Directors shall be given each Director personally or by mail, telephone or via e-mail, at least three (3) days prior to the time named for such meeting.

Section 8. Special Meetings.

Special meetings of the Board of Directors may be called by the President or Secretary on 48 hours notice to each Director given personally by mail, telephone, or via e-mail, which notice shall state the time and place of the meeting and the purposes thereof.

Section 9. Waiver of Notice.

Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at a meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 10. Quorum.

A majority, but not less than three members of the Board of Directors then in office shall constitute a quorum for the transaction of any business of the Association, and acts of the majority of the Directors present at a meeting at which time quorum was present shall be the act of the Board of Directors. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may schedule another meeting and give proper notice to the Association members not more than thirty (30) days from the time of the original meeting.

Section 11. Duties.

The Board of Directors of the Association shall carry on the duties and manage the affairs of the project known as "Woodside Park, Units 5&6" pursuant to and in accordance with the Declaration of Covenants, Conditions and Restrictions of Woodside Park, Units 5 & 6, its Articles of Incorporation, and that certain decree of the Water Court, Division No. 1, Case #W8770-77, recorded in Park County on June 6, 1979 at Reception #273528 (hereinafter referred to as "Decree"). The Board may exercise for the Association all powers, duties and authority vested in or delegated to the Association and not specifically reserved to the membership by other provisions of the By-Laws, Articles, Declaration, or said Decree. The Board shall keep complete records of all its acts and corporate affairs, and shall present a statement thereof to the Members at the annual meeting of the Members or at any special meeting when requested by at least 25% of all voting Members. The Board also shall supervise all officers, agents and employees of the Association and see that their duties are properly performed.

The Board shall cause the Association to perform all duties incumbent upon it. The Board of Directors have certain fiduciary duties to the Association and its members including the duty of care, duty of loyalty and duty to act within the scope of authority. In the performance of these duties the Board of Directors shall act in the best interest of the Association members as a whole and shall exercise sound business judgment in the performance of their duties.

Section 12. Indemnification.

The Manager, employees of the Association, and each Director and officer of the Association, shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon them in connection with any proceeding to which they may be a party, or in which they may become involved, by reason of being or having acted as such upon behalf of the Association, provided that this indemnification shall not apply if the said person is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided further that in the event of a settlement, the indemnification herein shall apply only when the Board approves such settlement and reimbursement as being for the best interest of the Association. The foregoing rights of indemnification shall be in addition to and exclusive of all other rights to which such person may be entitled.

Section 13. Manager.

The Board of Directors may employ the services of a Manager, and may delegate to such Manager any of the duties, powers or authority of the Board.

Section 14. Rules.

The Board of Directors may adopt or amend rules and regulations for Woodside Park 5 and 6 as set forth in the Declaration of Covenants, Conditions and Restrictions at any time by majority vote.

**ARTICLE IV
Officers**

Section 1. Designation.

The principal officers of the Association shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by and from the Board of Directors. The officers of the Association may be combined, except that the President and Secretary shall not be the same person. Other officers may be appointed or elected by the Board of Directors from time to time.

Section 2. Election of Officers.

The officers shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board of Directors.

Section 3. Removal of Officers.

Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Directors or at any special meeting of the Board called for such purpose.

Section 4. Duties.

The duties of the officers are as follows:

President

(a) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and may 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 the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required 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; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, may co-sign all checks and promissory notes; and shall perform such other duties as may be required by the Board.

The Secretary shall provide or make available an approved copy of all meeting minutes of the Board or Directors, membership meetings and/or the Annual Meeting not later than forty-five (45) days after the meeting.

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; shall secure co-signor on all checks and promissory notes from another officer of the Board of Directors; keep proper books of account; shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at any special, regular, or annual meeting during the fiscal year and deliver a copy of the approved budget to the Members. An audit of the Association books and financial records by a certified public accountant may be authorized by majority vote of the Board of Directors or Members of the Association at any time at the expense of the Association.

ARTICLE V

Books and Records - Inspection

Section 1. Books and Records.

The Board of Directors shall cause to be maintained at the principal office of the Association complete books of account of the affairs of the Association.

Section 2. Inspection.

Such books of account shall be open to inspection upon the written demand of any Member or holder of a first Deed of Trust on any Lot for a purpose reasonably related to the person's interest as such Member or holder and shall be exhibited to such Member or holder at any reasonable time upon ten (10) days notice made to the Manager or the Board of Directors. Such inspection may be made in person, or by agent or attorney, and the right of inspection includes the right to make extracts or perform audits. All of the foregoing shall be at the expense of the inspecting party. Any Member shall be furnished a statement of the Member's account setting forth the amount of unpaid assessments or other charges owing by such Member, upon payment of a reasonable fee and ten (10) days notice to the Manager or Board of Directors.

ARTICLE VI

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 Association, the State of incorporation, and the word, "Seal."

ARTICLE VII

Budget

The Board of Directors shall hold a meeting before the end of the current fiscal year of the Association at which it shall adopt a budget for the next fiscal year.

Within ninety days after adoption of any proposed budget, the executive board shall mail, by ordinary first-class mail, e-mail, or otherwise deliver a summary of the budget to all Members and shall set a date for a meeting of the membership to consider the budget. The budget proposed by the executive board does not require approval from the Members and it will be deemed approved by the Members in the absence of a veto at the noticed meeting by a majority of a quorum of Members present. In the event that the proposed budget is vetoed, the periodic

budget last proposed by the executive board and not vetoed by the Members must be continued until a subsequent budget is proposed by the executive board is not vetoed by the Members.¹

The budget so adopted may be used as a basis for the Member assessments. The Board of Directors of the Association, by majority vote, shall have the power to increase or decrease the assessment at any time.

The Board of Directors shall have the authority to execute the adopted budget on behalf of the membership. The Board of Directors is not authorized to expend funds or incur any indebtedness beyond the assets of the Association without the approval of the majority of a quorum of Members present at a regular, special, or annual meeting noticed for such purpose.

ARTICLE VIII Amendments

Section 1. By-Laws.

These By-Laws may be amended by a majority vote of the Board of Directors at any regular meeting or at any special meeting called for such purpose, or by a majority of a quorum of Members. The notice of any meeting to amend the By-Laws shall specify such purpose, and notice of any meeting wherein a material amendment to the By-Laws is contemplated shall be sent by the Secretary of the Association to all holders of first Deeds of Trust on Lots, requesting the same in writing. No By-Law shall be amended nor shall supplemental By-Laws be added hereto which shall be in conflict with the statutes of the State of Colorado, the Declaration of Covenants, Conditions and Restrictions of Woodside Park Units 5 and 6, the Articles of Incorporation of the Association or the Decree.

Section 2. Articles of Incorporation.

The Articles of Incorporation of the Association may be amended by a two-thirds (2/3) vote of the Members present, in person or by proxy, entitled to vote thereon, at any regular or special meeting called for such purpose. Exempt from such amendment shall be all such provisions as required by the Decree. The Board shall adopt a resolution setting forth the proposed amendment and directing its submission to such vote. Amendments shall also be submitted to vote upon the request of at least one twentieth of the Members entitled to vote. Written notice setting forth the proposed amendment or a summary of changes to be effected thereby shall be given to each Member entitled to vote thereon at least ten (10), but no more than thirty (30) days before such meeting. Such notice also shall be sent to all holders of first Mortgages of Lots which request the same in writing.

The foregoing By-laws were duly adopted at a noticed Special Meeting of the Board of Directors held on the October 14, 2010.

Steve Wilson, President
Woodside 5 & 6 HOA

¹ Colorado Common Interest Ownership Act 38-33.3-303. 4(a) Executive board members and officers - powers and duties - audit.