

**Bylaws of the
Rosewood Hills Property and Homeowners Association, Inc.**

ARTICLE I

NAME AND LOCATION

The name of this corporation as specified in the Articles of Incorporation is Rosewood Hills Property and Homeowners Association (RHPHA). The RHPHA is formed under the Colorado Nonprofit Corporation Law. The principal office of the RHPHA shall be located in the County of Teller and State of Colorado.

ARTICLE II

MEMBERSHIP

All Property owners, owning property located in Rosewood Hills Subdivision of Teller County, shall be members of RHPHA. Voting members of the RHPHA shall constitute those owners of property located in the Rosewood Hills Subdivision who have paid the Association membership fee.

ARTICLE III

VOTING RIGHTS

The right to vote upon RHPHA matters shall be vested in the Board of Directors, or its successors, or assigns, and members as set forth in the Articles of Incorporation. Designation of the voting member shall be made in writing and on file with the secretary of the RHPHA. In the event of no such notification, the Board of Directors shall have the right to designate one of the owners as a voting member. .

Voting by proxy is authorized provided that all proxies are in writing and on record with the Secretary of the RHPHA, prior to the meeting time.

A majority of the members present entitled to vote shall constitute a quorum for the transaction of any business. It shall require a vote of not less than 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 IV

MEMBERSHIP MEETINGS

The annual meetings of RHPHA shall be held in the month of September, at such time and place as may be fixed by the Board of Directors.

An interim meeting of the RHPHA 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 voting members present, in person or by proxy.

Notice of the annual meeting of members of the RHPHA shall be mailed to members at least fifteen days prior to the date fixed for such meeting. Notice of interim meetings shall be given to members at least five days before such meeting is to be held. All such notices shall be sent to all eligible RHPHA voting members.

If any meeting of the members cannot proceed by reason of the fact that a quorum is not present, either in person or proxy at said meeting, the President may adjourn the meeting to a later date which shall not be more than ten days from the time of the original meeting.

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

- i. Call to Order
- ii. Inspection and verification of proxies
- iii. Review and approval of the preceding annual minutes
- iv. Presidents report
- v. Officers reports
- vi. Committee reports
- vii. Old business
- viii. New business
- ix. Adjournment

ARTICLE V

BOARD OF DIRECTORS

The Board of Directors shall be elected by the RHPHA members at the annual meeting held in September.

The affairs and business of the RHPHA shall be conducted by a Board of Directors consisting of not less than five or more than nine members who shall be elected at the annual meeting held in September. Members of the Board of Directors shall serve until their successors are duly elected and qualified. The terms of office may be fixed for such periods of time as the membership may determine and such terms may be staggered. Terms shall not exceed a period of three years, and members of the Board of Directors shall not serve more than two consecutive terms on the board in the same office.

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. Each person so elected shall be a Director until his successor is elected at the next annual meeting of the membership.

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

The Board of 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 RHPHA. Directors may be reimbursed for actual expenses incurred in connection with their duties as such Directors.

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 RHPHA or by a majority of its Board of Directors. Special meetings of

the Board of Directors may be called by any officer of the Board. Notice of regular meetings of the Board of Directors shall be given to each Director personally, by mail, or telephone, at least three days prior to the time named for such meeting.

A majority of the Board of Directors in office shall constitute a quorum for the transaction of any business of the RHPHA, and the acts of the majority of the Board of Directors present at a meeting at which time a 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 adjourn the meeting.

The Board of Directors may exercise for the RHPHA all powers, duties, and authority vested in or delegated to the RHPHA and not specifically reserved to the membership by other provisions of the Bylaws, Articles of Incorporation, or the Declaration of Covenants. The Board of Directors 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 interim meeting when requested by at least 25% of all voting members. The Board of Directors shall oversee all offices, agents, and employees of the RHPHA, ensuring that their duties are properly performed. The Board of Directors shall cause the RHPHA to perform all duties incumbent upon it.

The Board of Directors and officers of the RHPHA shall be indemnified by the RHPHA against all expenses and liabilities, including attorneys' fees, 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 RHPHA, 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 of Directors approves such settlement and reimbursement as being for the best interest of the RHPHA. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which such person may be entitled.

ARTICLE VI

OFFICERS

The principal officers of the RHPHA shall be a President, First Vice-President, Second Vice-President, Secretary, and Treasurer. The officers of the RHPHA may be combined, except that the President and Secretary shall not be one and the same person. As deemed necessary, other officers may be appointed or elected by the Board of Directors.

Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, with cause, and his successor may be elected at any regular meeting of the Board of Directors or at any interim meeting of the Board of Directors called for such purpose.

The following is a description of the officers' duties:

President

The President shall preside at all meetings of the Board of Directors; shall see that the orders and resolutions of the Board of Directors are carried out; and shall sign all leases, mortgages, deeds and other written instruments and shall cosign all checks and promissory notes, unless written consent is provided and on file, which allows other officers the above signature privilege.

First Vice-President

The First Vice-President shall act in the place and stead of the President in the event of their absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of them by the Board of Directors. They shall be responsible for coordinating all issues of rules & regulations, bylaws, and covenants.

Second Vice-President

The Second Vice-President shall be responsible for the management of the water system servicing the homeowners until such water system is taken over by a water district which may be hereafter formed.

Secretary

The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the members, keep appropriate current records showing the members of RHPHA, together with their addresses, file corporate documents as required, and perform such other duties as required by the Board of Directors.

Treasurer

The Treasurer shall receive and deposit in appropriate bank accounts all monies of the RHPHA and shall disburse such funds as directed by resolution of the Board of Directors, shall sign all check and promissory notes of the RHPHA; keep proper books of account, cause an annual audit of the RHPHA books to be made by a RHPHA committee at the completion of each fiscal year, shall file regular financial statements of receivables and expenses as a matter of record at each regular Board of Directors meeting, and shall prepare a statement of income and expenditures to be presented to the membership at its regular meetings, and deliver a copy of each to the members.

ARTICLE VII

BOOKS AND RECORDS

The Board of Directors shall cause to be maintained at the principal office of the RHPHA complete books of account of the affairs of the RHPHA. Such books of account shall be open to inspection upon the written demand of any member or holder of a first deed trust on any lot for a purpose reasonable related to his interest as such owner or holder and shall be exhibited to such owner or holder at any reasonable time upon reasonable request made to the Board of Directors. Such inspection may be made in person, or by agent or his 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. Requests for inspection shall be made in writing, directed to the President or Secretary of the RHPHA.

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 RHPHA, the state of incorporation, and the word "seal".

ARTICLE IX

AMENDMENTS

These Bylaws 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 the general membership. The notice of any meeting to amend the Bylaws shall specify such purpose, and notice of any meeting wherein a material amendment to the Bylaws is contemplated shall be sent by the Secretary of the RHPHA to all first mortgagees of lots requesting the same in writing. No Bylaw shall be amended nor shall supplemental Bylaws be added which shall be in conflict with the statutes of the State of Colorado, the Declaration of Covenants, or the Articles of Incorporation of the Association.

The foregoing Bylaws were duly amended at a regular meeting of the Board of Directors of the Association held on the 13th day of May, 2014.

President: *John N. Atkinson*

Secretary: _____