



Cheri Brunvand-Summit County Recorder 1/27/2003 11:10 DF:

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**BYLAWS
OF
GIBSON HEIGHTS HOMEOWNERS' ASSOCIATION, INC.**

**ARTICLE I
NAME AND LOCATION**

The name of the corporation is Gibson Heights Homeowners' Association, Inc., hereinafter referred to as the "Association." The principal office of the Association shall be located in Summit County, Colorado, but meetings of members and the Executive Board may be held at such places within the State of Colorado, County of Summit, as may be designated by the Executive Board.

**ARTICLE II
DEFINITIONS**

The definitions set forth in the Declaration for Gibson Heights recorded on June 25, 2002 under Reception No. 689105 of the Summit County Clerk and Recorder's records shall apply to these Bylaws.

**ARTICLE III
MEETING OF MEMBERS**

Section 1. Annual Meeting. The first annual meeting of the Unit Owners, as members of the Association, shall be held on or before one year following the recordation of the Declaration at a time and place to be designated by the initial Board. Thereafter, annual meetings of the members shall be held each fiscal year, at a date, time and place as selected by the Executive Board.

Section 2. Special Meeting. Special meetings of the members may be called at any time by the president, by a majority of the Board, or upon written request of the members having at least twenty percent (20%) of all of the votes of the membership.

Section 3. Notice of Meetings. Written notice of 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, postage prepaid, at least ten (10) days before, but not more than 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 the items on the agenda. Provided, however, that for purposes of ratification of the Association's annual budget, within thirty (30) days after adoption of any proposed budget, the Board shall mail, by ordinary first-class, or otherwise deliver a summary of the budget to all Unit Owners which notice shall also set a date for a meeting of the Unit Owners to consider ratification of the budget not less than fourteen (14) nor more than sixty (60) days after mailing or other delivery of the summary. Unless at that meeting a majority of all Unit Owners reject

the budget, the budget shall be ratified, whether or not a quorum of members is present. In the event that the proposed budget is rejected, the periodic budget last ratified by the Unit Owners shall be continued until such time as the Unit Owners ratify a subsequent budget proposed by the Board.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, twenty percent (20%) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meeting of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Unit. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates eleven (11) months after its date, unless it provides otherwise.

Section 6. Majority Vote. The vote of a majority of the Unit Owners present in person or by proxy at a meeting at which a quorum is present shall be binding upon all Unit Owners for all purposes except where a higher percentage vote is required in the Declaration, these bylaws or by law.

ARTICLE IV

EXECUTIVE BOARD; SELECTION; TERM OF OFFICE

Section 1. Number. Except as provided in the Articles of Incorporation, the affairs of the Association shall be managed by an Executive Board ("Board") of at least three persons who, except for the initial Board named in the Articles of Incorporation, and except for those Board members chosen by Declarant pursuant to the Declaration, shall be members of the Association. If any Unit is owned by a corporation, partnership or limited liability company, any officer, partner, member, or employee of that Unit Owner shall be eligible to serve as a member of the Board so long as the individual continues to serve in said capacity on behalf of the corporation, partnership or limited liability company.

Section 2. Term of Office. Subject to the rights of Declarant to select the Board pursuant to the Declaration, Board members shall be elected by the Unit owners and shall hold office until the next annual meeting of Unit Owners and thereafter until their successors have been elected and qualified, or until the Board member's death, resignation or removal.

Section 3. Removal. Except for Board members appointed by Declarant, the members of the Board may be removed from the Board, with or without cause, by a two-thirds (2/3) vote of the members present at a meeting at which a quorum is present.

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Resolved 11/6/04:
7 member board -
3 - SF/Duplex
3 - townhomes
1 - floating member
from any.

Section 4. Vacancies. Vacancies in the Board, caused by any reason other than the removal of the Board member by a vote of the Unit Owners, may be filled at a special meeting of the Board held for that purpose at any time after the occurrence of the vacancy, even though the Board members present at that meeting may constitute less than a quorum. These appointments shall be made in the following manner:

(a) As to vacancies of Board members whom the Unit Owners other than the Declarant elected, by a majority of the remaining elected Board members constituting the Board; and

(b) As to vacancies of Board members whom the Declarant has the right to appoint, by the Declarant.

Each person so elected or appointed shall be a Board member for the remainder of the term of the Board member so replaced. As to vacancies caused by vote of Unit Owners, Unit Owners shall hold a special meeting to elect a member to fill the vacancy, who shall serve for the remainder of the term of the Board member so replaced.

Section S. Compensation. A Board member may receive a fee from the Association for acting as a Board member, as may be set by resolution of the Unit Owners, and may also receive reimbursement for necessary expenses actually incurred in connection with the Board member's duties. Board members acting as officers or employees may also be compensated for their duties.

Section 6. Action Taken Without a Meeting. The Board shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all members of the Board. Any action so approved shall have the same effect as though taken at a meeting of the Board.

ARTICLE V MEETINGS OF THE BOARD

Section 1. Regular Meetings. Regular meetings of the Board shall be held not less frequently than annually without notice, following the annual meeting of members, at the place of the annual meeting of members.

Section 2. Special Meetings. Special meetings of the Board shall be held when called by the president of the Association, or by any two Board members, after not less than three (3) days' notice to each Board member.

Section 3. Quorum/Board Action. A majority of the number of the Board members shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Board members present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board. If, at any meeting, there shall be less than a quorum present, a majority of those present may adjourn the meeting. At any adjourned meeting at which a

quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 4. Attendance. All regular and special meetings of the Board shall be open to attendance by any member or their representative, except that the Board may restrict attendance to discuss matters set forth in section 38-33.3-308(4), C.R.S., regarding executive sessions.

Section 5. Waiver of Notice. Any Board member may waive notice of any meeting in writing. Attendance by a Board member at any meeting of the Board shall constitute a waiver of notice. If all the Board members are present at any meeting, no notice shall be required, and any business may be transacted at such meeting.

ARTICLE VI POWERS AND DUTIES OF THE BOARD

Section 1. Powers and Duties. The Board shall have all powers, privileges and duties, and perform all of the obligations, as are described in the Declaration, and as set forth in the Colorado Common Interest Ownership Act, sections 38-33.3-101, et. seq., C.R.S., and shall undertake all reasonable and necessary action to perform such powers and duties. The Board shall appoint a professional managing agent for the Association, in accordance with Section 9.2 of the Declaration, at a compensation established by the Board, to perform duties and services authorized by the Board.

Section 2. Management of Funds. In the event the Association includes thirty (30) or more Units, and the Association delegates powers of the Board or officers relating to collection, deposit, transfer or disbursement of Association funds to other persons or to a managing agent, then the following requirements shall apply:

- a. The other person or managing agent shall maintain fidelity insurance coverage or a bond in an amount not less than fifty Thousand Dollars (\$50,000.00) or such higher amount as the Board may require;
- b. The other person or managing agent shall maintain all funds and accounts of the Association separate from the funds and accounts of other associations managed by the other person or managing agent and shall maintain all reserve accounts of each association so managed separate from operational accounts of the Association; and
- c. An annual accounting for Association funds and a financial statement shall be prepared and presented to the Association by the managing agent, a public accountant or a certified public accountant.

ARTICLE VII
OFFICERS AND THEIR DUTIES

Section 1: Enumeration of Offices. The officers of this Association shall be a president, vice-president, secretary, and treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board following each annual meeting of the members.

Section 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 or she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 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, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by 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.

Section 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 replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

a. President. The president shall see that the orders and resolutions of the Board are carried out; shall sign all legal and other written instruments and shall co-sign all checks and promissory notes. The president shall also execute, certify and record amendments to the Declaration on behalf of the Association.

b. Vice-president. 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 of him by the Board.

c. Secretary. 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 the meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and in general, shall perform all duties incident to the office of secretary.

d. Treasurer. 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; shall sign all checks and promissory notes of the Association, provided the Board may authorize a manager to sign checks up to an amount as determined by the Board; keep the financial books and records of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE VIII COMMITTEES

The Board may appoint such committees as it deems necessary or appropriate in carrying out its powers and duties under the Declaration, provided that, when so delegated, the Board shall not be relieved of its responsibilities pursuant to the Declaration.

ARTICLE IX BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost. Annual audited statements shall be available within one hundred twenty (120) days after the end of the fiscal year.

ARTICLE X ASSESSMENTS

As more fully provided in Article X of the Declaration, the Association shall levy and enforce regular, special, working capital fund and additional rental assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid when due, the assessment shall bear interest from the date of delinquency at the rate provided in the Declaration, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner subject to assessments may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Elements or abandonment of his or her Unit.

ARTICLE XI
CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words "GIBSON HEIGHTS HOMEOWNERS ASSOCIATION INC."

ARTICLE XII
AMENDMENTS: CONFLICT

Section 1. These Bylaws may be amended by a majority vote of the Board; provided that, at all times, the Bylaws meet the requirements of section 38-33.3-306(1), C.R.S. setting forth required bylaws provisions, and the requirements of the Declaration.

Section 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 XIII
INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 1. Pursuant to section 7-22-101.5, C.R.S. regarding indemnification, the Association shall indemnify its officers, directors, employees and agents who are threatened to be made, or are made, a party to any action, suit or proceeding, whether criminal, civil, administrative or investigative arising out of such person serving at the request of the Association as director, officer, employee or agent to the fullest extent and subject to the qualifications and requirements of article 109 of title 7, C.R.S., as amended, including the advance of expenses.

Section 2. Any indemnification permitted hereunder, including the advance of expenses, shall be made upon the determination that such director, officer, employee or agent has met the applicable standard of conduct set forth in sections 7-109-102 and 103, C.R.S., as applicable. Such determination shall be made, including the advance of expenses, in accordance with section 7-109-106, C.R.S., as amended.

Section 3. The Association may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association against any liability asserted against him and incurred by him in any such capacity arising out of the status of such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article XIII.

ARTICLE XIV
MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of the Association shall be the calendar year.

Section 2. Notices. All notices, demands or other notices intended to be served upon the Board or the Association shall be sent by certified mail, postage prepaid, to Gibson Heights Homeowners' Association, P.O. Box 4122, Frisco, CO 80443 or to such other address as the Board may designate by written notice to all Unit Owners and to First Mortgagees who have notified the Association that they hold a First Mortgage. Except as otherwise provided, all notices to any Unit Owner shall be sent to the Unit Owner's address as it appears in the records of the Association. All notices to First Mortgagees shall be sent by registered or certified mail to their respective addresses, as designated by them in writing to the Association. All notices shall be deemed to have been given when mailed, except notices of changes of address, which shall be deemed to have been given when received.

ATTEST:

Certified to be the Bylaws adopted by consent of the Board members of Gibson Heights Homeowners' Association, Inc., dated June 25th, 2002.

Secretary _____