

BY-LAWS

OF

Eagle Trace Homeowners' Association

ARTICLE I

NAME AND LOCATION

The name of the association is the Eagle Trace Homeowners' Association, hereinafter referred to as the "Association". The principal office of the association shall be located at the residence of the ETHA president, but meetings of members and directors may be held at such places within the State of Colorado, County of Broomfield, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to the Eagle Trace Homeowner's Association, its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions for Eagle Trace and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Eagle Trace Golf Course and the City of Broomfield.

Section 4. "Lot" shall mean and refer to any of the numbered plots of land together with the improvements shown upon any recorded plat of the properties with the exception of Common Areas.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any improved Lot which is a part of the Properties, including Declarant and contract buyers, but excluding those having such interest security as the performance of for merely as obligation or any person builder, or entity which owns the improved property solely for the purpose of sale.

Section 6. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the office of the Clerks and Recorder of Broomfield County, State of Colorado.

Section 7. "Member" shall mean and refer to those persons entitled to membership as provided herein as an owner.

### ARTICLE III

#### PURPOSE

Section 1. To promote and protect the common interests of its members as property owners and residents.

Section 2. To operate as a non-profit non-partisan, non-sectarian community association for the improvement of public services and other living conditions, and for the protection of property values.

Section 3. To obtain and disseminate information as to public activities, or official actions governmental events, proposed actions, and to distribute a newsletter periodically to association members.

Section 4. To express to appropriate public officials the attitudes and opinions of the members upon issues which relate to the Broomfield community.

Section 5. To sponsor social, recreational, philanthropic and civic activities.

Section 6. To maintain an accurate roster of Eagle Trace residents and periodically distribute same to members of the association.

### ARTICLE IV

#### MEETING OF MEMBERS

Section 1. Meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote.

Section 2. Each member shall have the right of reporting as the organization meeting, or special organization annual meetings, or to meetings of the Board any matter that may come to the member's knowledge affecting the health or general welfare of the community.

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 such meeting to each member entitled to vote there at, addressed to the member address last appearing on the books of 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. Annual meeting will occur in September each year for the purpose of electing Board members. Elected Board members will serve from Jan 1 through Dec. 31.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-quarter (1/4) of the votes shall constitute a quorum for any action except as otherwise provided in these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have 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 meetings 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 Lot.

Section 6. Each member of the Association in good standing shall have one vote. For purposes of this section and matters related to voting, there shall be only one (1) vote per household.

Section 7. Debate on any issue may be limited by the President to two (2) minute periods per member, with a two (2) minute rebuttal if desired.

## ARTICLE V

### BOARD OF DIRECTORS: SELECTION and TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a board of not less than three (3) or more five (5) Directors, who need be members of the Association.

Section 2. Term of Office. At the first annual meeting the members shall elect three (3) director for a term of one year, one (1) director for a term of two years and one (1) director for a term of three years; and at each annual meeting thereafter the

members shall elect directors for a term of two year.

Section 3.      Removal. Any director may be removed from the Board, with or without cause, by a two-thirds (2/3) vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4.      Compensation. No director shall receive compensation service render he or she may render to the Association. However, any director may be reimbursed for actual expenses incurred in the performance of duties.

Section 5.      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 the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

## ARTICLE VI

### NOMINATION AND ELECTION OF DIRECTORS

Section 1.      Nomination. Nomination for election to the Board Directors shall be made by the Nomination Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman who shall be a member of the Board of Directors and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Section 2.      The Nominating Committee shall publicly solicit self-nominations.

Section 3.      Consent of each candidate must be obtained before his or her other name may be placed in nomination.

Section 4.      Such candidates must be homeowners and members in good standing.

Section 5.      Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect of each vacancy, the one (1)

they are entitled to exercise. The person or persons receiving the largest number of votes shall be elected.

## ARTICLE VII

### MEETINGS OF DIRECTORS

Section 1. 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. The Board shall hold regular meetings at least once every 120 days.

Section 2. 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.

## ARTICLE VIII

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

- (A) 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 By-Laws.
- (B) 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.

Section 2. Duties. It shall be the duty of the Board of Directors to:

- (A) Cause to be kept a complete record of all its acts and affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-third (1/3) of the members who are entitled to vote;
- (B) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (C) As more fully provided in the Declaration, to:
  - (1) Suggest the amount of the annual voluntary membership dues against each household at least thirty (30) days in advance of each annual due period;
  - (2) Send written notice of each membership dues to every Owner subject thereto at least thirty (30) days in advance of

each annual due period:

(3) All voluntary membership dues shall be approved by a quorum of the membership.

(D) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any membership due has been paid. If a certificate states membership due has been paid, such certificate shall be conclusive evidence of such payment.

(E) Communicate the with city relative the to enforcement of the covenants.

## ARTICLE IX

### OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Office. The officers of this Association shall be at all times, a member. The required offices are a president, a vice-president, a secretary and a treasurer, and such officers may from time other time the Board to by as resolution create.

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

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for two (2) years unless he 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 majority vote at a meeting of the membership. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall 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 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:

President

(A) The president shall preside at all meetings of all the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all written instruments except checks.

Vice-President

(B) The vice-president shall act in the place and stead of the president in the event of his or her 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; 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 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; and shall prepare an annual budget and a statement of income and expenditures to be represented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE X

COMMITTEES

The Association shall appoint an Architectural Control Committee, and a Nominating Committee as provided in these By-Laws. The Architectural Control Committee shall have the duties and powers as defined in the covenants. In addition, the Board of Directors shall appoint committees as deemed appropriate in carrying out its purpose, including a social Committee, and an

Executive Committee consisting of four (4) members and one Director who shall assist the Board as to the residents' general opinions as to particular issues being discussed and acted upon by the Board. All committee actions require ratification by the Board. The association may appoint an editor to publish a newsletter.

## ARTICLE XI

### 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 By-Laws of the Association shall be available for inspection by any member.

## ARTICLE XII

### MEMBERSHIP DUES

Section 1. Funding will be derived from an annual membership due, in an amount to be set by the membership vote. All dues are voluntary but are required for active voting membership. Such fee shall satisfy membership requirements.

Section 2. Funding will be derived from any surplus revenues in excess of expenses of which arise from the various excess activities as sponsored by the Organization and its committees.

Section 3. Annual dues for members, if required, shall be recommended by the Board and decided at the Annual or Special meeting of the membership.

Section 4. Dues for members shall be payable at or within 45 days after the Annual or special meeting. No dues shall be refundable. New Homeowners shall have 45 days from date of invitation of membership to pay their dues.

Section 5. Members which have not paid within 45 days after Annual or Special meetings shall lose their good standing and shall be so notified by the Treasurer. Reinstatement will be made upon payment of back dues for not more than one year.

Section 6. Members not in good standing forfeit their rights to the privilege of membership and the benefits thereof.

## ARTICLE XIII

## AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of members, by a vote of two-thirds (2/3) of a quorum of members present in person or by proxy.

Section 2. Proposed amendments to these By-Laws must be submitted in writing to the Board at least 90 days prior to the calling of the Annual Meeting or special meeting for purpose of considering amendment to these By-Laws.

Section 3. The Board shall have authority to accept or reject or amend the proposed language of a proposed amendment to these By-Laws; however, prior to such rejection or amendment, the person submitting such amendment shall be invited to appear before the Board to discuss same.

Section 4. Proposed amendment so accepted will be distributed in its exact wording to the membership accompanied by appropriate comments of the Board members. Distribution shall be at least 30 days prior to the meeting in which the amendment may be voted.

## ARTICLE XIV

### INDEMNIFICATION OF OFFICERS, DIRECTORS

#### AND MANAGING AGENT

Section 1. Indemnification. The Association shall indemnify every Director, Officer, Managing Agent, their respective successors, personal representatives and heirs, against all loss, costs and expenses, including counsel fees, reasonably incurred by him or her in connection with any action, suit or proceeding to which he or she may be a party by reason of being or having been a Director, Officer or Managing Agent of the Association. All liability, loss, damage, cost and expense incurred or suffered by the Association by reason or arising out of or in connection with the foregoing shall be treated and indemnification provisions handled by the Association as common expenses; provided, however, that nothing in the Article XIII contained shall be deemed to obligate the Association to indemnify any member or owners of a lot who is or has been a Director or Officer of the Association with respect to any duties or obligations assumed or liabilities incurred by him or her under and by virtue of the Declaration.

Section 2. Other. Contracts or other commitments made by the Board of Directors, Officer or the Managing Agent shall be made as agent for the Association, and they shall have no personal responsibility on any such contract or commitment.

Section 3. The Association shall purchase a Director's Liability Insurance Policy of not less than one (1) million dollars. The cost of this policy shall be paid out of the annual voluntary membership dues.

ARTICLE XV

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, except that the first fiscal year shall begin on the date of the first formal association meeting.

These Bylaws replace in entirety all previous issues of the Eagle Trace Homeowners' Association Bylaws.

IN WITNESS WHEREOF, we, being all of the directors of Eagle Trace Homeowners Association have here unto set our hands this 25<sup>th</sup> Day of March, A.D., 2004.

\_\_\_/signed/\_\_\_\_\_  
President: Pat Lynch

\_\_\_/signed/\_\_\_\_\_  
Vice President: John Conley, Jr.

\_\_\_/signed/\_\_\_\_\_  
Secretary: Russell Sarazen

\_\_\_/signed/\_\_\_\_\_  
Treasurer: Mike Cook

\_\_\_/signed/\_\_\_\_\_  
Committee Liaison: Dee Lidvall