

**BY-LAWS**  
**OF**  
**FAWN RIDGE PROPERTY OWNERS ASSOCIATION, INC.**

**ARTICLE I**  
**Offices**

SECTION 1: PRINCIPAL PLACE OF BUSINESS. The principal office of the corporation shall be located at 9000 County Road, Salida, Colorado 81201. The Board of Directors may change the principal place of business at any time. The corporation may also have offices at other places within or outside of the State of Colorado as the Board of Directors may from time to time approve.

**ARTICLE II**  
**Membership**

SECTION 1: QUALIFICATION. For each lot purchased the lot owner shall be entitled to one (1) membership in the homeowners association.

**ARTICLE III**  
**Meetings of Members**

SECTION 1: ANNUAL MEETING. The annual meeting of the members of the corporation shall be held each year on such date as may be fixed by the Board of Directors. The annual meeting shall be held for the election of Directors and the transaction of such other business as may properly come before it. At each such annual meeting, the Board of Directors shall submit to the membership a report of the corporation's business activities during the preceding year and the general financial condition of the corporation.

SECTION 2: SPECIAL MEETINGS. Special meetings of the members may be called by or at the direction of the President or Secretary.

SECTION 3: NOTICE OF MEETINGS. Notice of any meetings, annual or special, shall specify the time, place and purpose of the meeting and shall be delivered, either personally or by mail, to all members. Notice for meetings shall be sent not less than ten (10) and no more that fifty (50) days prior to such meeting.

SECTION 4: VOTING. All members in good standing shall have voting privileges. All acts and resolutions of the members shall be deemed adopted upon a favorable vote of a majority of the votes cast by members qualified to vote. A member entitled to vote any vote in person or by proxy executed in writing by the member or the member's duly authorized attorney-in-fact. Members holding one-half of the votes entitled to be cast on the matter shall constitute a quorum.

SECTION 5: ACTION WITHOUT MEETING. Any action which might be taken at a meeting of the members may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the members entitled to vote.

#### **ARTICLE IV Board of Directors**

SECTION 1: DIRECTORS. The corporation shall have a Board of Directors consisting of at least five (5) members. Directors shall not be required to be residents of the State of Colorado or members of the corporation to serve. Upon the organization of the corporation, two directors shall be elected to serve a term of two (2) years, and the other three directors shall be elected to serve for four (4) years. Thereafter, all directors will serve four-year terms, staggered as set forth below.

SECTION 2: VACANCIES. Vacancies on the Board of Directors may be filled for the unexpired terms of the predecessor in office by a majority vote of the remaining directors at any meeting of the Board of Directors. A vacancy created by an increase in the number of Directors may be filled for a term of office continuing only until the next election of directors.

SECTION 3: POWER AND DUTIES OF THE DIRECTORS. The Board of Directors shall have control and general management of the affairs, property and business of the corporation and, subject to these bylaws, may adopt such rules and regulations for that purpose and for the conduct of its meetings as the Board of Directors may deem proper. Such powers shall include but not be limited to the appointment and removal of the officers of the corporation specified herein.

SECTION 4: ELECTION OF DIRECTORS. The election of Directors shall be at the annual meeting of the membership, and shall be by secret ballot. Nominees receiving the greatest number of votes shall be elected.

#### **ARTICLE V Meetings of Directors**

SECTION 1: ANNUAL MEETING. The annual meeting of the Board of Directors shall be held immediately after and at the same place where the annual meeting of the membership has been held. The meeting will be held for the purpose of electing officers, appointing committees and for the transaction of any other business as may

properly come before the Board of Directors. No notice shall be required for the annual meeting of the Board of Directors.

**SECTION 2: SPECIAL MEETINGS.** Special meetings of the Board of Directors may be called by or at the direction of the President or the Chairman of the Board.

**SECTION 3: NOTICE OF MEETINGS.** Except for the annual meeting of the Board of Directors, notice of the time and place of any meeting of the Board of Directors shall be given, either written or orally, not later than ten (10) days prior to such meeting. Neither the business to be transacted at nor the purpose of any regular or special meeting need be specified in the notice or waiver of such meeting.

**SECTION 4: VOTING.** At all meetings of the Board of Directors, a majority of the Board of Directors shall constitute a quorum for the transaction of business. The act of the majority of the Directors present when there is a quorum shall be the act of the Directors.

**SECTION 5: ACTION WITHOUT MEETING.** Any action which might be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action taken, is signed by all of the Directors entitled to vote.

## **ARTICLE VI Officers and Duties**

**SECTION 1: OFFICERS.** The officers of the corporation shall consist of a President, one or more Vice Presidents, a Secretary, and a Treasurer. Any two or more offices may be held by the same person, except the office of President and Secretary. Officers shall be elected or appointed by the Board of Directors at the annual meeting of the Directors. A vacancy in any office may be filled by the Board of Directors at any regular or special meeting called for that purpose.

**SECTION 2: PRESIDENT.** The President shall, subject to the direction and supervision of the Board of Directors, be the Chief Executive Officer of the corporation and shall have general and active control of its affairs and business and general supervision of its officers, agents and employees. The President shall have the authority to sign all contracts and other instruments on behalf of the corporation, except as such authority may be restricted by resolutions of the Board of Directors adopted from time to time.

**SECTION 3. VICE PRESIDENTS.** Vice Presidents shall have such duties as the Board of Directors or the President may delegate to them from time to time. In the absence of the President or his inability to act, the duties and powers of the office shall be performed and exercised by a Vice President.

SECTION 4: SECRETARY. The Secretary shall keep the minutes and act as Secretary of all meetings of the members and of the Board of Directors. The Secretary shall be the custodian of the corporation records. The Secretary shall perform all duties usually incident to the office of the secretary, those duties specified in the by-laws, and such other duties as may from time to time be assigned by the Board of Directors.

SECTION 5: TREASURER. The Treasurer shall have general supervision over the care and custody of the funds and securities of the corporation and shall deposit the same or cause the same to be deposited in the name of the corporation in such bank or banks, trust company or trust companies, as the Board of Directors may designate. The Treasurer shall keep or cause to be kept full and accurate accounts of all receipts and disbursements of the corporation and whenever required by the Board of Directors, shall render or cause or be rendered financial statements of the corporation.

**ARTICLE VII  
Negotiable Instruments**


SECTION 1: SIGNATURE ON CHECKS, ETC. All checks, drafts, bills of exchange, notes or other obligations or orders for the payment of money shall be signed in the name of the corporation by such officers or persons as the Board of Directors of the corporation may from time to time designate by resolution.

**ARTICLE VIII  
Amendments**

SECTION 1: The Board of Directors shall have the power to alter, amend or repeal the bylaws of the corporation at any regular meeting of the Board of Directors or at any special meeting called for that purpose.

SECTION 2: The Articles of Incorporation may be amended upon resolution of the Board of Directors and submission to a meeting of the members where it is approved by a vote of two-thirds of the members present at the meeting or represented by proxy. A resolution to amend may also be submitted to the members upon the request of one-twentieth of the members entitled to vote thereon.

Dated this 8<sup>th</sup> day of June, 2005.

  
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