

**BY-LAWS
OF
LAKE ARBOR HOMEOWNERS ASSOCIATION, INC.**

(Revised April 2009- Rev.7)

ARTICLE I - MEMBERSHIP

SECTION 1. No person shall be eligible for membership in the corporation who is not both a resident and owner or an absentee owner of real property in the Lake Arbor Subdivision and has paid dues for the current year. The disposal by an owner of all of his or her real property from the Lake Arbor Subdivision shall automatically terminate any membership based on such ownership. Such owner, whose application for membership has been accepted, shall be entitled to individual or joint membership for such owner and his or her spouse. A joint membership shall be entitled to only one vote, which may be cast by the joint members collectively or by any one of them as they may elect. Applications for membership in the corporation, accompanied by a remittance of the first years dues as hereinafter provided, shall be made to the Membership Chairperson. In the event of the rejection of any application by the Board of Directors, the remittance accompanying the same shall be returned to the applicant.

SECTION 2. Certificates of membership or membership card issued annually shall evidence membership in the corporation. The membership card shall be dated, numbered and registered as they are issued, and are nontransferable.

SECTION 3. The dues for each membership in the corporation shall be twenty-five dollars per year (\$25.00). Dues shall be paid annually in January or before the September 30th cut off for that year. Any membership paid after September 30 shall be counted as membership in the following calendar year. All funds derived from such dues shall be used solely for the purposes and objectives for which the corporation is formed.

ARTICLE II - OFFICERS

SECTION 1. The officers of this corporation shall consist of a President, Vice-President, Treasurer and Secretary, who shall be elected by the members of the corporation at the annual meeting each January. Such officers shall be selected from the membership of the corporation and shall hold their respective offices for the term of one year or until their successors are elected and shall qualify, unless they shall resign, be removed or become disqualified.

SECTION 2. Any two of said offices, the duties of which do not conflict, may be held by one and the same person if the Board of Directors so elect excepting that for any one term no more than two such offices may be combined and that where these By-laws require a decision or endorsement by

more than one officer, the combined office shall be considered as a single office for these purposes, except as otherwise provided by law.

SECTION 3. In case a vacancy or vacancies shall occur in the Board of Directors, or in any of said offices, the same shall be filled for the remainder of the un-expired term by appointment of the Directors at any meeting of the Board.

SECTION 4. The Board of Directors may, in case of the absence of any officer, or disability to perform his duties, or for any other reason deemed sufficient by the Board, temporarily delegate the power and duties of such officer to any other officer, or to any Director provided a majority of the whole Board concur. The duration of the delegated authority shall continue until such time as the reason for the appointment shall no longer exist or until such term shall expire.

SECTION 5. Each officer shall be a member of the Board of Directors. No officer shall be appointed or elected a representative of a district.

ARTICLE III - DUTIES OF OFFICERS

SECTION 1. DUTIES OF PRESIDENT: It shall be the duty of the President to preside at all meetings of the members and Directors of the corporation. The President shall sign all contracts and other instruments of writing authorized by the Board of Directors to be executed. He shall sign the minutes of all meetings over which he may have presided and shall be ex-officio member of all outstanding committees and shall have the active management of the corporation and the general supervision over the affairs of the corporation and perform such other duties as may be required of him by law, by these by-laws, and by the Board of Directors, and in general shall perform the duties and functions usually pertaining to and vested in the President of a corporation.

SECTION 2. DUTIES OF VICE-PRESIDENT: It shall be the duty of the Vice-President, in case of sickness or other disability preventing the President from performing the duties of his office, to perform and discharge the duties and functions of the President, and such other duties as may be required of him by the Board of Directors.

SECTION 3. DUTIES OF SECRETARY: The Secretary shall be ex-officio secretary of the Board of Directors and of any standing committee. It shall be the duty of the Secretary to give such notices as are required of all meetings of the members and of the Directors of the corporation and to attend all such meetings and act as the clerk thereof; to keep record and preserve the minutes of all meetings of the members and Directors and to perform like duties for any standing committees when required. To maintain the records of the corporation, contracts and other instruments

of writing; to have charge of and preserve all papers and documents of the corporation not properly belonging to the custody of the treasurer; and generally to perform such duties as usually pertain to the office of secretary; and as well such as may be specifically assigned and directed by the Board of Directors. The Secretary or the corporate designee shall attend to the filing of all papers and reports required by law to be filed other than those filed by the Treasurer. The Secretary shall advise the Board of Directors, at each Board meeting, of the contents of all mail received by the Corporation since the previous meeting and read any piece aloud along with the response made when so requested.

SECTION 4. DUTIES OF TREASURER: The Treasurer shall be the custodian of the funds of the corporation and shall disburse the same as shall be ordered by the Board of Directors, and all securities, valuable papers and documents connected with and pertaining to the business of the corporation, which shall be kept in such depositories and in such manner as shall be directed by the Board of Directors; and he or she shall keep a complete and proper record and account thereof, and vouchers of all funds disbursed, all of which shall be accessible for inspection by the Board of Directors at any time. He or she shall render to the Board of Directors, whenever they may require, an account of all his or her transactions and the financial condition of the corporation, and perform such other duties as may be prescribed by the Board of Directors. He or she may be required to give a good and sufficient bond, in an amount to be fixed by the Board of Directors from time to time, for the faithful performance of his or her duties and accounting for and turning over all money, property and documents of the corporation which shall come into his or her hands as Treasurer.

SECTION 5. The Board of Directors from time to time, as may be deemed advisable, may appoint other officers of the corporation, who shall perform such duties as may be assigned to them and who shall hold such office or perform such duties at the pleasure of the Board. Such officers shall become members of the Board of Directors by virtue of such appointment.

ARTICLE IV - BOARD OF DIRECTORS

SECTION 1. The Board of Directors shall consist of at least twelve members: President, Vice President, Secretary, Treasurer, Covenants Chairperson, and at least 5 District Representatives, Membership Chairperson and Grapevine Editor. It shall be the duty of the Board of Directors to exercise a general supervision over and management of the affairs of the corporation and to receive and pass upon the reports of the corporation's President, Secretary, and Treasurer; to audit all bills and accounts against the corporation and to direct the officers thereof in the general conduct and business of the corporation. Said Board shall have access to any of any books, papers or documents of the corporation in the hands of the officers.

SECTION 2. At least one member of the corporation shall be elected to the Board of Directors to represent each district. The members of this board shall be residents and owners of property located within Lake Arbor. The five districts shall be numbered and shall consist as nearly as possible of an equal number of members on the board additional representatives may be elected as at-large representatives and may occupy the following positions while assuming the attendant responsibilities.

DISTRICT REPRESENTATIVE: Responsible for enforcing the protective covenants in their respective district and representing their districts at each board meeting.

COVENANTS CHAIRPERSON: Responsible for directing the activities of the Covenants Committee, a term applied collectively to the Covenants Chairperson and at least five District Representatives. The committee has the responsibility of assuring that the restrictive Covenants are complied with throughout the Lake Arbor Subdivision. The Covenants Chairperson shall also chair the Architectural Control Committee whose responsibility it is to pass judgment on the acceptability of modifications or additions to existing structures or property within Lake Arbor.

MEMBERSHIP CHAIRPERSON: Responsible for coordinating all activities associated with maintaining and increasing corporation membership.

GRAPEVINE EDITOR: Responsible for publication of the periodic newsletter used to keep the membership apprised of Association activities.

The Election of the Board of Directors shall be at the regular annual meeting of the corporation members, or in the case of failure to so elect, they may be elected at any special meeting which may be called for that purpose, and shall hold their office, unless removed as herein provided, for the term of one year or until their successors are duly elected and qualified.

SECTION 3. No person shall be eligible to serve as a Director who at the time of assuming the duties of such office, has not been a member of the corporation for at least the two previous months, and a resident of Lake Arbor, a subdivision of the City of Arvada, County of Jefferson, State of Colorado, and a transfer of such real property or the moving from the said subdivision by a resident shall operate as a resignation by the Director of his office and create a vacancy thereof.

SECTION 4. If any vacancy shall occur in the Board of Directors, such vacancy shall be filled for the remainder of the un-expired term at the meeting of the Board next following such vacancy. Any Director may be removed for cause at any time by a vote of two-thirds of all members of the Board of Directors at any meeting called for that purpose.

SECTION 5. Any member of the corporation who wishes to be a candidate for election to the Board of Directors must declare his candidacy to the Board of the corporation before or at the annual meeting.

ARTICLE V - BOARD OF DIRECTORS MEETINGS

SECTION 1. The Board of Directors shall meet at such times, as they shall from time to time determine. A meeting may be called at any time by the President or any three Directors, to be held at the time and place designated in the call and notice thereof, upon three days written notice served personally, or by mail, telephone, or email.

SECTION 2. Any Director may at any time waive notice required to be given under these by-laws and whenever all the Directors of the corporation shall be present at any meeting, however called or an approval of the minutes of any such meeting upon the record thereof, the acts of such meetings shall be as valid and binding as if regularly called as provided herein.

SECTION 3. At all meetings of the Board of Directors, a majority of all Directors shall be required to constitute a quorum for transaction of business.

SECTION 4. The order of business of any meeting of the Board of Directors shall be as they may determine at the time of the meeting.

ARTICLE VI - MEMBERS MEETINGS

SECTION 1. The regular annual meeting of the members of the corporation for the election of the Directors and the transaction of other business shall be held within the Lake Arbor Subdivision, City of Arvada, County of Jefferson, State of Colorado, on the 3rd Wednesday of January at the hour of seven (7:00) P.M. Members of the corporation shall be given at least two weeks notice as to the scheduled time and date of this meeting.

SECTION 2. Special meetings of the members may be called for the election of the Directors, or for any other purpose, whenever deemed necessary by a majority of the Board of Directors, and as provided by law, and at such date and hour as shall be designated in the call thereof. In addition to any published notice required by law, notice of the meeting and the object thereof shall be given to each member at least 10 days prior.

SECTION 3. At all meetings of the members for the election of the Board of Directors and for transactions of such other business that may come before the general membership, a majority of all the members must be represented either in person, by written proxy, or by assignment of voting rights to the board in order to constitute a quorum.

SECTION 4. Representation by written proxy, subscribed by the registered member, shall be allowed, and the instrument authorizing the proxy to act at the meeting shall be exhibited at the time of such meeting when called for, and filed with the Secretary. Proxies shall be published coincident with and in the same manner as the public notice of the meeting. Failure of the member to return his proxy shall in his absence, constitute the assignment of his voting rights to the Board of Directors.

SECTION 5. At all meetings of the members each membership shall be entitled to one vote, which vote may be given personally or by written proxy, as herein provided.

SECTION 6. All elections of Directors of the corporation may be by secret ballot, show of hands or by acclamation if not contested. Secret ballots, if used, shall be counted by a neutral third party or by a member of the corporation who is not a candidate, who attends the meeting at which the vote is held, and who is selected at random from a pool of two or more such homeowners. The results of the vote shall be reported without reference to names, addresses, or other identifying information.

SECTION 7. The order of business at all membership meetings may be as follows:

- A. Call to order
- B. Reading minutes of preceding meeting
- C. Reports of officers and committees
- D. Elections of officers (when applicable)
- E. Elections of Directors (when applicable)
- F. Unfinished business
- G. New business
- H. Adjournment

An attendance log shall be provided by the Secretary and maintained with the minutes of that meeting. The order of business at any meeting may be changed by a vote of the majority of the members of the corporation who are present.

ARTICLE VII - COMMITTEES

The Board of Directors may from time to time appoint any committee or committees, for any purpose, which shall have such powers and duties as shall be specified in the resolution of appointment.

ARTICLE VIII - CORPORATE OBLIGATIONS

SECTION 1. No debts or obligations shall be incurred by any of the officers of this corporation, except by the order of or under direction of the Board of Directors.

SECTION 2. All written obligations of the corporation such as notes, bonds, acceptances, contracts, agreements, deeds and all other instruments of writing, shall be signed with the corporate name, by the president, or in his absence, by the vice president, and countersigned or attested by the secretary.

SECTION 3. All checks drawn upon the corporate funds shall have the Payee and amount completed before being signed with the corporate name by any two officers of the corporation not being the same person or the Payee.

SECTION 4. If a Board member or appointed officer requests in writing that the corporation indemnify them in excess of the indemnity required from the corporation by applicable statutes for a specific situation that has occurred prior to said request, then the Board shall investigate, deliberate on the request, and extend to the requesting Board member or appointed officer the amount of indemnification, if any, agreed to by a two-thirds majority of the whole Board at a regular meeting or a special meeting called upon notice as herein provided.

SECTION 5. The Board and specifically the Treasurer shall maintain accounting records using Generally Accepted Accounting Principles (GAAP). The Association's fiscal year shall be the same as the calendar year. During the third quarter, the Board will prepare and approve a proposed budget for the upcoming fiscal year. The Board shall deliver the proposed budget to all homeowners for consideration at the annual meeting.

ARTICLE IX - FUND DEPOSITION

The funds of the corporation shall be deposited in the name of the corporation, in such bank or banks as may be from time to time determined by the Board of Directors.

ARTICLE X - AMENDMENTS

These by-laws or any portion thereof may be amended, added to or repealed by the vote of a majority of all of the directors constituting the Board of Directors of the corporation, at any regular meeting, or at any special meeting called upon notice as herein provided in which proposed amendment, addition or repeal shall be set forth; provided, however that any such amendment, addition, or repeal shall be submitted to the next regular or special meeting of the Board of Directors and adopted by a two-thirds majority of the whole Board at such meeting.

ARTICLE XI - PROCEEDINGS

"Roberts Rules of Order, Revised" shall be the authority on all questions of Parliamentary Law and Proceedings. Dissolution shall be in accordance with the applicable statutes of the State of Colorado governing non-profit

corporations and all assets of the corporation shall become the property of the City of Arvada, State of Colorado.

ARTICLE XII - PUBLIC DISCLOSURE

SECTION 1. Per Colorado law and at least once a year, The Board of Directors will provide all homeowners documentation of the governance of the Association. All documents will be available via the Lake Arbor website. Paper copies can be provided upon request.

SECTION 2. Per Colorado law, The Board of Directors will provide all required homeowners documents that are required to be delivered by the homeowner to a buyer of the property. All documents will be available via the Lake Arbor website. Paper Copies will be provided upon request.