

# BY-LAWS OF THE MEADOWS / WILLIAMSBURG II HOMEOWNERS ASSOCIATION

## ARTICLE I

### A. NAME

1. The name of this Association shall be the Meadows / Williamsburg II Homeowners Association.
2. The Association will be registered as a non-profit organization with the State of Colorado.

### B. AREA DESCRIPTION

1. The Association area shall be defined as: The Meadows, Filing 1, Amendment 2, and Filing 3, Williamsburg, County of Jefferson: State of Colorado

## ARTICLE II

### A. OBJECTIVES

1. To encourage interest and participation in civic and community affairs for the welfare of the residents of the Meadows / Williamsburg II Homeowners Association.
2. To provide information of general community concerns.
3. To promote the general well being of the community and of the members of this Association.
4. To fairly enforce the Meadows / Williamsburg II Covenants, Conditions, and Restrictions in order to maintain the appearance, aesthetic quality, value, and desirability of the properties and the value of the neighborhood.
5. To write rules or take other actions necessary to clarify the Meadows / Williamsburg II controlling documents in order to keep the documents from becoming obsolete.
6. To participate in such other activities as may from time to time be determined by the Association as worthy of community interest and control.

## ARTICLE III

### A. MEMBERSHIP

1. Active Member: Any Meadows / Williamsburg II property owner of legal age from a household where the annual dues for the fiscal year has been paid.
2. Non-Active Member: Any Meadows / Williamsburg II property owner that has not paid the annual dues for the fiscal year.
3. Contributing Member: Any person or business that contributes to the Association by donating funds or in-kind services in an amount equal to or greater than the rate of annual dues.

## B. VOTING

1. One active member from each household where the annual dues for the fiscal year has been paid may vote at an annual or special meeting by attending the meeting, or may vote by mail-in ballot, when the Board of Directors has made such provisions.
2. The Board of Directors may make provisions for mail-in ballots to be used at annual or special meetings.
3. Directors are the only voting members at a board meeting.

## ARTICLE IV

### A. DUES

1. Annual dues shall be set or changed by majority vote of the Board of Directors.
2. Annual dues shall be collected beginning the first quarter of the fiscal year.
3. A property owner may become an active member any time during the year by paying the annual dues for that year.

## ARTICLE V

### A. FISCAL YEAR

1. The fiscal year will run from January 1 to December 31

## ARTICLE VI

### A. BOARD OF DIRECTORS

1. The Board of Directors shall consist of seven (7) active members, elected at large. Four of the board members shall be the officers of the Association.
2. A member of the Board of Directors must be an adult resident of Williamsburg II and an active member of the Association.
3. If any office of the Board of Directors becomes vacant for any reason, the remaining board members shall choose a successor by a majority vote at the next board meeting or at a meeting called for that purpose. The successor shall hold office until the term of the person previously holding the office would have expired.
4. The office of any board member who fails to attend three (3) consecutive meetings without an acceptable excuse may be considered vacant.
5. Members of the Association, by a majority vote, may elect or remove any board member for cause before the expiration of his / her term of office. Notice specifying the intention to hold such a vote must be given to the members.
6. It shall be the duty of the Board of Directors to exercise general supervision and to direct the affairs of the Association according to the Covenants, Conditions and Restrictions; By-laws; Rules; and other governing documents of the Association.
7. The Board of Directors shall hold regular board meetings at a publicized and specified place and time. Such meetings shall be open for attendance by the general membership.

## ARTICLE VII

### A. OFFICERS AND DUTIES

1. The officers of the Association shall consist of a President, Vice President, Treasurer, and Secretary.
  - a. The officers shall be appointed by the Board of Directors at the first board meeting following the annual meeting.
  - b. No person shall hold more than one office concurrently unless the membership of the Board of Directors consists of less than four members.
  - c. President and secretary are appointed on even years
  - d. Vice president and treasurer are appointed on odd years
  
2. President – It shall be the duty of the President:
  - a. To preside over board, special, and annual meetings of the Association.
  - b. To act as the Managing Director of the Association.
  - c. To perform all things incident to the office of President or as authorized by the general membership or Directors.
  - d. To appoint a yearly audit committee to meet in January.
  
3. Vice President – It shall be the duty of the Vice President to:
  - a. Assist the President in performing his/her duties.
  - b. Preside over meetings in the absence of the President.
  - c. He / She may be assigned special projects by the President.
  
4. Treasurer – It shall be the duty of the treasurer to:
  - a. Prepare an annual budget to be presented at the annual meeting.
  - b. Prepare a financial report to be presented at the board meetings.
  - c. Collect dues and any other payments to the Association.
  - d. Pay bills and any other disbursements as needed and approved by the Board of Directors.
  - e. Act as custodian for the Association funds.
  - f. Maintain a record of the names and addresses of the membership.
  - g. The treasurer or another authorized Director shall have authority to sign checks.
  - h. The treasurer may pay bills and make disbursements of up to two hundred dollars (\$200.00) without prior Board of Directors approval.
  - j. The Treasurer may appoint a budget committee.
  - k. Another Board member shall validate the monthly bank statement.
  
5. Secretary – It shall be the duty of the Secretary to:
  - a. Record the minutes of any meeting held by the Board of Directors and publish them in the Association newsletter.
  - b. Give notice of Board of Directors meetings and other general meetings of the Association.
  - c. Maintain such other records as the Board of Directors may prescribe.
  - d. Receive and keep records of all correspondence directed to the Board of Directors.

## ARTICLE VIII

### A. MEMBERSHIP MEETINGS

1. The annual meeting of the general membership shall be held in the month of March.
2. Notice of the annual meeting shall be delivered to each household, in the newsletter or other document, not less than five (5) days before the meeting. Said notice shall state the place, day and hour of the meeting.
3. Special membership meetings may be called by an active member provided that the Board of Directors has received a written demand for the meeting that states the purpose for holding the special meeting, and which is signed by at least 15 percent (15 %) of the members entitled to vote on the matter. Notice of the special meeting shall be given in the same manner as a regular meeting. If the Association does not issue notice of the special meeting within thirty (30) days of receiving a valid demand, then a person signing the demand may set the time and place of the meeting and issue the required notice.
4. Fifteen percent (15 %) of the active members entitled to vote on the matter constitute a quorum for special membership meetings called by an active member. An affirmative vote of three fourths of those voting shall be required to approve business at a special meeting called by an active member.

### B. SPECIAL MEETINGS OF THE BOARD OF DIRECTORS

1. The President or a majority of the members of the Board of Directors may call special meetings of the membership. Requests for special meetings from board members shall be in writing, must be signed by a majority of the board members, and shall specify the purpose of the meeting. Notice of the special meeting shall be given in the same manner as a regular meeting.
2. A majority of four (4) or more board members constitutes a quorum for any board meeting or annual meeting, or a special meeting called by the President or Board of Directors. An affirmative vote of the majority of those voting shall be required to approve business at board and annual meetings, unless otherwise stated in these By-laws or other controlling documents. An affirmative vote of three fourths of those voting shall be required to approve business at a special meeting called by the President or the Board of Directors.

### C. BOARD OF DIRECTOR MEETINGS

1. Board meetings are open to active members, non-active members, and contributing members; however only members of the Board of Directors can vote at board meetings.
2. If active members, non-active members, and contributing members wish to make statements during board meetings or annual meetings they are required to notify the President at least two (2) business days before the meeting to be put on the meeting agenda.
3. The President will establish, and follow rules of order for meetings. Those rules shall include at least all of the following:
  - a. Motion and second required for any action.
  - b. Discussion limited to motion topic only.
  - c. Everyone given opportunity to speak.
  - d. One person speaks at a time.

- e. President decides who speaks and sets limits on speaking.
- f. Motions must be voted upon, tabled, or withdrawn before proceeding on to the next business item.

## ARTICLE IX

### A. ELECTIONS OF BOARD MEMBERS

1. Elections of board members will take place at the annual meeting.
2. Nominations shall be made from the floor by any active member.
3. All nominations must have a second, which must be made by an active member.
4. All nominees must be active members of the HOA.
5. Only active members may vote in elections.
6. All board members are elected for two-year staggered terms.

## ARTICLE X

### A. ASSOCIATION FUNDS

1. The Board of Directors shall open and maintain such banks accounts or investment accounts as are necessary for the effective and efficient operation of the Association.
2. Monies of the Association shall be disbursed only by check and as provided by the Board of Directors.
3. The Audit Committee will conduct an audit in January.
4. The Annual Budget will be presented at a board meeting in February.
5. The Annual Budget will be ratified by the active dues paying members at the Annual Meeting in March.

## ARTICLE XI

### A. COMMITTEES

1. The President may appoint such committees as are necessary to carry out the purposes of this Association.
2. Committee chairpersons shall be appointed for a term of two years.
3. The committee chairperson may submit a report at each board meeting.
4. The committee chairperson must be an active member of the HOA.
5. A new Audit Committee of active members will be appointed each January. At least one member will not be an officer of the Board of Directors.
6. The Architectural Control Committee will be composed of the Architectural Control Committee Chairman and the members of the Board of Directors.

## ARTICLE XII

### A. INDEMNIFICATION OF OFFICIALS AND AGENTS

1. Certain Definitions. An "Official" shall mean any Director, officer, committee chairperson, committee member, or Architectural Control Committee member, as hereinafter defined, and any former Director, officer, committee chairperson, committee

member, or Architectural Control Committee member of the Meadows / Williamsburg II Homeowners Association. An "Association Employee" shall mean any employee and any former employee of the Meadows / Williamsburg II Homeowners Association.

"Expenses" shall mean all costs and expenses, including attorney's fees, liabilities, obligations, judgments and any amounts paid in reasonable settlement of a Proceeding.

"Proceeding" shall mean any claim, action, suit or proceeding, whether threatened, pending or completed, and shall include appeals.

2. Right of Indemnification. The Association shall indemnify any Official and any Association Employee against any and all Expenses actually and necessarily incurred by or imposed upon him to the fullest extent provided by law. The right of indemnification shall not extend to any matter as to which such indemnification would not be lawful under the laws of the State of Colorado.
  - a. Standards of Conduct. The Association shall indemnify any Official and any Association Employee against liability incurred in or as a result of the Proceeding if the Official or Association Employee: (1) conducted himself or herself in good faith; (2) reasonably believed (A) in the case of a Director acting in his or her official capacity, that his or her conduct was in the Association's best interest, or (B) in all other cases, that the Official's or Association Employee's conduct was at least not opposed to the Association's best interest; and (3) in the case of any criminal proceeding, the Official and Association Employee had no reasonable cause to believe his or her conduct was unlawful.
  - b. Settlement. The termination of any Proceeding by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, is not of itself determinative that the Official or Association Employee did not meet the applicable standards of conduct as set forth in subsection XII.A.2.a.
3. Indemnification Prohibited. The right of indemnification shall not extend to matters as to which the Official or Association Employee: (1) has been adjudged liable for gross negligence or willful misconduct in the performance of the Official's or Association Employee's duty to the Association; or (2) in connection with any Proceeding charging improper personal benefit to such Official or Association Employee, in which the party was adjudged liable on the basis that personal benefit was improperly received by such Official or Association Employee (even if the Association was not thereby damaged). Notwithstanding the foregoing, the Association shall indemnify such Official or Association Employee if and to the extent required by the court conducting the Proceeding or any other court of competent jurisdiction to which such Official or Association Employee has applied, if it is determined by such court, upon application by such Official or Association Employee that despite the adjudication of liability in the circumstances in clauses (1) and (2) subsection XII.A.2.a and in view of all relevant circumstances, the Official or Association Employee is fairly and reasonably entitled to indemnification for such expenses as the court deems proper in accordance with the Colorado Nonprofit Corporation Code.
4. Prior Authorization Required. Any indemnification under Section XII.A.2. (unless ordered by a court or in accordance with Section XII.A.5 below) shall be made by the Association only if authorized in the specific case after a determination has been made that the

Official or Association Employee is eligible for indemnification in the circumstances because such Official or Association Employee has met the applicable standards of conduct set forth in subsection XII.A.2.a and after an evaluation has been made as to the reasonableness of the Expenses. Any such determination, evaluation and authorization shall be made by the Board of Directors by a majority vote of a quorum of such Board, which quorum shall consist of Directors not parties to the proceeding, or by such other person or body as permitted by law.

5. Success on Merits or Otherwise. Notwithstanding any other provision of this Article XII, the Association shall indemnify such Official or Association Employee to the extent that such party has been successful, on the merits or otherwise, including, without limitation, dismissal without prejudice or settlement without admission of liability, in defense of any proceeding to which the party was a party against Expenses incurred by such party in connection therewith.
6. Advancement of Expenses. The Association may, but shall not be obligated to, pay for or reimburse the Expenses, or a portion thereof, incurred by a party in advance of the final disposition of the Proceeding if (a) the party furnishes the Association a written affirmation of such party's good faith belief that he or she has met the standard of conduct described in subsection XII.A.2.a (1); (b) the party furnishes the Association a written undertaking, executed personally or on behalf of such party, to repay the advance if it is ultimately determined that the party did not meet such standard of conduct; and (c) authorization of payment and a determination that the facts then known to those making the determination would not preclude indemnification under this Article; have been made in the manner provided in Section XII.A.4. The undertaking required by clause (b) must be an unlimited general obligation of the party, but need not be secured and may be accepted without reference to financial ability to make payment.
7. Payment Procedures. The Association shall promptly act upon any request for indemnification, which request must be in writing and accompanied by the order of court or other reasonable satisfactory evidence documenting disposition of the Proceeding in the case of indemnification under Section XII.A.4 and by the written affirmation and undertaking to repay as required by Section XII.A.5 in the case of indemnification under such Section XII.A.6. The right to indemnification and advances granted by this Article shall be enforceable in any court of competent jurisdiction if the Association denies the claim, in whole or in part, or if no disposition of such claim is made within 90 days after written request for indemnification is made. A party's Expenses incurred in connection with successfully establishing such party's right to indemnification, in whole or in part, in any such Proceeding shall also be paid by the Association.
8. Notification to Members. Any indemnification of or advance of Expenses to a Director (but not to any other party) in accordance with this Article, if arising out of a Proceeding by or on behalf of the Association, shall be reported in writing to the Members with or before the notice of the next meeting of Members.
9. Authority to Insure. The Association may purchase and maintain liability insurance on behalf of any Official or Association Employee against any liability asserted against him and incurred by him as a Official or Association Employee or arising out of his status as

such including liabilities for which a Official or Association Employee might not be entitled to indemnification hereunder.

10. Right to Impose Conditions to Indemnification. The Association shall have the right to impose, as conditions to any indemnification provided or permitted in this Article, such reasonable requirements and conditions as may appear appropriate to the Board of Directors in each specific case and circumstances, including, but not limited to, any one or more of the following: (a) that any counsel representing the party to be indemnified in connection with the defense or settlement of any proceeding shall be counsel mutually agreeable to the party and to the Association; (b) that the Association shall have the right at its option, to assume and control the defense or settlement of any Proceeding made, initiated, or threatened against the party to be indemnified; and (c) that the Association shall be subrogated, to the extent of any payments made by way of indemnification, to all of the indemnified party's right of recovery, and that the party to be indemnified shall execute all writings and do everything necessary to assure such rights or subrogation to the Association.
11. Other Rights and Remedies. The indemnification provided by this Article shall be in addition to any other rights which a party may have or hereafter acquire under any law, provision of the Covenants, Conditions, and Restrictions, rules, any other or further provision of these By-laws, vote of the Members or Board of Directors, agreement, or otherwise.
12. Applicability; Effect. The indemnification provided in this Article shall be applicable to acts or omissions that occurred prior to the adoption of this Article, shall continue as to any party entitled to indemnification under this Article who has ceased to be a Director, officer, or employee of the Association. The repeal or amendment of this Article or of any Section or provision hereof that would have the effect of limiting, qualifying, or restricting any of the powers or rights of indemnification provided or permitted in this Article shall not, solely by reason of such repeal or amendment, eliminate, restrict or otherwise affect the right or power of the Association to indemnify any person, or affect any rights of indemnification of such person, with respect to any acts or omissions that occurred prior to such repeal or amendment. All rights to indemnification under this Article shall be deemed to be provided by a contract between the Association and each party covered hereby.
13. Indemnification of Agents. The Association shall have the right, but shall not be obligated, to indemnify any agent of the Association not otherwise covered by this Article to the fullest extent permissible by the laws of Colorado. Unless otherwise provided in any separate indemnification arrangement, any such indemnification shall be made only as authorized in the specific case in the manner provided in Section XII.A.3.
14. Savings Clause; Limitation. If this Article or any Section or provision hereof shall be invalidated by any court on any ground, or if the Colorado Nonprofit Corporation Act is amended in such a way as to affect this Article, then the Association shall nevertheless indemnify each party otherwise entitled to indemnification hereunder to the fullest extent permitted by law of any applicable provision of this Article that shall not have been invalidated.

## ARTICLE XIII

### A. AMENDMENTS TO BY-LAWS

1. Any and all of these By-laws may be changed, amended, repealed or subtracted from or added to at any board meeting (regular or special) upon approval of a majority of those board members present.
2. The President may appoint a By-laws committee to periodically monitor By-laws and needs of the Association in order to recommend changes if and when they believe them to be necessary.