

**BYLAWS
OF
RIVER GLEN HOMEOWNERS' ASSOCIATION**

**ARTICLE I
Name and Location**

The name of the corporation is River Glen Homeowners' Association, hereinafter referred to as "Association." River Glen subdivision is located in Larimer County, Colorado as specified on the Plats of River Glen recorded with Larimer County. Meetings of Members and directors may be held at such places within the State of Colorado as may be designated from time to time by the Board of Directors.

**ARTICLE II
Eligibility for Membership**

1. Membership. Every record owner, whether one or more persons or entities, of a fee simple title to any lot in Plat of River Glen and River Glen Replat of Tract A shall be a Member of the Association. The foregoing shall include contract buyers but shall exclude persons or entities who hold such interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of a lot and ownership of a lot shall be the sole qualification for membership.

2. Transfer of Membership. A membership in the Association shall not be assigned, encumbered or transferred in any manner except as an appurtenance to transfer of title to a lot to which the membership pertains; provided, however, the rights of membership may be assigned to the holder of a mortgage, deed of trust or other security instrument on a lot as further security for a loan secured by a lien on such lot. A transfer of membership shall occur automatically upon the transfer of title to the lot to which the membership pertains but the Association shall be entitled to treat the person or persons in whose name or names the membership is recorded on the books and records of the Association as a Member for all purposes until such time as evidence in a transfer of title, satisfactory to the Association, has been submitted to the Secretary.

**ARTICLE III
Meetings of Members**

1. Annual Meetings. The Association shall hold annual meetings. At such meeting there shall be elected a Board of Directors in accordance with the requirements of Article IV of these Bylaws. At the Annual Meeting the Members may also transact such other business of the Association as may properly come before them.

2. Special Meetings. Special meetings of the Members for any purposes other than those regulated by statute may be called by the President as directed by resolution of the Board of Directors or upon petition signed by those holding one-fourth of the votes in the Association entitled to be cast by Members. Such petition shall state the purpose or purposes of such proposed meeting. No business shall be transacted at a special meeting, except as stated in the notice, unless by consent of four-fifths of the votes entitled to be cast by Members present, either in person or by proxy.

3. Notice of Meetings. The President or Secretary shall give or cause to be given written notice of each Member meeting by mailing, electronic means such as email or website, or hand delivering such notice at least fifteen days prior to such meeting, unless a different period is required by statute or the Declaration, to each Member at the respective addresses of said Members as they appear on the records of the Association. The notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting. As used in this paragraph and elsewhere in these Bylaws the word "Declaration" refers to the Amended and Restated Declaration of Covenants, Conditions and Restrictions.

4. Quorum. The presence, either in person or by proxy, of ten per cent of the votes entitled to be cast by Members shall constitute a quorum for all purposes unless the representation of a larger number of votes shall be required by statute, by the Declaration, by the Articles of Incorporation or by these Bylaws and in that event representation of the number so required shall constitute a quorum.

5. Membership and Voting Right. Members are defined in Article II above. Each Member shall be entitled to one vote for each lot in which it holds the interest required for membership as prescribed by Article II above. Only Members who pay membership assessments and whose annual membership assessments (and interest if applicable) are not delinquent shall be entitled to vote at meetings of the Association or by written ballot. Each membership shall be entitled to one (1) vote for each lot owned where dues are paid. That vote may be exercised by any Member of the membership unit. It shall be the responsibility of the membership voting unit to confirm that their annual membership assessments are paid. Voting on administrative business at meetings will be verbal or by written ballot, as provisioned in the Colorado State Revised Statutes.

6. Adjournment of Meeting. Subject to the limitations set forth in the Declaration, if the number of Members necessary to constitute a quorum shall fail to attend in person or by proxy at the time and place of meeting, the Chairman of the meeting, or a majority in interest of the Members present in person or by proxy, may adjourn the meeting until the necessary number of Members shall be in attendance. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting.

7. Proxies. At all meetings of Members, each Member may vote in person or by sending a proxy. A proxy is a person designated to vote on behalf of a Member. All proxy designations shall be in writing and filed with the Secretary before the time of each meeting or upon the calling of the meeting to order. Every proxy designation shall be revocable and shall cease automatically upon conveyance of his/her lot by a Member.

8. Waiver of Notice. Any Member at any time may waive any notice required to be given under these Bylaws, or by statute or otherwise. The presence of a Member person at any meeting of the Members shall be deemed such a waiver.

9. Conduct of Meetings. The conduct of all meetings shall be in accordance with the Provisions of Colorado Law; the Amended and Restated Declaration of Covenants, Conditions and Restrictions and Bylaws, Articles of Incorporation; and Robert's Rules of Order, newly revised, only when Robert's Rules of Order do not conflict with the provisions of the Law or the other documents.

ARTICLE IV

Board of Directors

1. Number of Directors and Qualification. The business, property and affairs of the Association shall be managed, controlled and conducted by a Board of Directors consisting of not less than three and not more than seven members, the exact number to be determined by the Members of the Association at the annual meeting. Only Members in good standing of the Association shall serve on the Board of Directors.

2. Nomination of Directors. Nominations for election to the board of Directors to be elected shall be made by a Nominating Committee and 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. Said Committee shall be appointed by the Board of Directors prior to each annual membership meeting, to serve from the close of such 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 to be filled.

3. Election and Term of Office. At the annual meeting, the Members shall elect the number of Directors they have agreed upon as provided in paragraph 1 of this article IV. The term of office is one (1) year.

4. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association, and shall exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by statute, other provisions of these Bylaws, the Articles of Incorporation or the Declaration. Such powers and duties shall include, but not be limited to, the power to:

- a. Adopt and publish rules and regulations governing the use of the Common Area and facilities;
- b. Suspend the voting rights and right to use of the recreational facilities of a Member during any period in which the Member is in default in the payment of any assessment levied by the Association;
- c. Employ a manager, an independent contractor or such other employees as it deems necessary and to prescribe their duties;
- d. Cause to be kept a complete record of all its acts and corporate affairs and present a statement thereof to the Members at their annual meeting or at any special meeting when such a statement is requested by those holding one-fourth of the votes in the Association entitled to be cast by Members;
- e. Supervise all officers, agents and employees of the Association and see that their duties are properly performed;
- f. Fix the amount of the annual assessment against each lot, give notice of such assessment and have all rights with respect to failure to pay such assessment all as more fully provided in the Declaration;

- g. Issue or cause to be issued, upon demand by any person, a certificate stating whether or not any assessment has been paid;
- h. Procure and maintain adequate liability and hazard insurance on the Association's property;
- i. Cause the Common Area to be maintained.

The Board of Directors may delegate such duties as appear to be in the best interests of the Association to the extent permitted by law.

5. Vacancies. Vacancies on the Board of Directors caused by any reason shall be filled by vote of a majority of the remaining directors even though they may consist of less than a quorum and each person so elected shall be a director until his/her successor is elected by the Members at the next annual meeting.

6. Removal of Directors. At any regular or special meeting of the Members, any one or more of the directors may be removed with or without cause at any time by the affirmative vote of a majority of all votes entitled to be cast by the entire membership of record and a successor may then be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Members shall be given an opportunity to be heard at the meeting.

7. Compensation. No compensation shall be paid to directors for their services as directors and no compensation shall be paid to a director for services performed by him for the Association in any other capacity, unless a resolution authorizing such compensation shall have been unanimously adopted by the Board of Directors.

8. Organization Meeting. The first meeting of a newly elected Board of Directors shall be held within ten days of its election at such time and place as shall be fixed at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, provided a majority of the whole Board shall be present.

9. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director, personally or by mail, telephone, or email or text message, at least three days prior to the day named for the meeting.

10. Special Meetings. Special meetings of the Board of Directors may be called by the President or by two of the Directors on three days' notice to each director, given personally or by mail, telephone, email or text message, which notice shall state the time, place and purpose of the meeting.

11. Waiver of Notice. Before or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

12. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business, but if at any meeting of the Board there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. 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 an act of the Board.

13. Adjournments. The Board of Directors may adjourn any meeting from day to day or for such other time as may be prudent or necessary in the interests of the Association, provided that no meeting may be adjourned for a period longer than thirty days.

14. Fidelity Bonds. The Board of Directors may require that all officers and employees of the Association handling or responsible for association funds furnish adequate Fidelity Bonds. The premiums on such bonds shall be paid by the Association.

15. Annual Audit. The Board shall cause the books of the Association to be reviewed annually by an accountant selected by the Directors, who, unless said audit is conducted by a certified public accountant, shall not be a Member of the Association. The prepared report shall be available to Members of the Association

15. Executive Committee of Board of Directors. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint an Executive Committee of the Board. The number of members of the Executive Committee and the persons who shall be members thereof shall be determined by the Board but the number of such members shall not be fewer than two. Unless limited by resolution of the Board, the Executive Committee shall have and exercise all the authority of the Board of Directors except that such Committee shall not have the authority of the Board of Directors with reference to amending, altering or repealing the Bylaws, electing, appointing or removing any Member of such Committee or any Officer or Director of the Association; amending the Articles of Incorporation; restating the Articles of Incorporation; adopting a plan of merger or adopting a plan of consolidation with another association; authorizing the voluntary dissolution of the Association or revoking proceedings therefore; adopting a plan for the distribution of assets of the Association; or amending, altering or repealing any resolution of the Board of Directors. All of the provisions in these Bylaws with respect to Notice of Meetings of Directors, quorum at such meetings, voting at such meetings and Waivers of Notice of such meetings shall be applicable to the meetings of the Executive Committee.

ARTICLE V

Officers

1. Designation and Qualifications. The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by and from the Board of Directors. Any person may hold two offices except that the President shall not also hold the office of Secretary. The directors may appoint an Assistant Secretary and an Assistant Treasurer, and such other officers as in their judgment may be necessary.

2. Election and Term of Office. The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board, and each shall hold office for a period of one year, unless he/she shall sooner resign, be removed, or otherwise be disqualified to serve.

3. Resignation and Removal. Any officer may resign at any time by giving written notice of said

resignation to the Board, the Secretary or the President. Any officer may be removed from office, with or without cause, upon an affirmative vote of a majority of the members of the Board of Directors, and his/her successor elected at any regular meeting of the Board or at any special meeting called for that purpose.

4. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer so appointed shall serve for the remainder of the term of the officer he/she replaces.

5. President. The President shall be the chief executive office of the Association. He/she shall preside at all meetings of the Members and of the Board of Directors. He/she shall have all of the general powers and duties which are normally vested in the office of the president of an association, including, but not limited to, the power to appoint committees from among the Members, from time to time, as he/she may in his/her discretion decide is appropriate to assist in the conduct of the affairs of the Association.

6. Vice President. The Vice President shall take the place of the President and perform his/her duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

7. Secretary. The Secretary shall keep the minutes of all meetings, shall have custody of the seal of the Association, shall have charge of the membership books and such other books and papers as the Board of Directors may direct and shall, in general, perform all the duties incident to the office of Secretary.

8. Treasurer. The Treasurer shall have the responsibility for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for deposit of all monies and other valuable effects in the name and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors. One board member, other than the Treasurer, shall be appointed to verify all deposits and deposit records. At least one board member shall be appointed to cosign payment checks with the Treasurer.

9. Compensation. No compensation shall be paid to officers for their services as officers. No compensation shall be paid to an officer for services performed by him for the Association in any capacity, unless a resolution authorizing such compensation shall have been unanimously adopted by the Board of Directors.

ARTICLE VI

Association Seal

The Board of Directors shall provide a suitable Association seal containing the name of the Association, which seal shall be in the custody and control of the Secretary. The Association seal shall be in circular form, shall have inscribed thereon the name of the Association and the word "Colorado" in the circle and the word "Seal" in the middle. A duplicate seal may be kept and used by such officer or other person as the Board of Directors shall name.

ARTICLE VII

Indemnification of Officers and Directors

The Association shall indemnify every Director or officer, his/her heirs, executors, administrators and representatives against all loss, costs and expenses, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he/she may be made a party by reason of his/her being or having been a Director or officer of the Association, except as to matters as to which he/she shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Board of Directors may determine that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his/her duty as such manager or officer in relation to the matter involved. The foregoing right shall not be exclusive of other rights to which such manager or officer may be entitled. All liability, loss, damage, costs and expense incurred or suffered by the Association by reason of, arising out of, or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expenses; provided, however, that nothing in this Article VII shall be deemed to obligate the Association to indemnify any Member or Owner 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 under and by virtue of the Declaration as a Member of Owner of a lot covered thereby.

ARTICLE VIII

Miscellaneous

- 1. Books and Accounts.** Books and accounts of the Association shall be kept under the direction of the Treasurer and in accordance with general accepted accounting principles (GAAP).
- 2. Inspection of Books.** Financial reports and membership records of the Association shall be available at the principal offices of the Association for inspection at reasonable times by any Members of the Association.
- 3. Execution of Association Documents.** With the prior authorization of the Board of Directors, all notes, checks and contracts or other obligations shall be executed on behalf of the Association by any officer or director of the Association.
- 4. Fiscal Year.** The fiscal year of the Association shall be from January 1 of each year through December 31 of the same year and shall be subject to change by the Board of Directors should Association practice subsequently necessitate such change.
- 5. Annual Assessments.** The Board of Directors shall fix, levy and collect fees and/or assessments in the manner and for the purpose specified in the Declaration and the Members shall pay fees and/or assessments as therein provided.
- 6. Interpretation.** Any question as to the meaning or proper interpretation of any provisions of these Bylaws shall be determined by the Board.
- 7. Reserve Funds.** The Board shall establish and maintain from time to time, separate and distinct reserve funds for assuring the continued maintenance and support of the various Association assets or

operations. The reserve funds may include, but are not limited to the: Wastewater Treatment Plant Fund, until such time that the Wastewater Treatment Plant is retired; Wastewater Collection System; Irrigation Water Distribution System; Common Area Maintenance; and General Expenses. All reserve funds shall be used as financial safeguard for continued operation of the separate Association assets or operations. Balances within these funds shall be set apart from the general budget considerations except where additional amounts are required to increase a specific reserve fund balance in anticipation of future needs.

Safeguards of Reserve Funds. Reserve funds may be placed in any Federally Insured interest bearing savings/checking account(s) or in Federally Insured certificates of deposit ("CD's") only and cannot be used as collateral for loans or encumbered in any way other than for the Association assets with which they are associated.

Increases to the Reserve Funds. Reserve funds shall be reviewed annually with respect to: the expenses of the prior year, anticipated replacement and maintenance costs, and recommendations from committees and the Board of Directors. Reserve funds may also be increased or decreased by the Association, based on recommendation of the Board of Directors at the annual meeting. Prior to the annual meeting, the projected requirements for each reserve fund for the next fiscal year will be determined by the Association Board, using the factors described above.

Reallocation of Amounts Between Reserve Funds. The Board of Directors may reallocate amounts among reserve funds as required to continue operation of the Association in an emergency situation or in the event of any unanticipated cost. The Board of Directors shall provide notice to the Association Members that such a reallocation has taken place. The Board of Directors shall also indicate the reason for reallocation and whether or not an increase of assessments is required. The Board of Directors shall also be required to hold an Association meeting as outlined below if a disbursement from a reserve fund is for a purpose other than those outlined below, in the paragraph marked "Association Approval."

Reserve Fund Disbursements. Disbursements from any Reserve fund must be approved by majority vote of a quorum of the Board at a duly called meeting of the Board. Each disbursement from a Reserve fund shall require the signatures of two (2) of the Board Members authorized on the account.

Reserve Fund Repayment. In the event of a disbursement from a Reserve fund, an "automatic" quarterly assessment, as determined by the Board of Directors, will be initiated commencing with the next regular quarterly assessment. This assessment does not require a special meeting of or the approval of the Association. The assessment for each lot shall be not less than the amount required to amortize expenditures from the Reserve fund in no more than five (5) years

Association Approval. Changes in this Bylaw as it relates to these Reserve funds can be made only by an affirmative vote of 2/3 of the Members in good standing of the Association attending a regular or special meeting of the Association. Proposed changes in the Bylaw as it relates to the Reserve funds must be sent by first class mail to each Association Member no less than 10 days prior to the meeting date where a vote on the change will be taken. Disbursements from Reserve funds for purposes other than those outlined below must be approved, in advance of any actual expenditure or commitment of funds, by a majority vote of the Members attending any regular or special meeting of the Association. Notice of the proposed expenditure and nature of the expenditure must be mailed by first class mail no less than 10 days prior to the meeting where a vote will be taken to approve such expenditure.

Initial Reserve Fund Amount. Within 90 days of the Association annual meeting, the Board of Directors shall cause the amount it has determined to be necessary for each Reserve fund in such account or shall cause an additional monthly or quarterly assessment as necessary to increase the Reserve Fund amount. All Reserve Funds shall be tracked as separate items on the financial books of the Association.

Association Approval. Changes in this Bylaw as it relates to any of the Reserve Funds can be made only by an affirmative vote of 2/3 of the Members of the Association attending a regular or special meeting of the Association. Proposed changes in the Bylaw as it relates to any Reserve Fund must be sent by first class mail to each Association Member no less than 10 days prior to the meeting date where a vote on the change will be taken.

ARTICLE IX

Committees and Hearing Panel

Committees. All committees shall have a written and approved charter. The Board shall establish committees as it deems necessary and appropriate, and appoint committee members accordingly.

Existing Committees. Existing committees are: Architectural Review Committee, New Sanitation System Committee, Irrigation Committee, Nomination Committee and the Sewer Operations Committee.

Hearing Panel. The Board of Directors shall appoint three Members in good standing to serve as the Hearing Panel for the Association. In the event that there are no volunteers to serve on the Hearing Panel the Board shall appoint three Board members to serve. A Member may request a hearing before the hearing panel. The hearing panel procedures will be prepared, approved and published by the Board of Directors and made available to all Members of the Association.




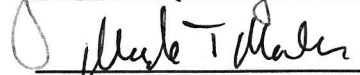

ARTICLE X **Amendment of the Bylaws**

1. Amendment by the Members. These Bylaws may be amended by the affirmative vote of two-thirds of the votes entitled to be cast by Members present or represented by proxy at any regular or special meeting if a quorum as described in paragraph 4, Article III herein, is present at any such meeting. Amendments may be proposed by the Board of Directors or by petition signed by Members holding a majority of votes entitled to be cast at any meeting. A statement of any proposed amendment shall accompany the notice of any regular or special meeting at which such proposed amendment shall be voted upon.

2. Amendment by the Directors. By the affirmative vote of two-thirds (2/3) of the directors of the Association, the directors may amend or alter the Bylaws of the Association at any regular meeting or at any special meeting, provided that no such alteration or amendment by the Board of Directors shall increase the powers of the Board of Directors. The statement of any proposed amendment shall accompany notice of any regular or special meeting at which such proposed amendment shall be voted upon.

3. Limitation. These Bylaws may not be amended insofar as such amendment would be inconsistent with any statutes, the Declaration or the Articles of Incorporation. In the event of any conflict between the Declaration and these Bylaws, the Declaration shall control; in the event of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control.

IN WITNESS WHEREOF, the undersigned, constituting all of the directors of the association, have hereunto set their hands this 8TH day of JANUARY, XXXX- 2015.

	<u>1/8/15</u>	<u>Gary A. Klags</u>	<u>President</u>
	<u>1/8/15</u>	<u>Kenneth A. Carpenter</u>	<u>Vice President</u>
	<u>1/8/15</u>	<u>Julie Rogers</u>	<u>Treasurer</u>
	<u>1/8/15</u>	<u>Mark McChie</u>	<u>Secretary</u>
	<u>1/8/15</u>	<u>Jamie Johnson</u>	<u>Member at Large</u>
_____	_____	_____	_____