

**BYLAWS OF  
THE HAMLET AT CASTLE PINES NORTH  
HOMEOWNERS ASSOCIATION, INC.**

The name of the corporation shall be The Hamlet at Castle Pines North Homeowners Association, Inc. (hereinafter referred to as the Association).

**ARTICLE 1  
Object and Definitions**

*1.1 Purpose.* The purpose for which this Association is formed is to govern the property situated in the County of Douglas, State of Colorado, platted as Castle Pines North Parcel R-13, that has been subjected to the terms of the Declaration of Covenants, Conditions and Restrictions for the Hamlet subdivision, recorded April 7, 1988, at Reception No. 8807820 in Book 785 at Page 478, in the office of the Clerk and Recorder, Douglas County, Colorado, and any amendments or additions thereto (hereinafter referred to as the Declaration).

*1.2 Definitions.* Unless otherwise specified, the following terms shall have the same meaning in these bylaws as such terms have in the Declaration: Association, Common Area, Declarant, Lot, Member, Owner, Property or Properties, and The Hamlet.

*1.3 Assent.* All present and future Owners, tenants, future tenants, or any other person using the facilities of the Association in any manner are subject to the provisions set forth in these bylaws. The mere acquisition or rental of any of the Lots or the mere act of occupancy of any of the Lots will signify that these bylaws are accepted, ratified, and will be complied with.

**ARTICLE 2  
Membership, Voting, Quorum, Proxies**

*2.1 Membership.* Every Owner shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot. No Owner, whether including one or more persons, shall have more than one membership per Lot owned, but all of the persons owning each Lot shall be entitled to rights of membership and of use and enjoyment appurtenant to ownership of a Lot. No certificates of stock shall be issued by the Association.

*2.2 Transfer of Membership.* Any person, on becoming an Owner of a Lot, shall automatically become a member of the Association and be subject to the provisions of the articles of incorporation and these bylaws. Such membership shall terminate without any Association action whenever such person ceases to own a Lot, but such termination shall not relieve or release any such former Owner from any liability or obligation incurred under or in any connection with the Association during the period of such ownership and membership in this Association, or impair any rights or remedies which the Association, the Board of Directors of the Association or others may have against such former Owner and member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto.

*2.3 Voting.* The Association shall have one class of voting membership. Each Owner shall be entitled to one vote, and only one vote, for each Lot owned. When more than one person holds an interest in any Lot, all such

persons shall be members. The vote for such Lot shall be exercised as the persons or entities holding such interests shall determine between themselves, and the secretary of the Association shall be notified by written proxy of such designation before any meeting. In the absence of such notification, the Lot's vote shall be suspended if more than one person seeks to exercise such vote at any meeting. By vote of the Board of Directors, an Owner's voting rights may be suspended for such period of time as the Owner may be in default under any of the covenants and bylaws. An Owner of an undivided fractional interest in a Lot shall not be entitled to a vote equal to its fractional ownership interest in such Lot. Cumulative voting is prohibited.

*2.4 Quorum of Members.* At all meetings of members, the presence in person or by proxy of the Owners of twenty five percent (25%) of the Lots shall constitute a quorum, except as otherwise provided in these bylaws. An affirmative vote of a majority of the Owners present, either in person or by proxy, shall be necessary for the members to take action or make decisions; provided, however, no director shall be removed by vote of Owners unless a majority of all Owners vote affirmatively therefor.

*2.5 Proxies.* At all meetings of members, votes may be cast in person or by proxy. Proxies shall be in writing, and the signatures must be witnessed or acknowledged. Proxies must be filed with the secretary before the appointed time of each meeting. No proxy shall be valid for a period longer than twelve months after the date thereof.

*2.6 Records.* All members shall have the right to inspect the books and records of the Association at reasonable times upon reasonable advance notice to the secretary. Members will be provided copies of the Declaration, articles of incorporation and bylaws from the Association.

### **ARTICLE 3**

#### **Meetings of Members**

*3.1 Annual Meetings of Members.* The annual meetings of members of the Association shall be held on the second Tuesday in May in each year at a place and hour fixed by the Board of Directors. If the day for the annual meeting is a legal holiday, the meeting will be held on the first day following that is not a legal holiday. At annual meetings of members, and in accordance with the requirements of Sections 4.5 and 4.6 of these bylaws, the Owners shall elect members of the Board of Directors. The members may also transact such other business of the Association as may properly come before them.

*3.2 Special Meetings of Members.* The President may call a special meeting of the members upon his own initiative and shall call a special meeting for any purpose, including meetings for special assessments, when so directed by resolution of the Board of Directors or upon presentation to the secretary of a petition signed by a majority of the Owners. No business shall be transacted at a special meeting except as stated in the notice unless by consent of two-thirds of the Owners present either in person or by proxy. Any such meetings shall be held at such place and time as the President determines within thirty (30) days after receipt by the President of such resolution or petition.

*3.3 Special Meetings for Special Assessments.* As permitted in the Covenants, a special meeting may be called for the purpose of imposing a special assessment. Notice for this type of special meeting shall be sent to all Owners not less than five (5) days and not more than thirty (30) days in advance of the meeting. The required quorum for the first such meeting called shall be sixty percent (60%), in person or by proxy, of all of the votes of the Owners. In the event that less than sixty percent (60%) of the Owners are not present in person or by proxy at the

first meeting, those members present may continue the meeting to another date within sixty (60) days and, subject to the same notice requirements as the first meeting, the quorum shall then be only twenty five percent (25%), in person or by proxy, of all of the votes of the membership. All special assessments require approval by two-thirds of those voting at the special meeting and notice in writing of such special assessment shall be given to all Owners not less than thirty (30) days before the first due date of the special assessment.

*3.4 Notices.* Notices of each annual and special meeting of members, except as set forth in section 3.3 above, shall be given by the president or secretary of the Association by regular mail, postage prepaid, addressed to the addresses of the Owners appearing on the books of the Association at least ten (10) days prior to the date set for the meeting. Any such notice shall state the date, time and place of the meeting and if the meeting is a special meeting, the purposes thereof. If the purpose is for amending the bylaws, the notice shall include the information required by Article 8. Waiver of notice, either in person or by proxy, and signed either before, at or after any meeting, shall be a valid substitute for the giving of notice. The certificate of the president or secretary that notice was duly given shall be prima facie evidence thereof.

*3.5 Adjourned Meeting.* If any meeting of the members cannot be conducted because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum is present in person or by proxy.

*3.6 Order of Business.* The order of business at all meetings of the members shall be as follows:

- (a) Roll call, proxy certification, and determination of a quorum.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading and approval or correction of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Reports of committees.
- (f) Election of directors (annual meeting only).
- (g) Unfinished business.
- (h) New business.
- (i) Adjournment.

## **ARTICLE 4**

### **Board of Directors**

*4.1 Conduct of Association Affairs.* The Association has been formed to further the common interests of the members. The affairs of the Association shall be conducted by a Board of Directors which may, to the extent allowed by law, delegate by resolution any portion of its authority to an executive committee or managing agent for the Association. Any such executive committee must have no less than two directors as members.

*4.2 Powers and Duties.* The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the project as a first class residential property. The Board of Directors shall have all powers and duties permitted by law including, but not limited to, the following rights and duties on behalf of the Association:

(a) To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Declaration and to exercise the authority provided by the Association's articles of incorporation and bylaws;

(b) To establish, make and enforce compliance with such reasonable rules and regulations as may be necessary or helpful for the operation, use and occupancy of the Lots, including the right to amend same from time to time. Such rules and regulations may supplement, further define, and implement the use and other restrictions and provisions set out in the Declaration. A copy of the rules and regulations and any changes to them will be provided to each member upon adoption;

(c) To keep, or cause to be kept, in good order, condition and repair all of the common area and all items of the Association's personal property, if any;

(d) To insure all those parts of the property as provided in the Declaration and to provide for such other insurance as may be deemed necessary by the Board of Directors;

(e) To adopt an annual budget and to fix, determine, levy and collect the assessments to be paid by each of the Owners towards the common expenses of the Property as well as all other assessments described in the Declaration;

(f) To collect delinquent assessments by suit, foreclosure or otherwise and to enjoin or seek damages from an Owner as and if provided in the Declaration and these bylaws;

(g) To protect and defend the Property from loss and damage by suit or otherwise;

(h) To borrow funds in the name of the Association and to execute all such instruments evidencing such indebtedness, provided that any such indebtedness must be approved by seventy-five percent of the Owners;

(i) To enter into and perform contracts within the scope of the duties and powers of the Association.

(j) To establish a bank account for the common treasury and for all separate funds which are required or may be deemed advisable by the Board of Directors;

(k) To keep and maintain full and accurate financial books and records showing all receipts, expenses or disbursements of the Association funds including charging the same to accounts under the following special classifications as shall be appropriate, all of which expenditures shall be common expenses:

(1) Current expense, which shall include all funds and expenditures within the year for which the funds are budgeted, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves or to additional improvements.

(2) Reserve for working capital, which shall include the funds contributed by each Owner at the initial purchase of a lot in the amount equal to one-fourth (1/4) the annual assessment fee. Funds within the reserve account may be used for current expenses to supplement receipts until assessments are collected, but subsequent annual assessments shall first be applied to replenish any deficiency in this reserve account.

(3) Reserve for replacement, which shall include funds for repair or replacement required because of damage, wear, or obsolescence.

(l) To prepare and present annually to Owners, at the regular annual meeting of members or otherwise, a statement showing, in at least summary form, all receipts, expenses, or disbursements of the Association since the last such statement and to permit examination of the Association's financial books and records at any reasonable time by each of the Owners;

(m) To meet at least four times a year to conduct business;

(n) To make repairs, additions, alterations, and improvements as provided in the Declaration and consistent with managing the project in a first class manner and consistent with the best interests of the Owners:

(o) To select, contract with, supervise and terminate employees, management companies, agents, contractors, and other personnel as the Board of Directors deems necessary for the maintenance and operation of the Common Area and Property in accordance with the provisions of the Declaration;

(p) To maintain records of the Association's business and affairs, including without limitation by reason of identifying some records but not all, records of the corporation's formation and organization; minutes of meetings of the Board of Directors, members, and committees; rules and regulations; contract obligations; and other activities; and

(q) In general to carry on the administration of this Association and to do all of those things necessary and reasonable in order to carry out the communal aspect of ownership in the Property.

*4.3 Number and Qualification.* The Board of Directors shall consist of five members. The initial Board of Directors shall be the five persons in office at the time of the adoption of these bylaws. Any Owner in good standing under the Covenants and bylaws shall be eligible to serve as a Director.

*4.4 Nomination of Directors.* Nomination for election to the Board of Directors by members shall be made by a nominating 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 Owners. The nominating committee shall be appointed by the President prior to each annual meeting of the members, to serve until election of directors has been completed. Members of the nominating committee 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.

*4.5 Election of Directors.* Election to the Board of Directors by members shall be by secret written ballot if there are more candidates than openings on the Board. If the number of candidates is less than or equal to the number of openings, then election shall be by a voice vote. The nominating committee shall prepare all necessary ballots and conduct the election at the annual meeting. At such election the Owners or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration and these bylaws. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

*4.6 Term of Office, Classes of Directors.* The term of office for each director shall be two years. At the first such election following the adoption of these bylaws, the Board of Directors shall designate three directors as Class 1 (#1, 3, & 5) and two directors as Class 2 (#2 & #4). The odd numbered class will be elected to two year terms in odd numbered years and the even numbered class will be elected to two year terms in even numbered years.

*4.7 Vacancies.* Vacancies in the Board of Directors caused by any reason other than the removal of a director as provided in these bylaws shall be filled by vote of the majority of the remaining directors, even though there may not be enough remaining directors to constitute a quorum of the authorized number of directors. Each person so elected shall be a director for the unexpired term of the predecessor in office.

*4.8 Removal of Directors by Members.* At any regular meeting or at any special meeting called for that purpose, any one or more of the directors may be removed, with or without cause, by eighty percent (80%) of the Directors and a successor may then and there be appointed to fill the vacancy thus created. Similarly, a Director may be removed by a majority vote of the Owners at any regular or special meeting called for that purpose, and a successor may then and there be elected as provided in these bylaws to fill the vacancy thus created. Any Director whose removal has been so proposed by the members shall be given an opportunity to be heard at the meeting.

*4.9 Vacation of Director Position.* The position of any member of the Board of Directors may be declared vacant by the Board of Directors in the event such member is absent without valid excuse from three consecutive regular meetings of the Board of Directors.

*4.10 Organization Meeting.* The first meeting of a newly created Board of Directors shall be held immediately following the annual meeting. No notice shall be necessary to the newly elected directors in order to legally constitute such meeting.

*4.11 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 regular meetings shall be held during each fiscal year, one of which shall be held immediately following the annual meeting of Owners. No notice need be given of regularly scheduled meetings. Should any meeting fall upon a legal holiday, that meeting shall be held on the same time and day of the following week.

*4.12 Special Meetings.* Special meetings of the Board of Directors may be called by the President on at least two days' notice to each director, given personally, or by mail, telephone or telefax. The notice shall state the time, place, and purpose of the meeting. Special meetings of the Board of Directors shall be called by the president or secretary in like manner and on like notice on the written request of at least two directors.

*4.13 Waiver of Notice.* Before, at or after any meeting of the Board of Directors for which notice is required, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of 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.

*4.14 Action Without a Meeting.* The directors shall have the right to take any action in the absence of a meeting that 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.

*4.15 Quorum of Directors.* At all meetings of the Board of Directors, a majority of the number of directors shall constitute a quorum for the transaction of business. The acts of the majority of the directors present at a meeting and at which a quorum is present shall be the acts of the Board of Directors. If any meeting of the Board of Directors cannot be conducted because a quorum has not attended, the directors who are present may adjourn the meeting from time to time without notice other than announcement at the meeting until a quorum is present in person or by proxy.

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

*4.17 Compensation.* Directors shall not receive compensation for any service they may render to the Association. Directors may be reimbursed for their actual expenses incurred in the performance of their duties.

## **ARTICLE 5**

### **Officers and Committees**

*5.1 Designation.* The officers of the Association shall be a President, a Vice President, a Secretary and Treasurer, all of whom shall be elected by the Board of Directors. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices. Such Officers need not be members of the Board of Directors, but each shall be an Owner of a unit in the Property.

*5.2 Election and Term of Officers.* The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new board. Each officer shall hold office for one year until the next organizational meeting for the newly elected Board of Directors, unless the officer shall resign, or shall be removed or otherwise disqualified to serve.

*5.3 Removal of Officers; Vacancies.* Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, with or without cause, and a successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board for such purpose. A vacancy created in any office for any reason may be filled by appointment by the Board. Officers appointed to fill vacancies shall be appointed for the remainder of the term of the officer replaced.

*5.4 President.* The President shall be the chief executive officer of the Association. The president shall preside at all meetings of the Association and the Board of Directors. The president shall have all of the general powers and duties which are usually vested in the office of the president of a nonprofit corporation, including but not limited to execution of the Association's contracts and other written instruments on its behalf.

*5.5 Vice President.* The vice president shall have all the powers and authority and perform all of the functions and duties of the president in the absence or inability for any reason to exercise such powers and functions or perform such duties. The vice president shall perform such other duties as may be assigned by the Board of Directors.

*5.6 Secretary.* The secretary shall keep the minutes of meetings of the Board of Directors and minutes of meetings of the Association; keep the corporate seal of the Association and affix it on all papers of the Association to be sealed; have charge of such books and papers as the Board of Directors may direct; serve notice of meetings of the Owners and directors as required, co-sign contracts and other written instruments on behalf of the Association; and

generally perform all the duties incident to the office of secretary and perform such other duties as may be assigned by the Board of Directors. The secretary shall compile and keep up to date at the principal office of the Association a complete list of members and their registered mailing addresses. Such list shall also show opposite each member's name the number or other appropriate designation of the Lot owned by each member. Such list shall be open to inspection by members and other persons lawfully entitled to inspect the same at reasonable times during regular business hours.

*5.7 Treasurer.* The treasurer shall have responsibility for Association funds, shall receive and deposit all money of the Association in such bank accounts as the Board of Directors may designate from time to time, shall disburse such funds as authorized by the Board of Directors, and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The treasurer shall be responsible for the deposit of all valuable instruments 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; shall be responsible for any required audit of the Association's books; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting. The treasurer shall co-sign any promissory notes issued by the Association. In the event that a managing agent is engaged by the Association to collect and disburse funds, the Treasurer shall review the accounts of the managing agent not less often than once each calendar quarter.

*5.8 Assistant Secretary.* The Board of Directors may appoint one or more assistant secretaries to perform all of the duties of the secretary in the absence of the secretary or to assist the secretary.

*5.9 Assistant Treasurer.* The Board of Directors may appoint one or more assistant treasurers to perform all of the duties of the treasurer in the absence of the treasurer or to assist the treasurer.

*5.10 Master Association Delegate.* The Board of Directors shall appoint the District Delegate for The Hamlet to the Castle Pines North Master Association and the Delegate will report to and take direction from the Board of Directors.

*5.11 Committees.* The Board of Directors shall appoint an architectural control committee to perform functions as provided in the Declaration, a nominating committee to serve as provided in these bylaws, and such other committees as deemed appropriate in carrying out its purposes. Any such committees must have no less than two directors as members and may have other Owners as members.

## **ARTICLE 6**

### **Indemnification of Officers and Directors**

*6.1 Indemnification.* The Association shall indemnify each director and officer, their heirs, personal representatives and other successors against all loss, costs and expense, including attorneys' fees, reasonably incurred by them in connection with any action, suit or proceeding to which they may be made a party by reason of being or having been a director or officer of the Association, except as to matters as to which they 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 Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duties as director or officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which directors or officers may be entitled. All liability,



loss, damage, costs and expense incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expenses; provided, however, nothing contained in this section 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 them as a member or Owner of a Lot.

## **ARTICLE 7**

### **Obligations of the Owners and General Provisions**

*7.1 Assessments.* All Owners shall be obligated to pay the monthly, quarterly, annual, or special assessments imposed by the Association to meet the common expenses, including all interest and late charges imposed for any failure to timely pay the assessments. A Member shall be deemed to be in good standing and entitled to vote at any annual or at a special meeting of Members, within the meaning of these bylaws, if, and only if, he shall have fully paid all assessments made or levied against him and the Lot owned by him.

*7.2 Mechanic's Lien.* Each Owner agrees to indemnify and to hold each of the other Owners harmless from any and all claims of mechanic's lien filed against other Lots and the Common Area for labor, materials, services or other products incorporated in the Owner's Lot. In the event such a lien is filed or suit for foreclosure of such a mechanic's lien is commenced, then within ten (10) days thereafter such Owner shall be required to deposit with the Association cash equal to 150 percent of the amount of such claim, plus interest for one year together with a sum of ten percent (10%) of the amount of such claim but not less than One Hundred Fifty Dollars (\$150.00), which latter sum may be used by the Association for any costs and expenses incurred, including attorney's fees. Such money shall be held by the Association pending final adjudication or settlement of the claim or litigation. Disbursements of such funds or proceeds shall be made by the Association to insure payment of or on account of such final judgment or settlement together with the reasonable attorneys' fees and costs incurred by the Association in regard to the lien. Any deficiency, including attorney fees and costs of the Association, shall be paid forthwith by the Owner, and the Owner's failure to so pay shall entitle the Association to make such payment, and the amount thereof shall be a debt of the Owner and a lien against the Owner's Lot that may be foreclosed as provided in the Declaration. Any such deficiency shall accrue interest at the rate of eighteen percent (18%) per annum on all sums paid or incurred by the Association which remain outstanding.

#### *7.3 General Obligations.*

(a) Each member shall comply strictly with the provisions of the Declaration, the articles of incorporation of the Association, these bylaws, and the rules and regulations of the Association.

(b) Each member shall always endeavor to observe and promote the cooperative purposes for the accomplishment of which the Property was built.

#### *7.4 Maintenance and Repair.*

(a) Every Owner must perform promptly, at his own expense, all maintenance and repair work within his own Lot which, if omitted, would affect the appearance of or the aesthetic integrity of part or all of the Property.

(b) All the repairs of internal installations of the Lot such as water, light, gas, power, sewer, major sprinkler system repairs, telephone, sanitary installations, doors, windows, roofs, siding, electrical fixtures, and all other accessories, equipment and fixtures shall be at the Owner's expense.

(c) An Owner shall be obligated to reimburse the Association promptly upon receipt of its statement for any expenditures incurred by it in repairing or replacing any property damaged by his negligence or by the negligence of his tenants or agents or guests, including any expenditures made by the Association to repair or maintain the Owner's lot and improvements as provided for in Article III of the Declaration.

*7.5 Rules and Regulations.* The Board of Directors shall have the power and duty to establish, make and enforce compliance with such rules and regulations as may be necessary for the operation, use and occupancy of this project with the right to amend same from time to time. The Board of Directors specifically, but without limitation, has the right to establish rules and regulations concerning common area use, pets, architectural control including property maintenance and appearance, and parking. Copies of such rules and regulations shall be furnished to each Owner prior to the date when the same shall become effective.

*7.6 No Waiver of Rights.* All Owners are bound and obligated to comply with all provisions of the Covenants, Declaration, articles of incorporation, bylaws, and rules and regulations of the Association. The omission or failure of the Association, the Board of Directors, or any Owner to enforce any of these provisions shall not constitute or be deemed a waiver, modification or release thereof, and the Association, Board of Directors, and Owners shall have the right to enforce any of these provisions after any such omission or failure.

*7.7 Arbitration of Disputes.* All disputes between Owners or disputes raised by Owners against the Association, its Board of Directors or its agents, arising under any provision of the Declaration, Covenants, articles of incorporation, bylaws, or rules and regulations, shall be resolved with arbitration under the Colorado Uniform Arbitration Act. Each side in the dispute shall select an arbitrator and these two shall select a third, neutral arbitrator. At least one of the three arbitrators must be an Owner and member in the Association. The resolution of disputes by the arbitrators shall be guided and controlled by the covenants applicable to the R-13 subdivision, the articles of incorporation, these bylaws, and the rules and regulations of the Association. Except as provided by law, the decision of the arbitrators shall be final and binding. Expressly excepted from this requirement of arbitration are all powers of enforcement of the Association including but not limited to, liens, injunctions, and assessment collection.

## **ARTICLE 8**

### **Amendment of Bylaws**

*8.1 Amendment.* These bylaws may be amended by a majority vote of the directors at a duly constituted meeting or by the affirmative act of a majority of all Owners at a meeting of members. The notice of such meeting of members shall contain a summary or copy of the proposed changes.

**ARTICLE 9**  
**Evidence of Ownership, Address and Required Proxies**

*9.1 Proof of Ownership.* Following the adoption of these bylaws, any person on becoming an Owner of a Lot shall furnish to the Board of Directors or its designated agent a photocopy of the recorded instrument vesting that Owner with an interest or ownership in the Lot, which copy shall remain in the files of the Association. In the event that the Board of Directors deems it necessary, any Owner vested prior to the adoption of these bylaws may be required to furnish such proof of interest or ownership. An Owner shall not be deemed to be in good standing nor entitled to vote at any annual or special meeting of members unless this requirement is met.

*9.2 Registration of Mailing Address.* The Owners of each Lot shall have one and the same registered mailing address to be used by the Association for mailing of monthly statements, notices, demands and all other communications. Such registered address shall be the only mailing address of a person or persons, firm, corporation, partnership, association or other legal entity or any combination thereof to be used by the Association. Such registered address of an Owner or Owners shall be furnished by them to the secretary within fifteen (15) days after transfer of title or after change of address; such registration shall be in written form and signed by all of the Owners of the Lot or by such persons as are authorized by law to represent the interests of all the Owners of the Lot. If no such address is registered or if all of the Owners cannot agree, then the address of the Lot shall be the registered address until another registered address is furnished as permitted under this section. Registered addresses may be changed from time to time by similar designation.

**ARTICLE 10**  
**Compliance**

*10.1 Colorado Nonprofit Corporation Act.* These bylaws are intended to comply with the requirements of the Colorado Nonprofit Corporation Act. If any of these bylaws conflict with the provisions of said statute, the provisions of the statute will control.

*10.2 Precedence of Authorities.* In case of conflict between the Colorado Nonprofit Corporation Act, the Declaration, articles of incorporation, and these bylaws, the provisions of the foregoing authorities shall govern and supersede in the order given in this sentence.

**ARTICLE 11**  
**Nonprofit Corporation**

*11.1 Nonprofit Corporation.* This Association is not organized for profit. No member, officer or director shall receive or shall be lawfully entitled to receive any pecuniary profit from the operations of the corporation. In no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of any member, officer or director; provided, however, that any member, officer or director

may, from time to time, be reimbursed for actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

**ARTICLE 12**  
**Seal and Fiscal Year**

*12.1 Seal.* The corporation is not required to use a seal, but if such seal is used, it shall consist of concentric circles with the name of the corporation and the word "Colorado" between and with the word "Seal" in the center.

*12.2 Fiscal Year.* 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 incorporation.

IN WITNESS WHEREOF, the undersigned Directors have executed this document below this 13 day of October, 1997, to evidence the adoption of these amended bylaws on behalf of the Association.

original signed by  
Greg Vigil

original signed by  
Don Vollmer

original signed by  
Charley Heard

original signed by  
Royann Cygan

original signed by  
Dan Schatz

The undersigned Secretary of the Association does hereby certify that the foregoing bylaws were duly adopted by the Directors as the Bylaws of The Hamlet at Castle Pines North Homeowners Association, Inc., on this 13 day of October, 1997.

ATTEST:

\_\_\_\_\_  
Secretary