

**BY-LAWS
OF
PINECLIFF HOMEOWNERS ASSOCIATION, INC.**

ARTICLE I - Name and Object of Corporation

Section 1. Name. This corporation shall be known as the Pinecliff Homeowner's Association, Inc., hereinafter called the "Association".

Section 2. Purpose. The purpose of the Association shall be: The creation and encouragement of an environment designed to enhance the quality of life for the people in the community. The community shall be defined as the geographical unit defined in the City of Colorado Springs Planning Department Pinecliff Master Plan.

ARTICLE II - Membership

Section 1. Membership Eligibility. Any Pinecliff landowner or resident owner within the area of the Planning Department's proposed Pinecliff Master Plan shall be eligible for Full Membership.

Section 2. Associate Membership. Associate members receive all the services, activities, and benefits provided by the Pinecliff HOA with the exception of voting privileges and election to the Board of Directors. Associate membership is available to:

- any Pinecliff single family home renter within the area of the Planning Department's proposed Pinecliff Master Plan
- any Pinecliff land owner, home owner, or renter within the area of The Woodlands, Cliff Falls Court, Vista Ridge, Pinon Mesa, and Mission Ridge.

ARTICLE III - Dues and/or Assessments

Section 1. Dues and the amount thereof shall be determined by a majority of the voting members present at an annual meeting of the general membership. Assessments shall be determined by a majority of the voting members present at either an annual meeting or a special meeting. Ten days notice of the meeting wherein said dues and/or assessments are to be considered shall be given to all voting members, as shown on the records of the Secretary of the Association, by telephone or by written notice. Such annual dues shall be due and payable upon joining the Association. Subsequent annual dues are due and payable the following January. New members who join and pay dues in the fourth quarter of a calendar year will be considered paid up through the following calendar year.

ARTICLE IV - Meeting of Members

Section 1. Annual Meeting. Annual meetings of the members shall be held during the month of September of each year at a time and place to be determined by the Board of Directors. At such meeting there shall be considered the election of members to the Board of Directors, the reports of officers and committees, the consideration of the dues or assessments, and such other business as may lawfully come before the meeting.

Section 2. Special Meetings. Special meetings of the members may be called by the President, by a majority of the entire Board of Directors or by the written petition of twenty (20) percent of the eligible voting membership. The business transacted at the special meeting shall be confined to the publicized subject of the meeting. A recall vote of a board member may be considered at such a meeting.

Section 3. Notice of Meetings. At least five (5) days notice of any membership meeting, regular or special, and, in the case of a special meeting, the purpose for which the meeting is called, shall be given to all members in such manner as the Board of Directors shall determine.

Section 4. Quorum and Voting Requirements for Carrying a Motion. At all general membership meetings for which the required notice has been provided (REF. Section 3), a motion shall be carried by majority vote if twenty-five percent of the eligible voting members are present in person or proxy. If twenty-five percent of the eligible voting members are not present in person or by proxy at a meeting for which the required notice has been provided, a motion shall be carried by a two-thirds vote of the eligible voting members present in person or by proxy.

Section 5. Voting. Member voting privileges are limited to one vote per household meeting the following requirements:

1. The household is a landowner, single or multiunit owner.
2. The household is not in arrears on dues or assessments.

ARTICLE V - Board of Directors

Section 1. Administration and Number of Directors. Administration of the affairs of the Association shall be vested in a Board of Directors. The number of directors shall be a minimum of five (5) and a maximum of eleven (11). The Board of Directors shall have general charge and management of the affairs, funds, and property of the Association. The Board shall have full power and it shall be the Board's duty to carry out the purposes of the Association according to its Articles of Incorporation and By-Laws.

Section 2. Business and Activities. The Board of Directors shall promulgate such rules and regulations as they deem advisable for the administration and conduct of the business and activities, appropriate to this Association, as prescribed in these By-Laws.

Section 3. Election of Directors. The Board of Directors shall be elected at the annual meeting of the Association. Each active member present and in good standing shall be entitled to one vote for each director to be elected. The candidates receiving a majority of the votes cast shall be declared elected. The term of office for newly elected directors shall begin the following January First

Section 4. Classes of Directors. The Directors shall be divided into classes. The number of Directors shall be such that at the first annual meeting, three Directors shall be elected to serve for one year and two Directors shall be elected to serve for two years. Then, upon expiration of the term of each initial class of Directors, the new Directors shall be elected for a full two years.

Section 5. Qualifications of Directors. The Board of Directors shall be composed of individual members in good standing and in the event that any member shall lose his good standing, then said loss of good standing shall automatically eliminate said individual from the Board of Directors.

Section 6. Nominations. At least ten days preceding the regular annual meeting wherein any Directors are to be elected, the President shall appoint a nominating committee of five to report at the said regular annual meeting, and this nominating committee shall submit one name for each position on the Board of Directors to be filled. Other nominations may be made from the floor by any Active member at the annual meeting.

Section 7. Voting. Election shall be by ballot except where there is but one nominee for office, in which case it shall be by voice vote.

Section 8. Vacancies in Office. If a vacancy occurs among the Board of Directors, the Board of Directors shall appoint an alternate director to fill the unexpired term.

Section 9. Indemnification. The Association shall, to the full extent permitted by Colorado law, indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, including an appeal, and whether formal or informal, by reason of the fact that he is or was a director, officer or employee of the Association. The right of indemnification shall inure to the benefit of the heirs, executors, administrators and personal representatives of the director, officer or employee.

ARTICLE VI - Meetings of the Board of Directors

Section 1. The first (1st) regular meeting of a newly constituted Board of Directors shall be within thirty (30) days following the date of assuming office.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be called at such time and place as the majority of the Board of Directors or the President of the Association shall determine. All directors shall be notified at least two days before said meeting. Recall of an officer may be considered at a special meeting.

Section 3. Quorum. At an meetings of the Board of Directors, a majority of the entire Board of Directors shall constitute a quorum.

ARTICLE VII - Officers and Association Representatives

Section 1. Officers. The officers of the Association shall be President, Vice President, Secretary, Treasurer and shall be elected by a majority vote of the Board of Directors, at the first meeting of the newly constituted Board of Directors. Each officer shall serve a term of one year or until his successor shall have been duly elected. Officers, if re-elected, may succeed themselves.

Section 2. Vacancies. In case of a vacancy in any of said offices, the Board of Directors shall elect by a majority vote a person to fill said vacancy for the remainder of that term.

Section 3. Association Representatives. No member of the Association, including members of the Board of Directors, may act on behalf of the Association, and/or in the name of the Association, for any purpose whatsoever without an adoptive resolution by the general membership, or if a meeting of the general membership proves to be impractical, then by a two-thirds vote of the Board of Directors, authorizing that members' representation of the Association in the manner specified in the resolution.

ARTICLE VIII - Duty of Officers

Section 1. President. The President shall preside at all meetings of the Association, appoint such committees as he or the Association shall consider expedient or necessary, and shall perform or delegate such other duties as shall be necessary for the proper administration of the affairs of the Association. The President, with the consent or authorization of the Board of Directors, may enter binding contracts on behalf of the Association.

Section 2. Vice President. The Vice President shall serve as assistant to the President and shall perform such specific duties as may be assigned by the President. In the absence of the President, the Vice President shall perform his duties and preside at Association meetings. He will serve as ex-officio member of all standing committees.

Section 3. Secretary. The Secretary shall record the minutes of all general membership and Board of Directors meetings and shall document all motions carried during these meetings. In addition, the Secretary shall maintain records of all official correspondence of the Association, provide notices for all general membership meetings, maintain a complete list of all current members, and perform such other duties as may be required by the President or the Board of Directors.

Section 4. Treasurer. The treasurer shall have custody of and be responsible for the funds of the Association, including the collection of all dues, and shall maintain complete records of all receipts and disbursements of Association funds. The Treasurer shall issue all checks, deposit all funds in the name of the Association in a bank approved by the Board of Directors, shall provide a financial report at all Board of Directors and general membership meetings, and shall provide records for audit purposes upon request.

Section 5. Compensation. No officer or member of the Board of Directors shall receive payment for performing his or her duties as described herein.

Section 6. Bonding of Treasurer. The Association shall cause the Treasurer to be bonded at a level to be determined by the Board of Directors.

Section 7. Annual Audit. The President shall appoint an audit committee consisting of two Association members, other than members of the Board of Directors, who shall conduct an audit of the financial records, with the Treasurer, on an annual basis.

Section 8. Standing Committees. The President shall establish standing committees as necessary to conduct the business of the Association. He shall appoint a Chairman and members to each committee. The standing committees may consist of, but shall not be limited to, the following:

- 1) Membership Committee -To solicit new members, assist the Secretary in maintaining an accurate membership list and organize and implement an appropriate telephone communications system.
- 2) Nominating Committee -To recommend for approval of the current Board of Directors a slate of candidates for the Board of Directors to be nominated at the next annual election and to conduct the annual election in accordance with these by-laws.
- 3) Master Plan Committee -To follow local government actions that may impact the area represented by the Association, to represent the Association, with Board of Director's approval, at public meetings or other meetings with Government officials, and to keep the Association informed about such actions and proposals.
- 4) Newsletter Committee -To publish a newsletter for distribution to all Association members upon request of the Board of Directors.
- 5) Home Security Committee -To disseminate information on home security equipment and services available and to coordinate security activities within the Association neighborhood.

ARTICLE IX - Banking Procedures

Section 1. Operating Funds. A checking account shall be established in the name of the Association at a local bank approved by the Board of Directors. All disbursements of Association funds shall be made from this account. A sufficient balance shall be maintained in this account to satisfy

anticipated obligations. Association funds in excess of anticipated requirements shall be invested in interest earning accounts/instruments approved by the Board of Directors.

Section 2. Disbursement. All expenditures from Association funds shall be made by check which shall be signed by the Treasurer or President. Current signature cards shall be filed with the designated bank.

Section 3. Receipts. All checks, warrants or other negotiable instruments received by the Association shall be made payable to the Association and shall be deposited in the checking or interest bearing account. Cash receipts shall be deposited in the checking account as soon as possible.

Section 4. Records. Each disbursement and receipt shall be recorded individually, to the maximum extent possible, so as to provide ease of identification for audit purposes.

ARTICLE X - Personal Liability.

Section 1. All persons or corporations extending credit to, contracting with, or having claim against the Association shall look only to the funds and property of the Association for payment of such contract or claim, or for the payment of any debt, damage, judgment or decree, or any other money that may otherwise become due or payable to them from the Association, so that the members of the Association, the Board of Directors or the officers, present or future, shall not be personally liable therefore.

ARTICLE XI - Interpretation

Section 1. No article of these By-Laws shall be interpreted on the basis of race, sex, color or creed; nor may any of these articles be construed as restrictive upon person of any race, sex, color or creed.

ARTICLE XII - Amendment of Bv-Laws

Section 1. These By-Laws may be amended or repealed any time at any special or regular membership meeting by vote of the members present as described in Article IV , Section 4, provided notice of the purpose of proposed amendment or repeal has been stated in the notice for the meeting.

ARTICLE XIII - Dissolution

Section 1. Dissolution of the Association, either voluntary or involuntary, shall be in accordance with all applicable law. If the Board of Directors, by majority vote, elects to propose dissolution of the Association, the general membership shall be advised of this proposal when notice of a general membership or special meeting is given. Dissolution requires a two-thirds vote of the general membership present in person or by proxy at a meeting for which proper notice has been given. If dissolution is approved, the incumbent officers shall be responsible for bringing the outstanding business of the association to a proper conclusion. All remaining funds shall be distributed according to applicable law.

Adopted this 30th day of September 2013.

PINECLIFF HOMEOWNERS ASSOCIATION, INC.

By: Leonie Cramer
Leonie Cramer, PHOA Secretary

Please add titles to names
State who can act on behalf of the HOA
Sign & Date