

AMENDED AND RESTATED BY-LAWS
STONEY RIDGE HOMEOWNERS ASSOCIATION, INC.

Article I
NAME AND LOCATION

The name of the corporation is Stoney Ridge Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 820 Castle Valley Boulevard, Suite 107, New Castle, CO 81647, or such other place as the Board of Directors may from time to time determine.

Article II
DEFINITIONS

Section 1. "ASSOCIATION" shall mean and refer to Stoney Ridge Homeowners Association, Inc., its successors and assigns.

Section 2. "PROPERTIES" shall mean and refer to that certain real property described in the Declaration for STONEY RIDGE PUD, Garfield County, Colorado, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "COMMON AREAS" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4. "LOT" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Areas.

Section 5. "OWNER" shall mean and refer to the record Owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "DECLARANT" shall mean and refer to Kelly and Michael Lyon Family, LLC, the Developers, its successors and assigns, if such successors and assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. "DECLARATION" shall mean and refer to the Declaration applicable to the Properties recorded in the real estate records of Garfield County, Colorado.

Section 8. "MEMBER" shall mean and refer to those persons entitled to Membership as provided in the Declaration.

Article III
MEMBERS

Section 1. ANNUAL MEETINGS. The purpose of the annual meeting of the Members is to elect Directors and to transact such other matters as may properly come before the Members. The annual meeting of the Members of the Association shall be held one year from the date of the incorporation of the Association, and each subsequent regular meeting of the Members shall be held in October of each

year thereafter, at the hour of 7:00 o'clock, p.m. However, failure to hold an annual meeting timely shall in no way affect the terms of the Officers or Directors of the Association or the validity of actions of the Association.

Section 2. SPECIAL MEETINGS. Special meetings of Members may be called at any time by the President or by a majority of the Board of Directors then in office or by Members owning three or more of the outstanding votes of the Association. The purpose of each special meeting shall be stated in the notice and may only include purposes that are lawful and proper for Members to consider.

Section 3. NOTICE OF MEETINGS. Written or printed notice stating the place, day, and hour of the meeting and, the purpose or purposes for which the meeting is called, shall be delivered personally or by mail not less than ten (10) day nor more than fifty (50) days before the date of the meeting. Notice shall be given to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. If mailed, such notice shall be deemed to have been delivered when deposited in the United States Mail.

Section 4. PLACE OF MEETING. The Board of Directors may designate any place in the Town of Silt or adjacent areas, as the place of meeting for any meeting of Members. If no designation is made, then the place of meeting shall be the principal office of the Association in Colorado.

Section 5. WAIVER OF NOTICE. A written waiver of notice signed by a Member, whether before or after a meeting, shall be equivalent to the giving of such notice. Attendance of a Member at a meeting shall constitute a waiver of notice of such meeting, except when the Member attends for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

Section 6. VOTING RECORD. The officer having charge of the Membership records of the Association, shall make, at least three (3) days before each meeting of the Members, a complete list of the Members entitled to vote at such meeting or any adjournment thereof. The list shall be kept on file at the registered office of the Association or at the principal place of business of the Association and any Member shall be entitled to inspect the list at any time during usual business hours. The list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any Member at any time during the meeting. If the requirements of this section have not been substantially complied with, then upon demand of any Member in person or by proxy, the meeting shall be adjourned until the requirements are complied with. If no such demand is made, failure to comply with the requirements of this section shall not affect the validity of any action taken at such meeting.

Section 7. QUORUM. Those Members attending, in person or by proxy, at the beginning of a regular or duly noticed Special meeting, representing 20% of the votes entitled to be cast, shall constitute a quorum. If however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or represented.

Section 8. PROXIES. Every Member entitled to vote at a meeting of the Members or to express consent or dissent without a meeting may authorize another person or persons to act for him or her by

proxy. All proxies shall be in writing and filed with the Secretary at or before the call of the meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his lot.

Article IV
BOARD OF DIRECTORS

Section 1. GENERAL POWERS. Subject to the limitation of the Articles of Incorporation, these by-laws, and the Colorado Nonprofit Corporation Act concerning corporate action that must be authorized or approved by the Members of the Association, all corporate powers shall be exercised by or under the authority of the Board of Directors, and the management and affairs of the Association shall be controlled by the Board of Directors.

Section 2. NUMBER AND QUALIFICATION. There shall be three Directors during the period of Developer control and thereafter five Members who are owners, to serve annual terms.

Section 3. ANNUAL MEETINGS. The Board of Directors shall hold its first meeting within thirty days, following each annual meeting of Members for the purpose of the election of Officers and the transaction of such other business as may come before the meeting. If a majority of the Directors are present at the annual meeting of the Members, no prior notice of the annual meeting of the Board of Directors shall be required. However, another place and time for such meeting may be fixed by written consent of all of the Directors.

Section 4. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by any Director. The person calling the special meeting of the Board of Directors may fix a reasonable time and place for holding them.

Section 5. REGULAR MEETINGS. Regular meetings of the Board of Directors may be held without notice at such time and at such place as shall be determined from time to time by the Board of Directors.

Section 6. TELEPHONE MEETINGS. Directors may participate in meetings of the Board of Directors by means of a conference telephone or similar communications equipment by which all persons participating can hear each other at the same time, and participation by such means shall constitute presence in person at such meeting.

Section 7. ACTION WITHOUT MEETING. Any action of the Board of Directors may be taken without a meeting if a consent in writing setting forth the action so taken signed by all of the Directors is filed in the minutes of the Board of Directors. Such consent shall have the same effect as a unanimous vote.

Section 8. NOTICE AND WAIVER. Notice of any special meeting shall be given at least three (3) days prior thereto by written notice delivered personally, or by mail to each Director at his or her address. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail with postage prepaid. Any Director may waive notice of any meeting either before, at, or after such meeting by signing a waiver of notice. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place of such meeting or the manner in which it has been called or convened, except when a Director states at the beginning of the meeting any objection to the transaction of business because the meeting is not lawfully called or convened.

Section 9. QUORUM AND VOTING. A majority of Directors in office shall constitute a quorum for the transaction of business. The vote of a majority of Directors present at a meeting at which a quorum is present shall constitute the action of the Board of Directors. If less than a quorum is present, then a majority of those Directors present may adjourn the meeting from time to time without notice until a quorum is present.

Section 10. VACANCIES. Any vacancy occurring in the Board of Directors shall be filled by the remaining Directors.

Section 11. REMOVAL. A Director may only be removed for cause by a majority vote of the entire Board of Directors, not counting the Director subject to removal.

Section 12. COMPENSATION. No Director shall receive compensation for any service he or she may render to the Association as a Director. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties, if such expenditures have been budgeted or approved in advance by the Board. Nothing herein shall prevent the Board from employing a Director to perform services for the Association, apart from his or her services as a Director and paying reasonable compensation for any such services.

Article V

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. POWERS. The Board of Directors shall have power to:

- a) adopt and publish rules and regulations governing the use of the Common Areas and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- b) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Membership by other provisions of these By-laws, the Articles of Incorporation, or the Declaration;
- c) declare the office of a Member of the Board of Directors to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board of Directors;
- d) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. DUTIES. It shall be the duty of the Board of Directors to:

- a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth ($\frac{1}{4}$) of the Members who are entitled to vote;
- b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- c) as more fully provided in the Declaration, to:
 - 1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

- 2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
 - 3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same.
- d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
 - e) procure and maintain adequate liability and hazard insurance on property owned by the Association;
 - f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and
 - g) cause all obligations imposed upon the Association by the Declarations to be performed.

Section 3. DELEGATION OF DUTIES. In the absence or disability of any Director of the Association or for any other reason deemed sufficient by the Board of Directors, the Board may delegate his or her powers or duties to any other Director or any other Officer.

Article VI OFFICERS AND THEIR DUTIES

Section 1. OFFICERS. The Officers of this Association shall be a President and Vice President, a Secretary, and a Treasurer, each of whom shall be elected by a Board. A failure to elect a President, Vice President, Secretary or Treasurer shall not affect the existence of the Association. The Board may from time to time add officers and define their duties by resolution.

Section 2. ELECTION OF OFFICERS. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. TERM. The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless he or she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. SPECIAL APPOINTMENTS. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. RESIGNATION AND REMOVAL. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. VACANCIES. Vacancies in offices, however occasioned, may be filled at any time by election by the Board of Directors for the unexpired terms of such offices.

Section 7. MULTIPLE OFFICES. 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 except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. DUTIES. The duties of the officers are as follows:

President

- a) The President shall preside at all meetings of the Board of Directors and shall see that orders and resolutions of the Board are carried out.

Vice President

- b) The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

- c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; attest to the execution by the President of amendments to the Declaration and the Bylaws by the Association, following applicable authorization or approval, and shall perform such other duties as required by the Board.

Treasurer

- d) The Treasurer shall receive and deposit in the appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual review of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the Membership at its regular annual meetings, and deliver a copy to each of the Members.

Section 9. DELEGATION OF DUTIES. In the absence or disability of any Officer of the Association or for any other reason deemed sufficient by the Board of Directors, the Board may delegate his or her powers or duties to any other Officer or to any other Director.

Article VII
COMMITTEES

Section 1. CREATION OF COMMITTEES. The Board of Directors may create such committees of the Board or of the Members as it deems appropriate from time to time.

Section 2. COMMITTEES. Such committees shall have functions and may exercise such power of the Board of Directors as can be lawfully delegated and to the extent provided in the resolution or resolutions creating such committee or committees.

Section 3. MEETINGS. Regular meetings of the committees may be held without notice at such time and at such place as shall from time to time be determined by the committees themselves, and special meetings of the committees may be called by any Member thereof upon three days (3) days notice to the other Members of such committee, or on such shorter notice as may be agreed to in

writing by each of the other Members of such committee, given either personally or in the manner provided in these By-laws pertaining to notice for Directors' meetings.

Section 4. VACANCIES. Vacancies on committees shall be filled by the Board of Directors then in office at any regular or special meeting of the Board of Directors.

Section 5. QUORUM. At all meetings of any committee, a majority of the committee's Members present shall constitute a quorum for the transaction of business.

Section 6. MINUTES. The committees shall keep regular minutes of their proceedings and report the same to the Board of Directors when required.

Article VIII BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection of any Member. The Declaration, the Articles of Incorporation and the By-laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

Article IX ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum, and the Association may bring action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Areas or abandonment of his or her Lot.

Article X NONPROFIT OPERATION

The Association will not have or issue shares of stock. No dividends will be paid. No part of the income or assets of the Association will be distributed to its Members, Directors or Officers without full consideration. The Association may contract in due course with its Members, Directors and Officers without violating this provision.

Article XI FISCAL YEAR

The fiscal year of the Association shall be the period selected by the Board of Directors as the taxable year of the Association for federal income tax purposes.

Article XII

CORPORATE SEAL

The Association shall have a seal bearing the name of the Association between two concentric circles and in the inside of the inner circle shall be the year of incorporation.

Article XIII
INDEMNIFICATION

The Association shall indemnify each Officer and Director, including former Officers and Directors, to the full extent permitted by the Colorado Corporations and Associations Act and the Colorado Nonprofit Corporation Act.

Article XIV
DELEGATION OF POWER

If powers of the Board of Directors relating to collection, deposit, transfer, or disbursement of Association funds are delegated to other persons or to a managing agent, it shall be required that:

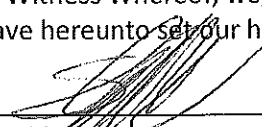
- I. Other persons or the managing agent must maintain fidelity insurance coverage or a bond in the amount of not less than fifty (50) thousand dollars or such higher amount as the Board of Directors may require;
- II. Other persons or the managing agent maintain all funds and accounts of the Association separate from the funds and accounts of other Associations managed by the other persons or managing agent and maintain all reserve accounts of each Association so managed separate from operational accounts of the Association;
- III. An annual accounting for the Association funds and a financial statement be prepared and presented to the Association by the managing agent, a public accountant, or a certified public accountant.

Article XV
AMENDMENTS

Section 1. AMENDMENTS. These By-laws may be amended, at a regular or special meeting of the Board of Directors, by a vote of a majority of a quorum of Directors present in person or by proxy.

Section 2. CONFLICTS. In the case of any conflict between the Articles of Incorporation and these By-laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-laws, the Declaration shall control.

In Witness Whereof, we, being all of the Directors of STONEY RIDGE HOMEOWNERS ASSOCIATION, INC. have hereunto set our hands on December 11, 2014.



President



Secretary