

**BY-LAWS OF  
ARABIAN ACRES PROPERTY OWNERS' ASSOCIATION  
(W/AMENDMENT (1) DATED July 7, 2001  
(W/AMENDMENT (2) DATED May 22, 2004  
(W/AMENDMENT (3) DATED May 10, 2007  
(W/AMENDMENT (4) DATED May 18, 2013**

**ARTICLE I**

**ORGANIZATION**

1. NAME

The name of this organization shall be Arabian Acres Property Owners' Association.

2. NAME CHANGE

The organization may, as its pleasure, change its name by vote of the membership body. Any such name change shall be done by filing notice of the use of an assumed name by the Corporation or by amendment to the by-laws of the Corporation and the Articles of Incorporation with the State.

**ARTICLE II**

**PURPOSES**

1. PURPOSES

The Corporation shall have and may exercise all rights, powers and privileges now or hereafter conferred upon non profit corporations organized under the laws of Colorado, including everything necessary, suitable or proper for the accomplishment of any of its corporate purposes and the transaction of any lawful activity. Among other purposes are (i) to take steps to amend, design and cause the enforcement of subdivision covenants, (ii) provide architectural control through working with developers and/or an architectural control committee of the members, (iii) provide Members with an organization for social and neighborhood contact, entertainment, association and communication, (iv) to better or provide security of persons and property in the subdivision, and (v) act as liaison between members and other organizations and entities such as utility providers, government and quasi government and other property owners associations.

**ARTICLE III**

**MEMBERSHIP**

1. MEMBERSHIP

All members of the organization are property (legal or equitable) owners of lots or land in the Arabian Acres subdivision of Teller County, Colorado and must pay the dues or fees assessed or charged all members.

References: Declaration of Protective Covenants

**BY-LAWS OF  
ARABIAN ACRES PROPERTY OWNERS' ASSOCIATION  
(W/AMENDMENT (1) DATED July 7, 2001  
(W/AMENDMENT (2) DATED May 22, 2004  
(W/AMENDMENT (3) DATED May 10, 2007  
(W/AMENDMENT (4) DATED May 18, 2013**

**ARTICLE IV**

**MEETINGS**

**1. ANNUAL MEMBERSHIP MEETING**

The annual membership meeting of this organization shall be held on the first Saturday of May in each and every year. However the Board of Directors may change such date for good cause; provided such alternate date is within two weeks before or after such original date. The Secretary shall cause to be mailed to every Member in good standing, at their address as it appears in the membership roll book of this Corporation, a notice/reminder stating the date, place and time of such annual meeting. The presence of not less than one third of the members shall constitute a quorum and shall be necessary to conduct the business of this organization. In the even there is no quorum, the meeting shall be rescheduled to a date not more than two weeks from the date set forth in these by laws. The Secretary shall cause a notice of this rescheduled meeting to be sent to all those members who were not present at the meeting originally scheduled.

**2. SPECIAL MEETINGS**

The President may call special meetings of this organization when he/she deems it to be in the best interest of the organization. The Secretary shall cause to be mailed notices of such special meetings to all members at their addresses as they appear in the membership roll book of this organization. Such notices shall be sent at least two weeks prior to the scheduled date of the meeting. The notice shall state the reasons the meeting has been called, the business to be transacted, and who called the meeting.

At the request of one quarter of the members of the Board of Directors or members of the organization, the President shall cause a special meeting to be called. Such requests must be made in writing at least two weeks before the requested date of scheduling.

No other business but that specified in the notice may be transacted at such special meeting without the unanimous consent of all present at such meeting.

**3. PROCESS FOR PROVIDING NOTICE OF MEETINGS**

Homeowners meetings:

- a. Property owners shall be notified by mail at least five (5) days prior to the Annual Association meeting or any special meeting of the Association members.
- b. Such written notices must include the general nature of any proposed amendment to the Declaration or By-Laws, any budget changes, or any proposed Board member changes.
- c. Notification of general Board Meetings are posted in advance of the meeting on the AAPOA website. Additionally, notification is posted on the AAPOA bulletin board located at the school bus stop (next to the mail boxes). Per written request, notification may also be provided to Owners electronically who provide the Board of Directors with their email address.
- d. The Association may use the Internet to post notice of meetings to property Owners who have Internet access.

Executive sessions:

- a. The Board may deem it necessary to meet in an executive session, excluding property Owner attendance, to discuss sensitive matters such as pending litigation, contractual issues and confidential disputes among property Owners.

**BY-LAWS OF  
ARABIAN ACRES PROPERTY OWNERS' ASSOCIATION  
(W/AMENDMENT (1) DATED July 7, 2001  
(W/AMENDMENT (2) DATED May 22, 2004  
(W/AMENDMENT (3) DATED May 10, 2007  
(W/AMENDMENT (4) DATED May 18, 2013**

Annual Membership meetings:

- a. The annual membership meeting of this organization shall be held on the first Saturday of May in each and every year. However the Board of Directors may change such date for good cause; provided such alternate date is within two weeks before or after such original date. The Secretary shall cause to be mailed to every Member in good standing, at their address as it appears in the membership roll book of this Corporation, a notice/reminder stating the date, place and time of such annual meeting.
- b. The presence of not less than one third of the members shall constitute a quorum and shall be necessary to conduct the business of this organization. In the event there is no quorum, the meeting shall be rescheduled to a date not more than two weeks from the date set forth in these by laws. The Secretary shall cause a notice of this rescheduled meeting to be sent to all those members who were not present at the meeting originally scheduled.

Special Meetings:

- a. The President may call special meetings of this organization when he/she deems it to be in the best interest of the organization. The Secretary shall cause to be mailed notices of such special meetings to all members at their addresses as they appear in the membership roll book of this organization. Such notices shall be sent at least two weeks prior to the scheduled date of the meeting. The notice shall state the reasons the meeting has been called, the business to be transacted, and who called the meeting.
- b. At the request of one quarter of the members of the Board of Directors or members of the organization, the President shall cause a special meeting to be called. Such requests must be made in writing at least two weeks before the requested date of scheduling.
- c. No other business but that specified in the notice may be transacted at such special meeting without the unanimous consent of all present at such meeting.

Rules for Owner Participation at Board Meetings.

- a. All meetings of the Association and Board of Directors are open to every property Owner, or to any person designated by the property Owner in writing as the property Owner's representative.
- b. Property Owners or designated representatives shall be permitted to attend, listen, and speak at an appropriate time during the meeting.
- c. Property Owners who wish to speak on a particular matter at a meeting of the Board of Directors must request time on the agenda by contacting the Board president at least five (5) days prior to the scheduled meeting.
- d. The total length of time for property Owners speaking at a meeting of the Board of Directors shall not exceed forty-five (45) minutes. The Board president shall set time limits, if necessary, to accommodate property Owners who wish to speak.

Rules for Owner Participation at Annual or Special Meetings.

- a. Any property Owner or designated representative may speak at the designated time in the agenda.
- b. The total length of time for property Owners speaking on a single issue at an annual or special meeting of the Association shall not exceed forty-five (45) minutes. The Board president shall set time limits, if necessary, to accommodate property Owners who wish to speak.

**BY-LAWS OF  
ARABIAN ACRES PROPERTY OWNERS' ASSOCIATION  
(W/AMENDMENT (1) DATED July 7, 2001  
(W/AMENDMENT (2) DATED May 22, 2004  
(W/AMENDMENT (3) DATED May 10, 2007  
(W/AMENDMENT (4) DATED May 18, 2013**

**ARTICLE V**

**VOTING**

1. VOTING

Voting at all meetings shall be by voice.

At any Annual or Special Meeting, if requested by a majority of the POA Members, election of Officers or Directors, or any question shall be done by written ballot. The voting members shall not be identified on said ballot.

Written ballots shall be counted by a neutral third party, excluding the Association's managing agent or legal counsel, or a committee of volunteers who are not Board members, and in the case of a contested election, are not candidates. The committee shall be selected or appointed at an open meeting, in a fair manner, by the Chair of the Board or another person presiding during that portion of the meeting.

If a dues paid regular member, for whatever reason, elects to have their vote cast by proxy the person authorized by the member to vote in their absence will provide written authorization to the Secretary prior to any voting being conducted at any meeting. The authorization will contain the member's signature. The Secretary will ensure that the proxy voting authorization is affixed to the minutes of that meeting.

Contested elections of Board members, defined as elections in which there are more candidates than positions to be filled, shall be conducted by secret ballot. Each Owner entitled to vote pursuant to the Bylaws shall receive a ballot. The ballot shall contain no identifying information concerning the ballot holder. In the event an Owner holds a proxy for another Owner, upon presentation of such proxy to the Secretary of the Association or the Secretary's designee, the Owner shall receive a secret ballot to cast the vote of the Owner who provided the proxy. The proxy shall be kept and retained by the Association.

Uncontested elections of Board members, defined as elections in which the number of candidates is equal to or less than the positions to be filled, and all other votes taken at a meeting of the Owners shall be taken in such method as determined by the Board of Directors including acclamation, by hand, by voice or by ballot. Notwithstanding the above, uncontested elections of Board members or other votes on matters affecting the community shall be by secret ballot at the discretion of the Board or upon the request of 20% of the Owners who are present at the meeting or represented by proxy.

**ARTICLE VI**

**ORDER OF BUSINESS**

ORDER OF BUSINESS

1. "Roberts Rules of Order" shall be the parliamentary authority for matters of procedure not otherwise provided by these by-laws. The order of business at meetings shall be as follows:
  - a. Roll Call
  - b. Reading of the minutes of the proceeding meeting
  - c. Reports of committees, if any
  - d. Reports of Officers
  - e. Old and Unfinished Business
  - f. New Business
  - g. Other Miscellaneous Business (Non-Members Open Discussion)
  - h. Adjournment

**BY-LAWS OF  
ARABIAN ACRES PROPERTY OWNERS' ASSOCIATION  
(W/AMENDMENT (1) DATED July 7, 2001  
(W/AMENDMENT (2) DATED May 22, 2004  
(W/AMENDMENT (3) DATED May 10, 2007  
(W/AMENDMENT (4) DATED May 18, 2013**

**ARTICLE VII**

**BOARD OF DIRECTORS**

**1. MANAGEMENT**

A Board of Directors consisting of at least four, but not more than seven, Members shall manage the business of this organization. Officers of the organization shall constitute the Board of Directors, along with such number of other members required to total the number of Directors making up the board.

The number of Directors making up the Board shall be determined by the POA Members at the annual meeting or special meeting called for that purpose.

The Board of Directors shall have the control and management of the affairs and business of this organization. The board of Directors shall act only in the name of the organization when it shall be regularly convened by its chairperson after due notice to all the directors and officers of such meeting.

**2. DIRECTORS AND OFFICERS**

The directors and Officers for the ensuing terms shall be chosen at the annual meeting of this organization and they shall serve for a term of one year.

Vacancies in the board of directors shall be filled by a vote of the majority of the remaining members of the Board of Directors for the balance of the term.

The remaining Directors may fill vacancies in the Board of Directors at an election for any remaining term of such Director until the annual meeting at which time the membership shall elect new directors. Any person so elected to fill a vacancy shall remain a Director until his/her successor has been elected by a vote of the membership present. If the Directors fail to fill a vacancy, the remaining directors may act as the board so long as at least five (5) directors are then serving.

Any Officer or Director may resign at any time by giving written notice to the Board, the President, or the recording Secretary. The Board of Directors by majority vote, at the next meeting, may fill any vacancies in offices for the balance of the resigning officer's term.

Any Officer or Director may be removed by the general membership whenever in their judgment the best interests of the Association would be served. The person to be removed shall be notified by certified mail prior to the vote of the general membership and within five (5) days of said notice shall have the opportunity to appear before a meeting of the members and if he/she fails to appear he/she will be given final notice of the vote. The Board of Directors shall adopt such rules, as it may, at its discretion, deem necessary for the best interests of the organization for said hearings.

**3. QUORUM**

Two-thirds (2/3) of the members of the Board of Directors shall constitute a quorum. Each Director shall have one vote and such voting may be done by proxy.

**4. INDEMNIFICATION**

The Association shall indemnify every Director, every Officer and every Committee Member against all loss, cost, liability, and expense reasonably incurred or imposed upon him/her in connection with any action, lawsuit or proceeding to which he/she may be made a party by reason of his/her being or having been a Director, Officer, Or Committee Member of the Association, except as to matters wherein he or she shall be finally adjudged in such action, lawsuit or proceeding to be liable for or guilty of gross negligence or willful misconduct.

**BY-LAWS OF  
ARABIAN ACRES PROPERTY OWNERS' ASSOCIATION  
(W/AMENDMENT (1) DATED July 7, 2001  
(W/AMENDMENT (2) DATED May 22, 2004  
(W/AMENDMENT (3) DATED May 10, 2007  
(W/AMENDMENT (4) DATED May 18, 2013**

The foregoing rights shall be in addition to and not exclusive of all other rights to which the Director, Officer, or Committee Member may be entitled. The Association shall maintain adequate Directors and Officers liability insurance to fund this obligation.

5. MEETINGS

The meeting of the Board of Directors shall be held regularly once a month. The time, date, and place of such meeting shall be selected at the previous meeting.

The Board of Directors may make such rules and regulations covering its meetings, as it may, in its discretion, deem necessary.

The President of the organization, by virtue of the office, shall be chairperson of the Board of Directors. The Secretary of the organization shall serve as secretary for the Board of Directors.

**ARTICLE VIII**

**OFFICERS**

1. OFFICERS

The Officers of the organization shall be as follows:

President  
Vice President  
Secretary Treasurer

**PRESIDENT**

2. The President shall preside at all membership meetings, be chairperson of the Board of Directors (by virtue of the office), present an annual report of the work of the organization at each annual meeting, appoint all committees (permanent or temporary), see that all books, reports and certificates, as required by law, are properly kept or filed, may be one of the officers who may sign checks or drafts of the organization and have such powers as may reasonably construed as belonging to the chief executive of any organization. The President may vote at any meeting only in the event of a tie.

**VICE PRESIDENT**

3. The Vice President shall, in the event of the absence or the inability of the President to exercise his or her office, become acting president of the organization with all rights, privileges and powers as if he or she had been duly elected president. The Vice President shall also have such powers and duties as the President may from time to time designate.

**SECRETARY**

4. The Secretary shall keep the minutes and records of the organization in appropriate books, file any certificate required (federal, state or local) give and serve all notices to Members of the organization, may be one of the Officers required to sign the checks and drafts of the organization, present to the membership, at any meetings, any communication addressed to the secretary of the organization, attend to all correspondence of the organization and exercise all duties incident to the office of the secretary.

**BY-LAWS OF  
ARABIAN ACRES PROPERTY OWNERS' ASSOCIATION  
(W/AMENDMENT (1) DATED July 7, 2001  
(W/AMENDMENT (2) DATED May 22, 2004  
(W/AMENDMENT (3) DATED May 10, 2007  
(W/AMENDMENT (4) DATED May 18, 2013**

5. TREASURER

The treasurer shall have care and custody of all monies belonging to the organization; receive all monies due the association and deposits such in bank accounts established for such purpose by the Board of Directors. Maintains adequate records of all financial transactions subject to an annual audit reflecting income and disbursements accordingly. The treasurer shall maintain the Association's list of paid members. Shall disburse funds for expenses as incurred and authorized by the Board of Directors with two (2) signatories to each check, with no disbursements to be made in cash. No special fund may be set aside that shall make it unnecessary for the treasurer to sign the checks or drafts issued upon it. The Treasurer shall render, at stated period, as the Board of Directors shall determine, a written account of the finances of the organization and such reports shall be physically affixed to the minutes of the Board of Directors of such meetings.

6. COMPENSATION

No Officer or Director shall, for any reason of the office, be entitled to receive any salary or compensation; however, nothing herein shall be construed to prevent an Officer or Director from receiving compensation from the organization for duties other than as an Officer or Director.

7. BOARD OF DIRECTORS

Officers shall by virtue of their office, be members of the Board of Directors

8. SALARIES

The Board of Directors shall hire and fix the compensation of any and all employees, contractors, and other service providers, which they in their discretion, determine, necessary for the conduct of the business of the organization.

**ARTICLE IX**

**COMMITTEES**

1. COMMITTEES

The Board of Directors shall appoint all non-permanent committees of this organization and such board shall for a period designate the term of office.

Upon vote of the POA membership, permanent committees shall be created. All expenditures shall be submitted in writing to the board of directors and must be approved by the Board of Directors prior to purchase. The Treasurer will be provided originals of all receipts.

2. PERMANENT COMMITTEE TENANTS

Architectural Control

Mission - The purpose of the Architectural Control Committee is to maintain and promote the high standards of the Arabian Acres Community. The committee intends to protect the value of the Arabian Acres Property owners' investments by enforcing the restrictive covenants (deed restrictions) of the community, while maintaining a neighborly attitude of cooperation. The committee will work with home developers, contractors, county officials and residents to maintain high quality standards in new construction and maintenance of existing structures.

**BY-LAWS OF  
ARABIAN ACRES PROPERTY OWNERS' ASSOCIATION  
(W/AMENDMENT (1) DATED July 7, 2001  
(W/AMENDMENT (2) DATED May 22, 2004  
(W/AMENDMENT (3) DATED May 10, 2007  
(W/AMENDMENT (4) DATED May 18, 2013**

Objectives

- Review all building plans and improvements to ensure compliance with covenants and restrictions
- Assist in enforcement of deed restriction
- Monitor zoning changes affecting residents
- Ensure representation at all Teller County Planning Commission meetings
- Liaison with the Teller County Roads and Bridges Department to ensure adequate road maintenance is being conducted
- Administer all building projects undertaken by the Arabian Acres Property Owners Association

Welcome Committee

This Committee shall organize and coordinate the welcoming of each new resident as deemed desirable or appropriate. Initial contact should be initiated within thirty (30) days of new resident of occupancy.

**ARTICLE X**

**DUES**

1. COLLECTION OF DUES & LIEN PROCEDURE

The Association is charged with certain responsibilities regarding the care, maintenance and service of the common elements of the Association. The Association must have the financial means to discharge the responsibilities.

The Board of Directors of the Association has a responsibility to pursue collection of assessments and other charges from Owners pursuant to the AAPOA Association's Declaration and By-Laws and desires to adopt a uniform and systematic procedure to collect assessments and other charges of the Association.

- a. Due Dates. The annual assessment of \$50.00 as determined by the Association and as allowed for in the Declaration shall be due and payable on June 1<sup>st</sup> of each year. Assessments or other charges not paid in full to the Association within 30 days of the due date shall be considered past due and delinquent. Assessments or other charges not paid in full to the Association within 60 days of the due date shall incur late fees as provided below. In the event notice of acceleration is given to delinquent owner(s), the owner(s) of the property shall also be charged any costs incurred by the Association in giving such notice of acceleration.
- b. Receipt Date. The Association shall post payments on the day that the payment is received.
- c. Late Charges on Delinquent Installments. The Association shall impose on a monthly basis a \$4.00 late charge for each Owner who fails to timely pay his/her annual assessment within 30 days of the due date. This late charge shall be a "common expense" for each delinquent Owner.



**BY-LAWS OF  
ARABIAN ACRES PROPERTY OWNERS' ASSOCIATION  
(W/AMENDMENT (1) DATED July 7, 2001  
(W/AMENDMENT (2) DATED May 22, 2004  
(W/AMENDMENT (3) DATED May 10, 2007  
(W/AMENDMENT (4) DATED May 18, 2013**

- Return Check Charges. In addition to any and all charges imposed under the Declaration or By-Laws of the Association or this Resolution, a \$15.00 fee or other amount deemed appropriate by the Board of Directors shall be assessed against an Owner in the event any check or other instrument attributable to or payable for the benefit of such Owner is not honored by the bank or is returned by the bank for any reason whatsoever, including but not limited to insufficient funds. This returned check charge shall be due and payable immediately, upon demand. Notwithstanding this provision, the Association shall be entitled to all remedies as may be provided by applicable law. Returned check charges shall be the obligation of the Owner(s) of the property for which payment was tendered to the Association. Return check charges shall become effective on any instrument tendered to the Association for payment of sums due under the Declaration, By-Laws, or this Resolution after the date adopted as shown above. This return check charge shall be in addition to any late fees incurred by an Owner. Any returned check shall cause an account to be past due if full payment of the annual assessment is not timely made within 30 days of the due date.

- Application of Payments. All payments received on account of any Owner or the Owner's property (hereinafter collectively "Owner") shall be applied to payment of any and all legal fees and costs (including attorney fees), expenses of enforcement and collection, late charges, returned check charges, lien fees, and other costs owing or incurred with respect to such Owner pursuant to the Declaration, By-Laws, or this Resolution prior to application of the payment to any special or regular assessments due or to become due with respect to such Owner.

Collection Process.

- f. i. After an annual assessment or other charges due to the Association becomes more than 30 days delinquent, the Treasurer is directed to send a written notice ("First Notice") of non-payment, amount past due, notice that late fees have accrued and request for immediate payment.
- ii. After an annual assessment or other charges due to the Association becomes more than 60 days delinquent, the Treasurer is directed to send a second written notice ("Second Notice") of non-payment, amount past due, notice that late fees have accrued and request for immediate payment.
- iii. After an annual assessment or other charges due to the Association becomes more than 90 days delinquent, the Treasurer is directed to send a third written notice ("Third Notice") of non-payment, amount past due, notice that late fees have accrued, notice of intent to file a lien and request for immediate payment via certified mail.
- iv. After an annual assessment or other charges due to the Association becomes more than 120 days delinquent, the Treasurer is directed to turn the account over to the attorneys to file a lien. The lien amount will include delinquent dues, late fees, mailing fees, and filing fees. The lien will remain against the property until all charges are received.
- v. After the lien is filed an invoice will be sent quarterly to the property owner with updated late charges including the mailing fees and filing fees for the lien.
- vi. In addition to the steps outlined above, the Association may also elect to suspend the voting rights of any Owner whose account is past due at the time of such voting.
- vii. In the event a property owner's account becomes delinquent of more than one year, said delinquent account, including dues, fees or fines will be turned over to a contracted collection agency for payment. This could affect the property owner's credit rating.
- viii. Waivers. The Association is hereby authorized to extend the time for the filing of liens, or to otherwise modify the procedures contained herein, as the Association shall determine appropriate under the circumstances.
- ix. Defenses. Failure of the Association to comply with any provision in this Collection Policy shall not be deemed a defense to payment of assessment fees or other charges, late charges, return check charges, attorney fees and/or costs as described and imposed by this Collection Policy.
- x. Amendment. The Board of Directors may amend this Collection Policy from time to time.

**BY-LAWS OF  
ARABIAN ACRES PROPERTY OWNERS' ASSOCIATION  
(W/AMENDMENT (1) DATED July 7, 2001  
(W/AMENDMENT (2) DATED May 22, 2004  
(W/AMENDMENT (3) DATED May 10, 2007  
(W/AMENDMENT (4) DATED May 18, 2013**

**ARTICLE XI**

**AMENDMENTS**

1. AMENDMENTS

These By-Laws may be amended by a majority vote of the dues paid regular members in attendance or represented by proxy at any meeting.

An intent to change the by-laws by the Board of Directors or a majority of the dues paid regular members must be furnished to the Secretary of the organization at a preceding meeting upon which, if seconded, will be deliberated, and then forwarded to the Secretary for distribution to the dues paid regular members.

The regular dues paid members will be notified, by the Secretary, not later than ten (10) days prior to the meeting at which a vote upon the proposed alteration, amendment, revision, addition or repeal of the by-laws shall be taken.

2. MEMBERSHIP

The members in this organization are property (legal or equitable) owners of lots or land in the Arabian Acres subdivision of Teller County, Colorado and must pay the dues or fees assessed or charged all members.

References: Declaration of Protective Covenants

**ARTICLE XII**

**CONFLICT OF INTEREST**

1. CONFLICT OF INTEREST POLICY

"Conflicting interest transaction" means a contract, transaction, or other financial relationship between the Association and a Director, or between the Association and a party related to a Director, or between the Association and an entity in which a Director of the Association is a director or officer or has a financial interest.

"Director" means a member of the Association's Board of Directors.

"Party related to a Director" means a spouse, a descendant, an ancestor, a sibling, the spouse or descendant of a sibling, an estate or trust in which the Director or a party related to a Director has a beneficial interest, or an entity in which a party related to a Director is a director or officer or has a financial interest.

The Association shall make no loans to its Directors or officers. Any Director or officer who assents to or participates in the making of any such loan shall be liable to the Association for the amount of the loan until it is repaid.

Any conflicting interest transaction on the part of any Director or party related to a Director shall be verbally disclosed to the other Directors in open session at the first open meeting of the Board of Directors at which the interested Director is present prior to any discussion or vote on the matter. After disclosure, the Director may participate in the discussion and may vote on the matter. The minutes of the meeting shall reflect the disclosure made, the composition of the quorum and record who voted for and against.

**BY-LAWS OF  
ARABIAN ACRES PROPERTY OWNERS' ASSOCIATION  
(W/AMENDMENT (1) DATED July 7, 2001  
(W/AMENDMENT (2) DATED May 22, 2004  
(W/AMENDMENT (3) DATED May 10, 2007  
(W/AMENDMENT (4) DATED May 18, 2013**

No conflicting interest transaction shall be voidable by an Owner or on behalf of the Association if:

The facts about the conflicting interest transaction are disclosed to the Board; and

A majority of the disinterested Directors, even if less than a quorum, in good faith approves the conflicting interest transaction;

The facts about the conflicting interest transaction are disclosed or the Owners entitled to vote on the matter, and the conflicting interest transaction is authorized in good faith by a vote of the Owners entitled to vote on the matter; or

The conflicting interest transaction is fair to the Association.

**ARTICLE XIII**

**INVESTMENT OF RESERVE**

**1. INVESTMENT OF RESERVE POLICY**

At such time as voted by the Association to establish and maintain an investment reserve policy, the officers and members of the Board of Directors shall make investment decisions in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the Director or officer reasonably believes to be in the best interests of the Association in accordance with the Colorado Revised Nonprofit Corporation Act.

**ARTICLE XIV**

**INSPECTION AND COPYING OF ASSOCIATION RECORDS**

**1. INSPECTION AND COPYING OF ASSOCIATION RECORDS POLICY**

Owner's requesting to inspect and/or copy Association records will be asked to present their request in writing to a Board Member. The Board member will present the request to the records custodian for processing.

Association records, including membership lists shall not be used by any Owner for:

- a. Any purpose unrelated to an Owner's interest as an Owner
- b. The purpose of soliciting money or property unless such money or property will be used solely to solicit the votes of the Owners in an election to be held by the Association.
- c. Any commercial purpose.
- d. For the purpose of giving, selling, or distributing such Association records to any person. e.

Any improper purpose as determined in the sole discretion of the Board.

The inspection and/or copying of Association records should be during regular business hours at the office of the Association or its managing agent or during the next regularly scheduled Board meeting occurring within 30 days of the Owner's request, at the discretion of the Board.

Copies of requested records for the Owner will be made at the Owner's expense, which may be collected by the Association in advance (.50 per page).

The Association shall make the requested records available within five business days of the Owner's request or at the next regularly scheduled Board meeting if the next regularly scheduled Board meeting is scheduled within thirty days of the Owner's request, in the sole discretion of the Board. The Board shall advise the Owner of the time and place of such inspection in writing within five business days of the Owner's request.

**BY-LAWS OF  
ARABIAN ACRES PROPERTY OWNERS' ASSOCIATION  
(W/AMENDMENT (1) DATED July 7, 2001  
(W/AMENDMENT (2) DATED May 22, 2004  
(W/AMENDMENT (3) DATED May 10, 2007  
(W/AMENDMENT (4) DATED May 18, 2013**

**ARTICLE XV**

**ENFORCEMENT**

1. ENFORCEMENT POLICY AND PROCEDURES

Reporting of Violations

All reports of violations must be submitted to the Board of Directors in writing to include the legible signature of the complaining party. All reports of violations will be held strictly confidential. The only exception to this procedure is if the violation is of a material nature and is noted during a site visit by a Board member during an evaluation of the property.

Special Assessments and Fines

Any Owner who violates any provision in the Declaration of Covenants or the Association's By-laws or Rules regulating the use and occupation of the Common Areas shall be fined by the Association's Board of Directors, as provided below, for each violation and shall also be assessed a special Assessment by the Association's Board of Directors in an amount equal to any cost incurred by the Association to correct or remedy any such violation. Such fine and Assessment shall constitute a lien upon the violator's unit and may be enforced as any other unpaid Assessment is enforced under the Declaration of Covenants. This regulation shall be in addition to and not exclusive of any remedies that are afforded the association (and its individual members) at law or by the Governing Documents.

- a. The first occurrence of violation will result in a written warning to the violating owner.
- b. The second occurrence of the same violation will result in a second written warning to the violating party with the understanding that one more occurrence of the same violation will result in the individual being required to attend a hearing on the subject and will be subject to fines for all occurrences after the first occurrence at the discretion of the Board of Directors.
- c. The Board will assess fines for violations at a rate not to exceed \$500.00 per each occurrence after the owner has had an opportunity to address the Board of Directors at a hearing called for the purpose.
- d. All special Assessments and fines resulting from violations are subject to the delinquency policy, which is in force for the collection of regular Assessments.
- e. The Board of Directors reserves the right to change the above stated policy for violation enforcement at any time, upon proper notice given to all property owners.

The policy for the reporting of violations is as follows:

- a. Complaints will be taken from Board members in writing or from the membership in writing.
- b. All reports of violations from the membership must be forwarded to a Board member in writing and include the legible signature of the complaining party.
- c. A copy of the complaint letter will be provided to each Board member for investigation.
- d. Complaining members may be called as witnesses at a special hearing or legal proceeding as necessary.

The Policy for investigation of violation complaints is as follows:

- a. The Board will investigate the complaint.
- b. The Board may appoint a committee to investigate the complaint.



**BY-LAWS OF  
ARABIAN ACRES PROPERTY OWNERS' ASSOCIATION  
(W/AMENDMENT (1) DATED July 7, 2001  
(W/AMENDMENT (2) DATED May 22, 2004  
(W/AMENDMENT (3) DATED May 10, 2007  
(W/AMENDMENT (4) DATED May 18, 2013**

- iii. Costs. The costs of ADR shall be split equally among the parties involved in the ADR. In the event an Owner fails to pay the Owner's share of the cost of the ADR, such amount shall be considered an Assessment against such Owner's Unit, and may be collected by the Association as an Assessment pursuant to the Declaration and Colorado Law.
- iv. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
- v. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Community.
- vi. Deviations. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.
- vii. Amendment. The Board of Directors may amend this policy from time to time.

**ARTICLE XVI**

**CLAIMS SUBMISSIONS TO THE ASSOCIATION'S INSURANCE CARRIER**

**1. POLICY FOR CLAIMS SUBMISSIONS TO THE ASSOCIATION'S INSURANCE CARRIER**

If an occurrence is made known to an Owner that results in damages or injury to an Owner or an Owner's Unit which may come within the Association's coverage as required in Declaration or under Colorado law,

- a. The Owner(s) shall first promptly notify his or her personal insurance carrier of the damage.
- b. In the event the Owner determines it is in the Owner's best interests to submit a claim under the Owner's insurance policies, the Owner shall follow the procedures set out in those insurance policies describing the insured's duties in the event of an occurrence, claim, or suit.
- c. The Association may require the Owner to provide copies of the claim the Owner may make to his/her own carrier, as well as copies of the adjustment or determination of that carrier as a condition before the Owner makes any claim on any of the Association's policies.
- d. In the event the subject matter of the claim may fall within the Association's Insurance responsibilities under the Declaration or Colorado law, the Owner shall promptly notify the Association of the damage by providing written notice to the Board setting forth the following:
  - i. Owner's home address and phone number and Unit address, if different;
  - ii. The time, place and circumstances of the event;
  - iii. Identification of damaged property; and
  - iv. The names and addresses of the injured and witnesses, if applicable.
- e. The Board shall then make a determination as to whether the occurrence or claim consists of damages for which the Owner or the Association is responsible for insuring under the Declaration. The Association shall so notify the Owner in writing of its determination within 15 days of written notification of the damage to the Association.
- f. If the Board determines, in its sole discretion, that the subject matter of the claim is within the Association's insurance obligations, the Board shall submit a claim to the Association's insurance carrier on behalf of the Owner in accordance with the requirements of the insurance policy. In that event, an Owner may not submit a claim to the Association insurance carrier.

**BY-LAWS OF  
ARABIAN ACRES PROPERTY OWNERS' ASSOCIATION  
(W/AMENDMENT (1) DATED July 7, 2001  
(W/AMENDMENT (2) DATED May 22, 2004  
(W/AMENDMENT (3) DATED May 10, 2007  
(W/AMENDMENT (4) DATED May 18, 2013**

**ARTICLE XVII**

**OWNERS SELLING UNITS**

1. **PROCEDURES TO BE USED BY ASSOCIATION IN COOPERATING WITH OWNERS SELLING UNITS**

When requested by a seller, the Association shall provide the documents the seller is required to disclose to the buyer that are within the Associations control. Therefore, the Association will make the documents listed above available as a "Seller's Disclosure Package." If authorized by the seller, the Association shall provide the Seller's Disclosure Package directly to the buyer upon payment to the Association of the usual fee charged by the Association to a seller for the Seller's Disclosure Package.