

**AMENDED & RESTATED BY-LAWS OF
ELK FALLS PROPERTY OWNERS ASSOCIATION, INC.
AS OF JULY 10, 2011**

ARTICLE I OFFICE

The principal office of the Association in the State of Colorado shall be located at Elk Falls Ranch in Jefferson and Park Counties, Colorado. The Association may have such other offices within the State of Colorado as the Board of Directors may designate from time-to-time.

ARTICLE II MEMBERS

Section 1 – Annual Meeting: The annual meeting of the members shall be held on the second Sunday of July in each year at the hour of 2:00 p.m., for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If election of directors shall not be held on the day designated herein for any annual meeting of the members, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as may be convenient.

Section 2 – Special Meeting: Special meetings of the members for any purpose or purposes, unless otherwise designated by statute, may be called by the President or by the Board of Directors.

Section 3 – Place of Meetings: All meetings of the members shall be held at such locations as designated by the Board of Directors.

Section 4 – Notice of Meetings: Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten nor more than fifty days before the date of the meeting, either personally or by mail, by or at the direction of the President, or the Secretary, or the officer or persons calling the meeting, to each member of record entitled to vote at such meeting, addressed to the member at his address as it appears on the books of the Association, with postage thereon prepaid.

Section 5 – Quorum: Twenty (20) percent of the members of the Association entitled to vote, represented in person, or by proxy, shall constitute a quorum at any special or annual meeting of the members. If less than twenty (20) percent of the members are represented at a meeting, a majority of the members so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified. The members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 6 – Proxies: At all meetings of members, a member may vote by proxy executed in writing by the member or his duly authorized attorney-in-fact. Such proxy shall be filed with the Treasurer of the Association before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

Section 7 – Definition of a Member: A member of this Association is defined as having a fee simple legal or equitable title in real property located within numbered lots, lettered tracts and undersigned land in Blocks I, II or III, Elk Falls. In the event real property is jointly owned by members within the area represented by the Association, each of the joint owners will be considered separately as a member and collectively shall be entitled to only one vote at the membership meetings, in accordance with Article VII, Section 1. Cumulative voting at any membership meeting in the election of the Board of Directors is hereby denied.

ARTICLE III BOARD OF DIRECTORS

Section 1 – Definition of a Director: A director shall be defined as a person who serves as one of the five positions on the Board of Directors, either as an officer or as a committee chairperson. All directors have equal voting rights on the Board. Directors are elected by the Membership; such Directors shall hold office at the pleasure of the Membership for a term of one year and are required to run again to seek re-election the following year.

Section 2 – Regular Meetings: A regular meeting of the Board of Directors shall be held, without other notice than by-law, immediately after, and at the same time and place as, the annual meeting of the members. The Board of Directors may provide, by resolution, the time and place with the State of Colorado for the holding of additional regular meetings without other notice than the resolution.

Section 3 – Special Meetings: Special meetings of the Board of Directors may be called by or at the request of the President or any director. The person or persons authorized to call special meetings of the Board of Directors may fix any place within Elk Falls as the place for holding any special meeting of the Board of Directors called by them.

Section 4 – Notice: Notice of any special meeting shall be given at least two days prior thereto, either delivered personally or by mail. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon paid. If notice is given by telegram such notice shall be deemed delivered when the telegram is delivered to the telegraph office. Attendance of any director at a meeting shall constitute a waiver of notice of such meeting, except where the director attends a meeting for the express purpose of objecting to the transaction of business where the meeting is not lawfully called or convened. Neither the business to be transacted nor the purpose of any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 5 – Quorum: Three of the five members shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such a majority is present at a

meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

Section 6 – Manner of Acting: The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 7 – Removal/Replacement of Board member by the Board of Directors: A Board member may be removed during a regular Board meeting by a majority vote of the Board of Directors, after a review and discussion of the individual Board members' breach of the Board of Directors written policy or EFPOA By Laws. The replacement of the removed Board member will be the EFPOA runner up from the annual meeting election. If the runner up who received the most votes is unavailable, then the subsequent candidate that received the most votes will be offered the position until all candidates have been exhausted. If none of the candidates accept, the Board may appoint a replacement by majority vote of the Board. Replacement Board members must be current with dues to accept the position and all Board members need to be in good standing to attend and vote at all EFPOA meetings.

Section 8 – Vacancies: Any vacancy occurring in the Board of Directors for any reason other than the Board member being removed by a vote of the Board may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 9 – Expenditures: No expenditures in excess of Fifty Dollars shall be committed by any director on behalf of the Association without prior approval of a majority of the Board of Directors; unless an ordinary and necessary, recurring expenditure has been approved on an "as needed" basis, such as in case of payment of electric bills, etc. The Roads Committee shall obtain a minimum of three bids annually for road maintenance. The three bid requirement may be waived by a majority vote of the entire Board except in cases where there may be a conflict of interest: for example, including but not limited to, if paid maintenance is to be performed by a Board member, a member of a Board member's family, or by a company with which a Board member is associated.

Section 10 – Audit: The Board of Directors shall arrange for a member, other than a current director, to audit the books of the Association within the 30-day period prior to the annual meeting.

ARTICLE IV OFFICERS

Section 1 – Number: The officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, which officers shall be elected at the first meeting of the Board of Directors held after the annual members' meeting each year, and such officers shall hold office at the pleasure of the Board of Directors for term of one year.

Section 2 – President: The President shall be the Association’s chief executive officer and shall have and exercise the usual powers of that office. The President also shall determine Board assignments, such as subcommittees for study of issues, responsibility for newsletters, member directories, etc.

Section 3 – Vice President: In the absence of the President or in case of his inability to act, the Vice President may exercise these same powers and shall perform any duties specifically assigned by the Board of Directors.

Section 4 – Secretary: The Secretary shall keep the minutes of the Board of Directors and the meetings of the members and shall give due notice of all regular and special meetings of the directors and members, and shall perform such duties as required by the Board of Directors.

Section 5 – Treasurer: The Treasurer shall have charge and custody of and be responsible for all funds of the Association from any source whatsoever, and shall deposit such monies in the name of the Association in such banks or other depositories as shall be selected by the Board of Directors.

ARTICLE V WAIVER OF NOTICE

Section 1 – Waiver of Notice: Whenever any notice is required to be given to any member or director of the Association under the provisions of these By-laws or under the provisions of the Colorado statues, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE VI AMENDMENTS

Section 1 – Amendments: These By-laws may be altered, amended or repealed and new By-laws may be adopted by the Board of Directors at any regular or special meeting of the Board of Directors by a majority vote of all the directors except that Article VII, Section 1 in the By-laws may only be amended as provided therein.

ARTICLE VII DUES

Section 1 – Dues: The Board of Directors is hereby empowered to assess dues payable by members on January 1st of each year. Until further action of the Board of Directors the annual dues payable to the Association shall be: \$300.00 for homeowners per year and \$200.00 for landowners per year. Homeowners whose access lies outside the gates shall be assessed as landowners. Only members who have paid their dues in full are entitled to vote at the membership meetings described in Article II of these By-laws. Any increase of dues

recommended by the Board of Directors must be approved by a majority of the members present at an annual or special meeting at which such recommendation is proposed.

ARTICLE VIII COMMITTEES

Section 1 – Committees: There are hereby established as permanent committees - an Architectural Committee, a Roads Committee, and a Parks Committee. The membership of such committees and the number serving on the committees shall be established by the Board of Directors and the members of the Board of Directors may serve on such committees. The Board of Directors is further authorized to establish from time to time such other committees for such purposes as they deem fit and establish the tenure and members of such special committees.

AS REQUIRED BY C.R.S., §38-33.3-306, AND AS PROVIDED BY ARTICLE VI, Section 1 OF THE BYLAWS OF ELK FALLS PROPERTY OWNERS' ASSOCIATION, INC. (REVISED IN MAY 1997), THE UNDERSIGNED HEREBY CERTIFIES THAT THE AFOREMENTIONED AMENDED BYLAWS HAVE BEEN DULY AUTHORIZED AND APPROVED BY A MAJORITY OF THE ASSOCIATION'S DIRECTORS.

The Elk Falls Property Owners' Association, Inc.

By: Bob Phelps, Secretary

Dated this 10th day of July, 2011.