

SHIELD-O TERRACES HOMEOWNERS ASSOCIATION

(A Colorado Nonprofit Corporation)

BYLAWS

Adopted June 10, 2000
Amended and Restated October 1, 2007
Amended and Restated June 12, 2013

PREAMBLE

The corporation is the successor organization to the Shield O Terraces Homeowners Association, an unincorporated association, established under Part III of a document entitled PROTECTIVE COVENANTS OF SHIELD - O - TERRACES, A SUBDIVISION IN PITKIN COUNTY, COLORADO dated May 9, 1968 and recorded in the official deed records of the county in Book 235, page 137. The corporation has been created pursuant to the last paragraph of said Part III which provides: "The association is an informal, non-profit organization and may incorporate as such."

I

OFFICES

The corporation may have offices at such places as the Board of Directors may from time to time determine or the affairs of the corporation may require.

II

BOARD OF DIRECTORS

The affairs of the corporation shall be managed by a Board of Directors, the Board. The Board shall take the place of the Board of Trustees designated in Part III of the document referred to in the preamble to these bylaws. The Board shall consist of seven members and the initial Board shall be the same persons elected to the Board of Trustees at the last annual meeting of the unincorporated association.

At the first annual meeting of the corporation and at each annual meeting thereafter the members shall elect seven members to the Board, four of whom shall be officers of the corporation for a term of one year. A director may be removed, with or without cause, by a majority vote of the entire Board. A vacancy in the Board may be filled by a majority vote of the remaining directors.

The directors may hold their meetings at such times and places and keep their books and records as permitted by law.

In managing the affairs of the corporation the Board shall have such powers as are provided by law and are not inconsistent with other provisions of these bylaws.

III

OFFICERS

The officers of the corporation shall be a president, a vice-president, a secretary and a treasurer. Each of the officers, except the secretary, shall be a member of the Board of Directors.

The officers shall be elected by the members at the annual meeting of the corporation and shall serve for a one year term. A vacancy in one of the offices shall be filled by a majority vote of the Board of Directors.

The President shall preside at all meetings of the Board and shall have such powers and shall perform such duties as the Board may from time to time prescribe.

In the absence of the President the Vice-President shall perform the duties and exercise the powers of the President.

The Secretary shall keep or cause to be kept a record of all meetings of the Board and the annual and any other meetings of the members. In the event the Secretary is not present at any duly called meeting, any member of the Board may act as temporary Secretary.

The Treasurer shall have custody of the corporate funds, shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation, shall make periodic financial reports to the Board and to the members as the Board shall require, and shall collect and disburse corporate funds as the Board directs.

An officer may not hold or occupy a particular office for more than three consecutive one-year terms.

IV

MEMBERS

All residential and lot owners of the Shield 0 Terraces subdivision as shown on the official plat of the subdivision as recorded in Plat Book 235, page 137, in the Recorder's Office of Pitkin County, shall be members of the Corporation.

Each of the members of the Corporation shall be entitled to cast one vote at each annual membership meeting and at any other membership meeting on any matter submitted by the Board for a vote by the members.

A member who owns more than one tract of property located in the subdivision, whether a developed or undeveloped tract, shall be entitled to only one vote. For this purpose the Corporation may rely on the records of the County Assessor of Pitkin County.

The Board may provide for the admission to membership of any person owning property located within the boundaries described in the said official plat who was not subject to the provisions of the document referred to in the Preamble to these bylaws.

By Resolution unanimously adopted by the Board of Directors at its September 25, 2007 meeting, any Association Member that is in arrears and has not fully paid the Association assessments in a timely manner shall not be permitted to vote on any matters before the Association. Voting rights shall be immediately and automatically reinstated by the Member-in-Arrears paying the account in full.

V

MEETINGS

The Board shall determine the date of the annual membership meeting of the Corporation for the election of the Board and the officers. The Board may in its discretion determine to have other membership meetings as the occasion may require. A majority of members entitled to vote shall constitute a quorum for taking action at a membership meeting.

The Board shall have meetings at such times and places as the Board shall from time to time determine. A majority of the Board shall constitute a quorum for taking action at a Board meeting.

VI

NOTICES

Notice of membership meetings shall be given by personal delivery, USPS, or by electronic mail to each member at least ten days before the meeting, of a written or printed notice thereof at the address of the member reflected on the official records of the Pitkin County Assessor.

Notice of Board meetings shall be given the President to each Board member personally or in writing.

VII

PROXIES

Voting at a membership meeting or Board meeting may be in person or by written proxy furnished to another voting member. The proxy shall identify the person who holds the proxy and the date of the meeting at which the proxy is to be exercised, and shall be signed by the person granting the proxy. A proxy may be transmitted by fax or E-Mail.

VIII

PROTECTIVE COVENANTS

Until amended in the manner provided in Section VIII of the document referred to in the Preamble to these bylaws the Protective Covenants as provided in Sections I., II., III., IV., V., VI., VII., VIII., and IX of said document shall remain in full force and effect.

The Board shall be the Architectural Committee to administer and enforce the protective covenants.

IX

SHIELD 0 ROAD

Section 1 of Shield 0 Road commences at Snowmass Creek Road, a Pitkin County road, and runs for a distance of approximately one mile to the intersection with Mesa Road. At the intersection with Mesa Road, Section 2 of Shield 0 Road continues in a southerly direction for approximately one mile to its terminus.

Section 1 of Shield 0 Road is the principal means of ingress and egress to and from the subdivision to Snowmass Creek Road for most of the residential and lot owners in the Shield 0 Terraces subdivision. Section 2 of Shield 0 Road and Mesa Road serves a few of the residential and lot owners of Shield 0 Terraces subdivision as a means of ingress from and egress to Snowmass Creek Road.

Section 1 of Shield 0 Road is subject to the terms of an easement and a permit that restrict use of the road to members of the Shield 0 Terraces subdivision. The easement and permit appear in the real property records of Pitkin County at Book 220, page 193 (easement), and Book 625, page 158 (permit).

Since its inception the Shield 0 Terraces Homeowners Association, an unincorporated association and predecessor organization to the corporation, at its sole cost and expense has improved, repaired, and maintained Section 1 of Shield 0 Road, and provided snow plowing services during the winter months. The

corporation at its sole cost and expense shall continue to improve, repair, maintain and plow Section 1 and Section 2 of Shield-O Road, and all peripheral roadways within the subdivision such as Casey Court, Old Pond Way, and Blue Sage Lane.

In order to provide for fire safety and emergency access to the subdivision and the Mesa area contiguous to the subdivision Pitkin County has prescribed certain improvements and installations on or near Section 1 of Shield 0 Road, mandated improvements, and until such improvements are made or provided for the County has imposed a building moratorium on all properties in the subdivision served by Section 1 of Shield 0 Road. The Association also understands its obligation to provide safe ingress/egress and ample roadway for emergency services to all residents and lot owners of Section 2 (upper) Shield-O Road.

The corporation has obligations to its members, the public, and the County to provide emergency access and emergency and fire control improvements on or near Section 1 and Section 2 of Shield 0 Road and shall cooperate with the County in making mandated improvements on or near Section 1 of Shield 0 Road to comply, with County requirements.

The Board will assess each member a sum to be paid to the corporation for the mandated improvements, such sum to be determined in consultation with the County. Further the-Board may enter into an agreement with the County directed to these issues: (1) A commitment by the corporation to continue to improve, repair, maintain and plow Section 1 of Shield 0 Road; (2) A commitment by the corporation to make mandated improvements on or near Section 1 of Shield o Road to comply with County requirements; (3) A commitment by the corporation for use of Section 1 of Shield 0 Road by all concerned persons in the event of emergencies; and (4) A commitment by the County to lift the moratorium on building on those properties in the subdivision served by Section 1 of Shield 0 Road as to each member who pays his, hers, or their assessed share of the mandated improvements.

The Board may impose reasonable fees on the members for costs of improving, repairing and maintaining Section 1 of Shield 0 Road and for the costs of snow plowing in the winter. The Board may take whatever measures are appropriate for the collection of these fees including legal action.

Notwithstanding any other provisions of these bylaws the terms of this bylaw shall not be amended or otherwise changed to effect any prior stipulations made with Pitkin County without the consent of Pitkin County so long as an agreement between the corporation and the county as provided in the paragraph next proceeding is in effect.

X

ALTERATION, AMENDMENT OR REPEAL

Except as otherwise provided in these bylaws the Board of Directors may alter or amend these bylaws at any regular meeting of the Board by the affirmative vote of a majority of all the directors in office.

XI

INDEMNIFICATION

The Board shall indemnify any director from any costs or liability incurred for participation in any corporate action in accordance with standards established in the Colorado Revised Nonprofit Corporation Act. If necessary the Board may assess the members to pay any such indemnity amounts.

XII

MISCELLANEOUS

Where not otherwise provided in these bylaws the affairs of the corporation shall be governed by procedures established in the Colorado Revised Nonprofit Corporation Act.

These bylaws were originally adopted by the unanimous vote of the Board of Directors at its first regular meeting held in Snowmass, Colorado during June, 2000, having been Amended and Restated by the Board of Directors on October 1, 2007, and having been Amended and Restated by the Board of Directors on June 12, 2013.