

By-Laws of
TERRY LAKE RECREATION ASSOCIATION, INC.

ARTICLE I

The name of the corporation shall be:

TERRY LAKE RECREATION ASSOCIATION, INC.

ARTICLE II

The purpose for which this non-profit corporation is organized is to lease ~~that~~ **the** lake located north of Fort Collins, Larimer County, Colorado, known as Terry Lake for the purpose of using it as a recreational facility for those persons owning property having access to Terry Lake as specified in Article IV, Section 3.

ARTICLE III

Section 1. The Association shall be managed by a board of seven (7) directors. At each five year meeting, the members shall elect a new Board of Directors for a term of five (5) years. Directors shall hold office until their successors are elected and qualified and they may succeed themselves.

Section 2. Directors shall be elected to represent the logical geographic areas of the membership of the Association and their number from such areas shall approximate an equitable apportionment. In electing the Board of Directors there shall be one voter per active membership, voting for the apportioned positions for each designated area.

ARTICLE IV

Section 1. The board of directors shall be charged with the management of the association. Pursuant to this obligation, they shall have the right to employ agents or employees when necessary; fix their duties and compensations; adopt rules of conduct for the membership in connection with the use of Terry Lake; elect the officers for the corporation; fill any vacancy in the membership of the board of directors from among the membership to serve until the next five year meeting; and perform any and all other management functions required to operate the association.

Section 2. The Board of Directors shall determine the annual dues each year, dues shall be paid annually on or before a date set by the Board of Directors, by the membership as follows: New membership shall be ten (10) times the annual active members dues. Inactive membership dues shall be one half (1/2) the Active dues.

Section 3. Membership eligibility is limited to the property owners of the following properties:

- (1) properties in the Terry Shores HOA,
- (2) properties in the Terry Cove HOA,
- (3) properties in the Point Townhomes HOA,

- (4) properties in the Terry Acres HOA on Bayshore Drive,
- (5) four properties on Blue Heron Drive (specifically 734, 872, 877 and 950),
- (6) properties on Terry Point not members of the Point Townhomes (on Terry Point Drive, Swan Lane, and Canadian Parkway),
- (7) one property on Shore Road not a member of Terry Shores HOA (specifically, 3620),
- (8) three property on North Shields Road 3008, 3108, 3212
- (9) properties on the west side of Terry Lake Road south of Terry Shores that adjoin the Terry Lake property line (specifically 2405, 2423, 2459, 2511, 2527, 2533, 2603, 2615, 2625, 2629, 2703, 2725, 2809, 2817, 2825, 2831, 2909, 2921 and 3212.

Section 4: Active membership shall entitle a member family to the use of Terry Lake under the terms and conditions and rules set out by the board of directors. Inactive membership shall give the membership no active use or participation in the lake until the annual dues for active membership are paid. In the event a membership is ever dropped and not maintained on an inactive status, the initial application fee as set by the board shall be required to be paid again in addition to the active dues for the year. In the event of nonpayment of dues a membership shall be terminated at the discretion of the board.

A transfer fee of one and a half (1^{1/2}) times the annual active dues, will be assessed for each real estate transaction involving change of title for a lot eligible for membership in Terry Lake Recreation Association.

ARTICLE V

Section 1. The officers of the association shall be president, vice president, secretary and treasurer; and if deemed necessary by the board of directors an assistant secretary and assistant treasurer may be appointed. All officers shall be elected annually by the board from among its members and shall hold office until the following the five year meeting of the association. The assistant secretary and assistant treasurer shall be appointed by the board and hold office at its pleasure.

Section 2. Duties of president. The president shall preside at the meetings of the association and of the board. He shall be the administrative officer of the association. He shall appoint, subject to confirmation by the board of directors, all

standing and special committees, designating the chairman thereof. He shall be ex-officio a member of all committees.

Section 3. Duties of vice president. The vice president, in the absence of or disability of the president shall act in his stead. He shall, under the direction of president, attend to the business and financial operations of the organization and shall be the chairman of the finance committee. He shall be ex-officio a member of all other committees.

Section 4. Duties of secretary. The secretary shall send out the notices of the meetings of the association and of the board; keep the minutes, maintain the corporate records and attend to the correspondence pertaining to the office as may be required by the board.

Section 5. Duties of treasurer.

a. The treasurer shall maintain the books of account of the association, issue notices of dues payable and be responsible for the collection thereof; deposit funds of the association received by him in the name of the association and disburse said funds at the direction of the board of directors and shall report on the financial condition of the association at the regular meeting of the board of directors and at the annual or special meetings of the association and shall perform such other duties as may be requested by the board of directors.

b. The president, or other officers executing checks shall be bonded. Section 6. Duties of assistant secretary. The assistant secretary and assistant treasurer shall perform such duties as may be assigned to them by the secretary or treasurer, respectively, or by the board of directors.

Section 7. Alternate Members. At the first board meeting after each five(5)-year meeting, the newly elected board of directors shall appoint up to five non-voting alternate board members. One alternate may be selected to represent each of the principal membership areas (Terry Point, Terry Cove, Terry Shores, the members on Terry Lake Road south of Terry Shores, and Terry Acres). The duties of the alternate board members are to assist with any projects the board may undertake or they may be designated to assume the duties of regular board members who are temporarily unable to participate.

Section 8. If a regular board member leaves the board of directors, the board of directors will elect a replacement (from the active members of TLRA) to complete the term of the departing board member.

ARTICLE VI

Section 1. Membership in the association shall be limited to the property owner(s) of the properties heretofore described as listed on the Larimer County Assessor's Property Database.

- a. Definition of "household." A "household" consists of an adult, with or without spouse, domestic partner, dependents and other residents of the household.

Lake use privileges shall be limited to the household of the property owner.

If the owner either rents or allows another household to reside on the property in a permanent fixed residence, then lake use privileges may be exercised by the property occupant's household.

In no case may lake use privileges be exercised by the households of both the property owner and the household occupying the property.

A non-resident owner who rents or allows another household to reside on their property may not retain lake use privileges for themselves. The nonresident owner has two options: (1) maintain an Active membership and grant lake use privileges to their tenants, or (2) not grant lake use privileges to their tenant and maintain an Inactive membership.

Lake use privileges may not be granted to the household of anyone who rents or occupies a property with a lake membership where members of **the** renting household do not reside in a permanent residence on the property.

Even if a property owner allows a property occupant to exercise lake use privileges, these responsibilities remain with the property owner: (1) maintain the membership in TLRA, and (2) provide the TLRA Business Manager with the name(s) and contact information (telephone numbers and email addresses) of the occupants.

Section 2. Each member shall be allowed the number of guests as specified by the board of directors under rules promulgated by the board.

Section 3. There shall be a regular meeting of the Association every five (5) years from February 1974, which meeting shall be arranged and called by existing Board of Directors at such time and place as they shall determine. Notice of such meeting shall be given fourteen (14) days prior to the date of its convening. The regular meeting shall be for the purpose of electing directors and the transaction of such business as may be properly brought before it.

Section 4. Special meetings of the association may be called by the board of directors or upon written request of twenty-five percent (25%) of the members. Notice of the special meeting shall state the purpose therefore and shall be given fourteen (14) days prior to the date of its convening. Whenever notice shall be required by these

ByLaws, it shall be determined properly given and adequate when it is addressed to the membership at such address as shall appear in the records of the association, and is deposited in the United States Mail, postage pre-paid, or posted on the association's web site.

Section 5. A quorum at a regular or special meeting shall consist of a majority of the eligible (active) members present (including proxy). A person shall be entitled to vote once for each lot owned for which active membership dues are current for items which been duly put on the agenda.

ARTICLE VII

Section 1. The board shall meet at such time as it may determine necessary to conduct business of the association. Special meetings of the board may be called by the president and shall be called by the secretary upon the request of two members of the board.

Section 2. Roberts Rules of Order shall govern the conduct of all meetings, except when they are in conflict with the Articles of Incorporation or these By-Laws.

Section 3. By-Laws may be amended by a two-thirds (2/3) vote of the total membership of the board of directors or a two-third (2/3) vote of the membership present at any meeting of the association providing that at least five (5) days notice of such proposed amendment shall have been given to each member.

Section 4. The board shall cause the books of the association to be audited annually by an auditor selected by the directors, which audit shall be distributed to the membership.

Section 5. Any membership may, for cause and after having been given an opportunity for a hearing, be suspended for a period of not exceeding three months by a majority vote of the members of the board present at any meeting thereof, or expelled by a two-thirds (2/3) vote of the entire membership of the Board. Cause for suspension, or expulsion shall, in general consist of violation of these By-Laws or of the rules of the association, or of conduct unbecoming a lady or gentleman.

Section 6. The Board of Directors may address a normal business item outside of a regular meeting as long as the following guidelines are met:

a. Notice is transmitted in writing or by email to each member of the board stating the issue to be resolved, the proposed resolution and the date/time by which a director must respond.

b. Each director should respond by the stated deadline in writing or by email, voting for or against the resolution, or abstaining.

c. Results of the resolution will be sent to all directors either in writing or by email and will be posted in the minutes of the next meeting of the Board of Directors.

d. Should a majority of voting members oppose handling the issue outside of a regular meeting, they should so indicate either in writing or by email. In such a situation, either a special meeting will called or the issue will be presented at the next regular meeting of the Board of Directors.

Section 7. Should a board of directors meeting not have enough regular members present to constitute a quorum, the presiding officer may designate as voting members (for that meeting) however many attending alternate members are necessary to constitute a quorum.