

the meeting. At any adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

3.11 Proxy. For purposes of determining a quorum at any meeting of the Executive Board, and for purposes of casting a vote for or against a particular proposal, a Director may be deemed to be present at a meeting and to vote if the Director has granted a signed written proxy to another Director who is present at the meeting, authorizing the other Director to cast the vote that is directed to be cast by the written proxy with respect to the particular proposal that is described with reasonable specificity in the proxy. Except as provided in these Bylaws and as otherwise permitted by the Colorado Revised Nonprofit Corporation Act, Directors may not vote or otherwise act by proxy.

3.12 Meetings by Telecommunication. The Executive Board may permit any Director to participate in a regular or special meeting by, or conduct the meeting through the use of any means of, communication by which all Directors participating may hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting.

3.13 Action by Consent. Any action which may be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the Directors entitled to vote with respect to the action to be taken.

3.14 Compensation. No Director shall receive compensation for serving on the Executive Board. Directors may be entitled to such reimbursement for reasonable expenses incurred on behalf of the Association as may be approved by the Executive Board.

ARTICLE 4

OFFICERS

4.1 Designation. The principal officers of the Association shall be the president, the vice president, the secretary and the treasurer, all of whom shall be elected by the Executive Board. The Executive Board may elect an assistant treasurer, an assistant secretary and other officers as it finds necessary. The officers shall also be Directors. Any two offices may be held by the same person, except the offices of president and secretary. The office of vice president may be vacant.

4.2 Election of Officers. The officers of the Association shall be elected annually by the Executive Board at the first meeting of the Board following the annual meeting of the Members. The terms of any officers shall be for one (1) year.

4.3 Removal and Resignation of Officers. Upon the affirmative vote of a majority of the Directors, any officer may be removed, either with or without cause. A successor may be elected at any regular meeting of the Executive Board or at any special meeting of the Executive Board called for that purpose. The officer may resign at any time by giving written notice to the Executive Board. Such resignation shall take effect on the date of receipt of the notice or any later date.

specified in the notice. Unless otherwise specified in the notice, the acceptance of such resignation shall not be necessary to make it effective.

4.4 Vacancy. A vacancy in any office may be filled by a majority vote of the members of the Executive Board.

4.5 President. The president shall be the chief executive officer of the Association. The president shall preside at all meetings of the Members and of the Executive Board. The president shall have all of the general powers and duties which are incident to the office of president of a nonprofit corporation organized under the laws of the State of Colorado. The president may fulfill the role of treasurer in the absence of the treasurer. The president may cause to be prepared and may execute, certify and record amendments, attested by the secretary, to the Declaration and these Bylaws on behalf of the Association, following authorization or approval of the particular amendment as applicable.

4.6 Vice President. The vice president shall take the place of the president and perform the president's duties whenever the president is absent or unable to act. If neither the president nor the vice president is able to act, the Executive Board shall appoint some other Director to act in the place of the president on an interim basis. The vice president shall also perform other duties as directed by the Executive Board or by the president.

4.7 Secretary. The secretary shall keep the minutes of all meetings of the Members and the Executive Board. The secretary shall have charge of the Association's books and papers as the Executive Board may direct and shall perform all the duties incident to the office of secretary of a nonprofit corporation organized under the laws of the State of Colorado. The secretary may cause to be prepared and may attest to execution by the president of amendments to the Declaration and the Bylaws on behalf of the Association, following authorization or approval of the particular amendment as applicable.

4.8 Treasurer. The treasurer shall be responsible for Association funds and securities, for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. This officer shall be responsible for the deposit of all monies and other valuable effects in depositories designated by the Executive Board and shall perform all the duties incident to the office of treasurer of a nonprofit corporation organized under the laws of the State of Colorado. The treasurer may endorse on behalf of the Association, for collection only, checks, notes and other obligations and shall deposit the same and all monies in the name of and to the credit of the Association in banks designated by the Executive Board. The treasurer may have custody of and shall have the power to endorse for transfer, on behalf of the Association, stock, securities or other investment instruments owned or controlled by the Association or as fiduciary for others. Reserve funds of the Association shall be deposited in segregated accounts. Funds may be withdrawn from these reserves for the purposes for which they were deposited, by check or order, authorized by the treasurer, and executed by two Directors, one of whom may be the treasurer if the treasurer is also a Director.

4.9 Agreements, Contracts, Deeds and Checks. Except as provided in Sections 4.5, 4.7, and 4.8 above, all agreements, contracts, deeds, checks and other instruments of the Association shall be executed by the officer or officers of the Association, or such other person or persons, as may be designated by resolution of the Executive Board.

4.10 Compensation. No person shall receive compensation for serving as an officer of the Executive Board. An officer shall be entitled to such reimbursement for reasonable expenses incurred on behalf of the Association as may be approved by the Executive Board.

ARTICLE 5

INDEMNIFICATION

The Directors and officers of the Association shall be entitled to indemnification by the Association in the manner and to the extent provided by Colorado law.

ARTICLE 6

BOOKS AND RECORDS

The Association shall maintain records of (a) its governing documents (Declaration, Articles of Incorporation, Bylaws, Rules and Regulations); (b) its actions (the Executive Board Resolutions, Meeting Minutes); and (c) its financial condition (Balance Sheet, Income Statement and other records indicating the financial condition of the Association). Such books and records shall be available for examination and copying by a Member or such Member's authorized agent during normal business hours and upon reasonable notice to the Association for a reasonable charge, except for privileged or confidential information.

ARTICLE 7

MISCELLANEOUS

7.1 Notices. All notices to the Association or the Executive Board shall be delivered to the office of the managing agent, or, if there is no managing agent, to the office of the Association, or to such other address as the Executive Board may designate by written notice to all Members and to all holders of Security Interests in the Lots who have notified the Association that they hold a Security Interest in a Lot. Except as otherwise provided, all notices to any Owner shall be sent to the Owner's address as it appears in the records of the Association. All notices to holders of Security Interests in the Lots shall be sent to their respective addresses, as designated by them in writing to the Association. Notices shall be hand delivered or sent by United States mail, first class with postage prepaid. All notices shall be deemed to have been given when hand delivered or three days after being deposited in the United States mail, except notices of changes of address, which shall be deemed to have been given when received.

7.2 Fiscal Year. The Executive Board shall establish the fiscal year of the Association.

7.3 Waiver. No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.


ARTICLE 8 **AMENDMENTS**

The Bylaws may be amended at a regular or special meeting of the Members by a vote of a majority of a quorum of Members present in person or by proxy, except that the Federal Housing Administration or the Veteran's Administration shall have the right to veto amendments made during any period of Declarant control as defined in the Declaration. No amendment of the Bylaws of this Association shall be adopted which would affect or impair the validity or priority of any Security Interest in any Lot.


ARTICLE 9 **CONFLICT OF DOCUMENTS**

In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and the Articles or these Bylaws, the Declaration shall control.


The undersigned being all of the Directors of Fox Ridge Homeowner's Association of Severance adopted these Bylaws this 25th day of September, 2002.



Thomas G. Francis, Director



Rosalind C. Francis, Director



Carolyn G. Francis, Director

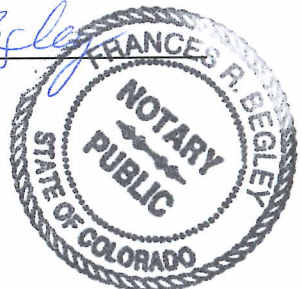
STATE OF COLORADO)
) ss.
COUNTY OF LARIMER)

The foregoing instrument was acknowledged before this me this 27th day of September, 2002 by Thomas G. Francis, Rosalind C. Francis and Carolyn G. Francis.

Witness my hand and official seal.

My commission expires: 3/6/04

Frances R. Begley
Notary Public

A circular notary seal for Frances R. Begley, Notary Public, State of Colorado. The seal features the text "FRANCES R. BEGLEY" around the top, "NOTARY PUBLIC" in the center, and "STATE OF COLORADO" around the bottom. There is a small star in the center.

CERTIFICATION

I certify that I am the duly elected and acting secretary of Fox Ridge Homeowner's Association of Severance, and the foregoing Bylaws constitute the original Bylaws of the Association as adopted by unanimous consent of the Executive Board on the 27th day of September, 2002.

Rosalind Francis
Rosalind C. Francis, Secretary