

ARTICLE 2. DEFINITIONS

The definitions set forth in the Amended and Restated Master Declaration of Protective Covenants for River Valley Ranch, as amended and supplemented by documents of record, ("Master Declaration") shall apply to all capitalized terms contained in these Bylaws, unless otherwise noted or the context provides otherwise.

ARTICLE 3. MEMBERSHIP AND VOTING

Section 3.1 **Membership and Voting.** Every person who is an Owner shall be a Member of the Master Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot or Unit. Ownership of a Lot or Unit shall be the sole qualification for membership. Each Lot or Unit shall be entitled to cast one vote. Fractional and cumulative voting are prohibited.

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Section 3.2 **Suspension of Voting Rights and Use Rights.** During any period in which an Owner shall be in default in the payment of any Common Expense Assessment, including interest, fines, late fees, attorney fees and costs, levied by the Master Association, the voting rights and right to use of the recreational facilities of the Owner shall be deemed suspended by the Executive Board, without notice or hearing, until the Assessment has been paid. Voting rights and use rights of an Owner may also be suspended for a period not to exceed 60 days or during any period of violation of any other provision of the Governing Documents, whichever is greater.

Section 3.3 **Member Voting.** (a) At all meetings of Members, each Member eligible to vote may vote in person or by proxy. (b) If only one of several Owners of a Lot or Unit is present at a meeting of the Master Association, the Owner present is entitled to cast the vote allocated to such Lot or Unit. (c) If more than one of the Owners is present, the vote allocated to the Lot or Unit may be cast only in accordance with the agreement of a majority of those Owners. A majority agreement exists if any one of the Owners casts the vote allocated to the Lot or Unit without protest being made promptly to the person presiding over the meeting by another Owner of the Lot or Unit. In the event of disagreement between or among co-Owners and an attempt by two or more of them to cast such vote or votes, such vote or votes shall not be counted. (d) The vote of a corporation or business trust may be cast by any officer of that corporation or business trust in the absence of express notice of the designation of a specific person by the Executive Board or bylaws of the owning corporation or business trust. (e) The vote of a partnership may be cast by any general partner of the owning partnership in the absence of express notice of the designation of a specific person by the owning partnership. (f) The chair of the meeting may require reasonable evidence that a person voting on behalf of a corporation, partnership or business trust Owner is qualified to vote.

Section 3.4 **Transfer of Membership.** Transfers of membership shall be made on the books of the Master Association only upon presentation of evidence, satisfactory to the Master Association, of the transfer of ownership of the Lot or Unit to which the membership is appurtenant.

ARTICLE 4. MEETINGS OF MEMBERS

Section 4.1 **Annual Meetings.** An annual meeting of the Members shall be held during each of the Master Association's fiscal years, at such time of the year and date as determined by the Board. The members of the Executive Board shall be elected by the Members annually at a time determined by the Board, in accordance with the provisions of these Bylaws. The Members may transact other business as may properly come before them at the annual

MARKUP #1 ->

MARKUP #1 · CONFLICTS WITH MANDATORY STATE STATUTE BOARD & COUNSEL REVIEW

Sec. 3.2 (p. 6): Voting rights suspension clause lacks Colorado statutory notice, hearing due process, or delinquency safeguards (C.R.S. § 38-33.3-209.5 (HB 22-1137 \$500 Non-Health/Safety Cap & Cure Notice)).
Statutory / Legal Reference: C.R.S. § 38-33.3-209.5 (HB 22-1137 \$500 Non-Health/Safety Cap & Cure Notice); Colo. Rev. Stat. §§ 38-33.3-101 to 38-33.3-402 (CCIOA); Colo. Rev. Stat. §§ 7-121-101 to 7-137-301 (Colorado Revised Nonprofit...
Statutory Comparison: Under Colorado community association and nonprofit corporation statutes (C.R.S. § 38-33.3-209.5 (HB 22-1137 \$500 Non-Health/Safety Cap & Cure Notice); Colo. Rev. Stat. §§ 7-121-101 to 7-137-301 (Colorado Revised Nonprofit Corp. Act)), member voting rights are a fundamental corporate governance right and may not be summarily suspended without strict compliance with statutory delinquency thresholds, prior written notice, and an opportunity to be heard.

CURRENT WORDING IN DOCUMENT:
voting rights and right to use of the recreational facilities of the Owner shall be deemed suspended by the Executive Board, without notice or hearing, until the Assessment has been paid. Voting rights and use rights of an Owner may also be suspended for a period not to exceed 60 days or during any period of violation of any other provision of the Governing Documents, whichever is greater.

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):
Provided that any suspension of voting or membership privileges (to the extent permitted by Colorado law) shall require prior written notice to the Owner, a reasonable opportunity to be heard, and strict compliance with C.R.S. § 38-33.3-209.5 (HB 22-1137 \$500 Non-Health/Safety Cap & Cure Notice) and Colo. Rev. Stat. §§ 7-121-101 to 7-137-301 (Colorado Revised Nonprofit Corp. Act).