

BY-LAWS

OF

WELLSHIRE EAST IMPROVEMENT ASSOCIATION

ARTICLE I

Offices

The principal office of the Association shall be located in the City and County of Denver.

The registered office of the Association shall be maintained in the State of Colorado and may be, but need not be, identical with the principal office. The address of the registered office may be changed from time to time by the board of directors.

ARTICLE II

Members

Section 1. Annual Meeting. The annual meeting of the members shall be held at 7:00 P.M. on the third Wednesday of the month of April in each year for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Colorado, such meeting shall be held on the next succeeding day. If the 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 convenient.

Section 2. Special Meetings. Special meetings of the members, for any purpose, unless otherwise prescribed by statute, may be called by the president or by the board of directors, and shall be called by the president at the request of not less than one-tenth of all the members in good standing.

Section 3. Place of Meeting. The board of directors may designate any place within Colorado as the place for any annual meeting or for any special meeting called by the board of directors. A waiver of notice signed by all members entitled to vote at a meeting may designate any place within Colorado as the place for such meeting.

Section 4. Notice of Meeting. Written or printed notice stating the place, day and hour of the meeting, and, in case of a special meeting, the 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 entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the association, with postage thereon prepaid. If requested by the person or persons lawfully calling such meeting, the secretary shall give notice thereof, at association expense.

Section 5. Definition of Members. Membership in the association shall be open to all persons who are property owners and who are interested in the purpose of the association and who have paid their annual dues as set by the board of directors.

Section 6. Voting Rights. Each residence shall be entitled to one vote on all matters which may be considered by the association. Only one vote shall be allowed per residence, regardless of the number of individuals residing therein or in attendance at a meeting.

Section 7. Quorum. The affirmative vote of a majority of the members at the meeting and entitled to vote on the subject matter shall be the act of the members.

Section 8. Informal Action by Members. Any action required to be taken at a meeting of the members, or any other action which may be taken at a meeting of the members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote of the members.

ARTICLE III

Board of Directors

Section 1. General Powers. The business and affairs of the association shall be managed by its board of directors.

Section 2. Number, Tenure and Qualifications. Unless changed by vote of the members, the number of persons on the board of directors shall be fixed at seven. Directors shall be elected at each annual meeting of members. Each director shall hold office until the next annual meeting of members and thereafter until his/her successor shall have been elected and qualified. Directors shall be residents of Colorado and members of the association.

Section 3. Vacancies. Any director may resign at any time by giving written notice to the president or to the secretary of the association. Such resignation shall take effect at the time specified therein; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any vacancy occurring in the board of directors may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of directors shall be filled by election at an annual meeting or at a special meeting of members called for that purpose.

Section 4. Regular Meetings. A regular meeting of the board of directors shall be held without other notice than this by-law immediately after, and at the same place as, the annual meeting of members. The board of directors may provide, by resolution, the time and place, within the State of Colorado, for the holding of additional regular meetings without other notice than such resolution.

Section 5. Special Meetings. Special meetings of the board of directors may be called by or at the request of the president or any two directors. The person or persons authorized to call special meetings of the board of directors may fix any place, within Colorado, as the place for holding any special meeting of the board of directors called by them.

Section 6. Notice. Notice of any special meeting shall be given at least seven days previously thereto by written notice delivered personally or mailed to each director at his mailing address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. Any director may waive notice of any meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, 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 7. Quorum. A majority of the number of directors fixed by Section 2 shall constitute a quorum for the transaction of business at any meeting of the board of directors, but if less than such majority is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

Section 8. 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 9. Compensation. The board of directors shall not be paid any compensation for their services.

Section 10. Presumption of Assent. A director of the association who is present at a meeting of the board of directors at which action on any association matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the secretary of the association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

Section 11. Executive Committee. The board of directors, by resolution adopted by a majority of the number of directors fixed by Section 2 may designate three directors to constitute an executive committee, which shall have and may exercise all of the authority of the board of directors or such lesser authority as may be set forth in said resolution. No such delegation of authority shall operate to relieve the board of directors or any member of the board from any responsibility imposed by law.

Section 12. Informal Action by Directors. Any action required or permitted to 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, shall be signed by all of the members entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote of the directors, and may be stated as such in any articles or document filed with the Secretary of State of Colorado.

ARTICLE IV

Officers and Agents

Section 1. General. The officers of the association shall be a president, vice president, a secretary and a treasurer. The board of directors may appoint such other officers, assistants, officers, committees and agents, including a chairman of the board, assistant secretaries and assistant treasurers, as they may consider necessary, who shall be chosen in such manner and hold their offices for such terms and have such authority and duties as from time to time may be determined by the board of directors. The officers of the association shall not be compensated for their services. One person may hold any two offices, except that no person may simultaneously hold the offices of president and secretary. In all cases where the duties of any officer, agent or employee are not prescribed by the by-laws or by the board of directors, such officer, agent or employee shall follow the orders and instructions of the president.

Section 2. Election and Term of Office. The officers of the association shall be elected at the annual meeting of the members. Each officer shall hold office until the first of the following to occur: until his successor shall have been duly elected and shall have qualified; or until his death; or until he shall resign; or until he shall have been removed in the manner hereinafter provided.

Section 3. Removal. Any officer or agent may be removed by the board of directors or by the executive committee whenever in its judgment the best interests of the association will be served thereby. Election or appointment of an officer or agent shall not in itself create contract rights as against the association.

Section 4. Vacancies. A vacancy in any office, however occurring, may be filled by the board of directors for the unexpired portion of the term.

Section 5. President. The president shall, subject to the direction and supervision of the board of directors, be the chief executive officer of the association and shall have general and active control of its affairs and business and general supervision of its officers, agents and employees.

Section 6. Vice President. The vice president shall assist the president and shall perform such duties as may be assigned by the president or by the board of directors. In the absence of the president, the vice president shall have the powers and perform the duties of the president.

Section 7. Secretary. The secretary shall: (a) keep the minutes of the proceedings of the members, executive committee and board of directors; (b) see that all notices are duly given in accordance with the provisions of these by-laws or as required by law; (c) be custodian of the association records; and (d) in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned by the president or by the board of directors. Assistant secretaries, if any, shall have the same duties and powers, subject to supervision by the secretary.

Section 8. Treasurer and Assistant Treasurers. The treasurer shall be the principal financial officer of the association and shall have the care and custody of all funds, securities, evidences of indebtedness and other personal property of the association and shall deposit the same in accordance with the instructions of the board of directors. The treasurer shall receive and give receipts and acquittances for moneys paid in on account of the association, and shall pay out of the funds on hand all bills and other just debts of the association of whatever nature upon maturity. The treasurer shall perform all other duties incident to the office and, upon request of the board, shall make such reports to it as may be required at any time. If required by the board, the treasurer shall give the association a bond in such sums and with such securities as shall be satisfactory to the board, conditioned upon the faithful performance of duties and for the restoration to the association of all books, papers, vouchers, money and other property of whatever kind held in treasurer's possession or under control belonging to the association. The treasurer shall have such other powers and perform such other duties as may be from time to time prescribed by the board of directors or the president. The assistant treasurers, if any, shall have the same powers and duties, subject to the supervision of the treasurer.

ARTICLE V

Indemnification of Officers and Directors

Each director and officer of this association, whether or not then in office, and personal representatives, shall be indemnified by the association against all costs and expenses actually and necessarily incurred in connection with the defense of any action, suit or proceeding in which such director or officer may be involved or to which that person may be made a party by reason of being or having been such director or officer, except in relation to matters as to which director or officer shall be finally adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty. Such costs and expenses shall include amounts reasonably paid in settlement for the purpose of curtailing the costs of litigation, but only if the association is advised in writing by its counsel that in counsel's opinion the person indemnified did not commit such negligence or misconduct. The foregoing right of indemnification shall not be exclusive of other rights to which such person may be entitled as a matter of law or by agreement.

ARTICLE VI

Section 1. Waivers of Notice. Whenever notice is required by law, or by these by-laws, a waiver thereof in writing signed by the director, member or other person entitled to said notice, whether before, at or after the time stated therein, or his appearance at such meeting in person or (in the case of a members' meeting) by proxy, shall be equivalent to such notice.

Section 2. Amendments. The board of directors shall have power to make, amend and repeal the by-laws of the association at any regular meeting of the board or at any special meeting called for the purpose.

Section 3. Dues. The dues of the association shall be set annually by the board of directors.

Amendments to the by-laws:

1. The annual meeting date shall be changed to July 4th – even though this is a legal holiday. However, the board may change this date with notification to the membership.