

**BYLAWS  
OF  
SILVER OAKS HOMEOWNERS ASSOCIATION, INC.**

**SECTION 1 – MEMBERSHIP**

The membership of the Corporation shall consist of the members with the voting rights, including powers of attorney vested in the Declarant, designated from time to time in the Declaration of Covenants, Conditions and Restrictions, and any amendments thereto (the “DCCR”), of the development known as the Silver Oaks Subdivision, as described in the Articles of Incorporation.

**SECTION 2 – MEETINGS**

**2.1 Annual Meeting** – The annual meeting of the members for the election of officers shall be held at such time and place as shall be designated by the Board of Directors.

**2.2 Special Meetings** – Special meetings of the Silver Oaks Homeowner Association (SOHOA) may be called at any time by the Board of Directors or by members holding the voting power of at least fifty (50) SOHOA members. The President shall have the power to order the Secretary to call a special meeting when requested by the Board of Directors or requested, in writing, by fifty (50) homeowners in good standing. Homeowners must be notified of special meetings in writing, sent to their Silver Oaks address, stating the date, time, and place of the meeting and the business to be transacted. No business not stated in the notice shall be transacted. Special meetings may be held in conjunction with regular meetings. If the Secretary neglects or refuses to issue such call, then the call may be issued by any Officer or any member who signed the petition.

**2.3 Place of Meetings** – Meetings of the members shall be held at the registered office of the Corporation unless the Board of Directors, by resolution, designates a different place for the meeting, in which case the meeting shall be held at the place thus designated.

**2.4 Notice of Meetings** – The Secretary shall give written notice of the time, date, place, and purpose of each meeting of the SOHOA. The notice shall be delivered, either personally or by mail, to the SOHOA members entitled to vote, no less than ten (10) days or more than thirty-five (35) days before the date of the meeting.

**2.5 Waiver of Notice** – The attendance of any member at any meeting of the SOHOA, without protesting the lack of proper notice, shall constitute a waiver of such notice.

**2.6 Quorum, Vote Required** – The percentage of voting interests required to constitute a quorum at a meeting of the members shall be twenty percent (20%) of the total voting interests. Decisions that require a vote of the members must be made by the concurrence of a majority of the voting interests present, in person or by proxy, at a meeting at which a quorum has been attained. The President shall have the deciding vote in case of a tie, except in cases of a secret ballot vote.

**2.7 Action Without Meeting** – Any action required or permitted to be taken at any meeting of the SOHOA entitled to a vote may be taken without a meeting if consent thereto in writing, setting forth the action so taken, is signed by all members entitled to vote, and such written consent is filed with the minutes of proceedings of the members entitled to vote.

**2.8 Proxy Voting** – At all meetings of members or of the Board of Directors, proxy votes may be cast and shall be counted if, in writing, signed by the person entitled to cast such vote, and submitted to any Board member a minimum of forty-eight (48) hours prior to said meeting. Proxy votes shall be valid only during the particular vote and/or meeting which are spelled out in the written proxy to the Secretary.

**2.9 Rules of Order** – All meetings of members or the Board of Directors shall be governed by Robert's Rules of Order.

### **SECTION 3 – BOARD OF DIRECTORS**

**3.1 Number and Term of Office** – The affairs of the Corporation shall be managed by a Board of not less than three (3) Officers. Officers on the Board of Directors shall be elected at the annual meeting by the members of the SOHOA who are entitled to vote. The offices of President, Secretary, and Treasurer will be voted on in odd-numbered years, and the office of Vice President and positions of Trustees will be voted on in even-numbered years, starting in year 2011. If an Officer runs for another office on the Board and is elected, he or she will have to resign from the previous office held. An Officer shall hold office until the next annual meeting of the SOHOA and until his or her successor is elected and has accepted the election by either an acceptance in writing or being present and acting as an Officer at either a regular or special meeting of the Board of Directors.

**3.2 Vacancies** – When an Officer's position becomes vacant due to death, or to resignation in writing and signed by him or her and delivered to the Board of Directors, the President may appoint an Officer to fill the vacancy in the Board of Directors for the unexpired term. At the end of that term, that office is subject to a vote by the SOHOA.

**3.3 Meetings; Notice** – A regular meeting of the Board of Directors shall be held immediately after the annual meeting of the members or any special meeting of members at which a Board of Directors is elected. The Board of Directors may decide to meet on the basis of a regular schedule of meetings, in which event said schedule of meetings shall be announced in advance at a Board meeting, published in the minutes of that Board meeting, and made available to any member upon request of same. Special meetings of the Board of Directors may be called by the President or by any two Officers, pursuant to notice set forth below.

**3.4 Additional Notice Provisions; Waiver** – Notice of the time and place of any special meeting of the Board of Directors shall be served upon each director by direct telephone communication at least twenty-four (24) hours prior to such meeting or by mail to the address as shown by the books of the Corporation at least seven (7) business days prior to the time of such special meeting. Notice of any regular or special meeting of Officers may be waived either before or after the meeting by any Officer. The attendance of any Officer at any regular or special meeting of Officers without protesting the lack of proper notice shall be deemed to be a

waiver of notice of that meeting. Any Officer may participate in such meeting by telephone or webcam communication, which may be in lieu of such Officer's actual, physical presence.

**3.5 Quorum** – A majority of the Officers present in person or by proxy shall constitute a quorum.

**3.6 Action Without Meeting** – Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if consent thereto in writing, setting forth the action so taken, is signed by all members of the Board of Directors, and such written consent is filed with the minutes of proceedings of the Board of Directors.

**3.7 Powers and Duties** – The Board of Directors shall have all powers authorized by statute, including the power to:

(a) Adopt and publish rules and regulations enforcing and/or maintaining the deed restrictions contained within the DCCR and described in the Articles of Incorporation and to maintain the common areas as described in the said DCCR.

(b) Levy and collect the annual dues as set forth in the Declaration.

(c) Accept bids and authorize the performance of services as needed to maintain the common areas of the Development.

(d) Pay for said expenditures from the Corporation's funds.

(e) Levy surcharges, if necessary, to effect emergency repairs costing in excess of the budgeted funds.

(f) Call regular, special, and/or emergency meetings of the Board of Directors without notification to the members.

(g) Engage professional, clerical, and service personnel, as necessary, to perform necessary duties within the Corporation and/or at its meetings and/or to maintain the common areas and the legal and financial needs of the Corporation. It shall be the duty of the Board of Directors to:

(i) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement of said corporate affairs to each member on an annual basis or at any time within thirty (30) days of receipt of a written request for said records from any member;

(ii) Procure and maintain adequate liability and hazard insurance on the property owned or maintained by the Corporation and the personnel the Corporation engages to perform work thereupon (to the extent coverage is available, said insurance shall also cover liability of each Director and Officer for liability incurred during and in conjunction with their performance of Corporation duties); and

(iii) Cause the common areas as described in the Declaration to be maintained.

(h) Ensure that residents comply with the DCCR. The Board shall follow the following procedure in addressing violations of the DCCR:

(i) Upon notice and verification of an action that violates the DCCR, the Board shall send a letter to the owner of the property identifying the violation, citing the relevant portion of the DCCR, and stating the date(s) on which the violation occurred. The letter shall also notify the owner that a monetary penalty may result if the violation is not cured. In the case of rental property, the notice letter shall be sent to the resident, with a copy to the owner.

(ii) Five (5) days following the date of the notice letter, a member of the Board shall visit the address at which the violation occurred to determine whether the violation has been cured. If the violation has not been cured, the Board shall, at its discretion, return after an additional five (5) day period, or send a second notice letter instructing the owner to cure the violation.

(iii) If the violation has not been corrected after the steps outlined in (i) and (ii) above have been followed, the Board shall instruct its legal counsel to send a notice letter to the owner of the property, advising that if the violation is not cured, the SOHOA will issue a fine for the violation, as provided for in the Declaration, and, if the fine is not paid, the SOHOA will file a lien against the property.

**3.8 Compensation** – Only in the waiver of SOHOA dues shall an Officer receive any compensation for any service such Officer may render the Corporation in such Officer's position as Officer. However, all Officers shall be entitled to reimbursement of actual expenses incurred in the performance of such Officer's duties. No Officer shall, either directly or indirectly, vote upon, influence, bid, or accept any labor or service contract let by the Corporation that involves monetary or personal gain to that Officer or his family.

**3.9 Nominations** – Nominations for any position on the Board of Directors shall be made by the following methods:

(a) Any member interested in serving on the Board of Directors shall submit his or her name in writing to any Officer, and said Officer shall turn such name over to a three-person Nominating Committee appointed by the President at least thirty (30) days in advance of the Annual Meeting of the membership.

(b) Nominations for Board positions shall be made by such Nominating Committee to the Board of Directors, which shall, in turn, present a list of nominees to the membership at the Annual Meeting. Nominations, with a second, shall also be taken from the floor of the membership at the Annual Meeting.

**3.10 Removal From Office** – Any Officer elected or appointed by the Board of Directors may be removed, with or without cause, by one of the following methods:

(a) By the Board of Directors: The affirmative vote of two-thirds (2/3) of all members of the Board of Directors whenever, in their judgment, the best interests of the SOHOA

would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed;

(b) By the Members: A concurrence of a majority of the voting interests present, in person or by proxy, at a meeting at which a quorum has been attained.

## **SECTION 4 – OFFICERS**

**4.1 Officers** – The Corporation may have a President, a Vice President, a Secretary, a Treasurer and up to five (5) Trustees, all of whom shall be elected by the SOHOA. The Corporation may also have such assistant officers as the Board of Directors may deem necessary, all of whom shall be elected by the Board of Directors. Any two or more offices may be held by the same person except the offices of President, Treasurer, or Trustee.

**4.2 President** – The President shall:

(a) Have general charge and authority over the business and affairs of the Corporation subject to the direction of the Board of Directors, shall preside at all meetings, preserve order and enforce the Bylaws and DCCR of the SOHOA, and shall decide all questions of order, subject to an appeal to the SOHOA Officers. The President shall determine all questions of eligibility for office, subject to an appeal to the Officers of the SOHOA. The President shall have the deciding vote in case of a tie, except in cases of a secret ballot vote.

(b) Appoint all committees or such other Officers as may be necessary, unless otherwise ordered, and shall have the power to order the Secretary to call special meetings when requested in writing by fifty (50) homeowners in good standing, and shall perform such other duties as are required by the office. Homeowners must be notified of special meetings in writing, sent to their Silver Oaks address, and stating the date, time, and place of the meeting and the business to be transacted. No business not stated in the notice shall be transacted. Special meetings may be held in conjunction with regular meetings.

(c) Have authority acting alone, except as otherwise directed by the Board of Directors, to sign and deliver any document on behalf of the Corporation.

(d) Preside as Chair over all general and special meetings. Any homeowner entering the meeting in a state of intoxication or who disturbs the harmony thereof, or uses profane or unbecoming language during the meeting, shall be admonished by the Chair. If the homeowner again offends, he or she shall be admonished again; and for the next offense he or she may be excluded from the room. The fact that a homeowner is admonished or excluded from a meeting does not preclude processing of charges against the homeowner based on his or her conduct at the meeting. A visiting member shall be subject to these rules. The Chairperson shall strictly enforce this Section.

(e) Have such other powers and duties as the Board of Directors may assign to him.

**4.3 Vice President** – The Vice President shall assist the President in the discharge of official duties and shall perform the duties of President in the event of the absence of the President. The Vice President shall have such other powers and duties as the Board of Directors or the President may assign to him or her. In the event of the death, removal or resignation of the President, the Vice President shall fill the office of President, until such time as a President is elected.

**4.4 Secretary** – The Secretary shall:

- (a) Keep the correct minutes of each meeting, read and preserve all documents and correspondence, issue all summons for special meetings, have charge of the seal and affix same on all official documents, and conduct all official correspondence. Minutes of meetings shall be safely preserved as a permanent record of the SOHOA.
- (b) When properly instructed, notify the Treasurer of the SOHOA to present any and all expenditures to the Trustees during the second week of each month for the purpose of comparing them with the financial records.
- (c) Report to the SOHOA the expenditures at the close of each meeting and perform other record keeping duties as the SOHOA may direct, or as prescribed in the Bylaws.
- (d) Ensure that the names and address of all new Officers are entered into the SOHOA processing system, with the current beginning and ending dates for terms of office, and that such information is kept up to date.
- (e) Have full control of all supplies and properties owned by the SOHOA, and shall issue the same, subject to orders of the SOHOA Officers.
- (f) Have such other duties and powers as the Board of Directors or the President may assign to him or her.

**4.5 Treasurer** – The Treasurer shall:

- (a) Maintain all moneys collected and give receipt for and deposit same in the name of the SOHOA in such bank(s) as may be designated by the SOHOA Officers. The Treasurer shall make no disbursement without the sanction of the SOHOA officers. The Officers of the SOHOA shall designate which Officers shall have authority to sign checks on behalf of the SOHOA, except that the Treasurer of the SOHOA shall not be permitted to sign checks of the SOHOA.
- (b) Make an itemized statement the first meeting of each quarter for the preceding quarter, to the SOHOA, of all moneys received and paid out, and submit books and vouchers for inspection at any time when called upon, and perform such other duties as the SOHOA Bylaws may require.
- (c) Receive all moneys paid to the SOHOA and immediately make entry of same on the SOHOA processing system and shall without undue delay directly deposit same in the SOHOA name in such bank(s) as may be designated by the SOHOA Officers. The Treasurer shall keep a record of all homeowners and a correct account of each homeowner, with full name and address, on the SOHOA processing system.

(d) Report to the SOHOA as to the numerical and financial standing of the SOHOA on a monthly basis.

(e) Have such other duties and powers as the Board of Directors or the President may assign to him or her.

**4.6 Trustees – The Trustees shall:**

(a) Have the supervision of all funds and properties of the SOHOA, subject to such instructions as they may receive from time to time from the SOHOA Officers. The title to all property of the SOHOA shall be held in the name of the Trustees of the SOHOA and/or their successors in office or in the name of the SOHOA. If that property is not directly held by the SOHOA, but instead by an entity such as a corporation, the officers of that entity shall be officers of the SOHOA and/or their successors sufficient enough to control the SOHOA interest in the property.

(b) Ensure that the Treasurer deposits all moneys received in such bank(s) as the SOHOA Officers designate. The Trustees shall see that the Secretary of the SOHOA notifies the bank(s) of the names of the Officers duly authorized to sign checks for withdrawals on the account, and that all disbursements are to be made by check, money order, or other form of payment as authorized by the SOHOA Officers.

(c) Audit all books and accounts of the Treasurer, audit all receipts and accounts of any other person authorized to collect funds, examine the bank book(s) quarterly, and report to the SOHOA in writing. Annually, the SOHOA shall engage a certified or registered public accountant for periodic financial reviews, but not less than once a year. Such financial reviews shall be examined by the Trustees for comparison with the Trustees' audits and the Trustees shall report their conclusions in writing to the SOHOA.

(e) The Trustees shall perform such other duties as the Bylaws of the SOHOA may direct.

**4.7 Other Officers –** Other officers and agents of the Corporation shall have such authority and perform such duties in the management of the Corporation as the Board of Directors or President may assign to them.

**SECTION 5 – CLASSES OF MEMBERSHIP**

**5.1 Class A –** Every person, group of persons, or entity that is a record owner of a fee interest in any lot upon which a residence has been erected within the Silver Oaks Subdivision shall automatically be a Class A member of the Association; provided, however, that any such person, group of persons, or entity who holds such interest solely as security for the performance of an obligation shall not be a member. A Class A membership shall be appurtenant to, and may not be separated from, ownership of any lot upon which a residence has been constructed which is subject to assessment. Class A members shall be entitled to one (1) vote for each lot in which they hold the interest required for membership. In the event that more than one person, group of persons, or entity is the record owner of a fee interest in any lot, then the vote for the membership appurtenant to such lot portion shall be exercised as they among themselves

determine, but in no event shall more than one (1) vote be cast with respect to any lot. In the event agreement is not reached, the vote attributable to such lot shall not be cast.

**SECTION 6 – DUES AND ASSESSMENTS**

**6.1** – Except as otherwise set forth in the DCCR described in the Articles of Incorporation, the Board of Directors shall assess each owner of a lot in accordance with the DCCR described in the Articles of Incorporation.

**6.2** – After the initial assessment, which shall be in accordance with the DCCR, annual assessments shall be sent by invoice by the Board of Directors to each owner of a lot in the development described in the DCCR. Said mailing shall be done after January 1st and before January 31st of each year. Said invoice shall be due and payable on February 1st. Said invoice shall be deemed overdue thirty (30) days thereafter, and shall then begin to accrue interest in the amount of 1.5 percent per month on the unpaid balance (18 percent per year). After the 91st day from the date of postmark on the invoice, the Corporation may sue for any unpaid balances in the Jefferson County District Court. Each lot owner, by virtue of ownership and membership in the Corporation as required in the DCCR described in the Articles of Incorporation, agrees to pay said interest and applicable court and legal costs to collect their arrearages as generated.

**SECTION 7 – AMENDMENTS**

**7.1 Amendments** – The Bylaws of the Corporation may be amended from time to time by a majority of the Board of Directors.

APPROVED by the Board of Directors this 29<sup>th</sup> day of July, 2015.

President



Michael Fauth  
Silver Oaks Homeowners Association