

**AMENDMENT TO THE BYLAWS  
OF  
WATER VALLER MASTER ASSOCIATION, INC.**

THIS AMENDMENT to the Bylaws of the Water Valley Master Association, Inc. ("Bylaws") is made this 16 day of MAY, 2016.

**RECITALS**

The Water Valley Master Association, Inc., a Colorado nonprofit corporation ("Association"), certifies that:

- A. The Association desires to amend its Bylaws as outlined below.
- B. The provisions set forth in this amendment supersede and replace the provisions set forth in the existing Bylaws.
- C. Section 9.1 of the Bylaws provides that the Bylaws may be amended by a vote of two-thirds of the members of the Executive Board, following notice and comment to all Unit Owners, at any meeting duly called for this purpose; provided, however, pursuant to the Colorado Common Interest Ownership Act, members are required to vote on amendments to terms of office and qualifications of directors.
- D. Pursuant to the Colorado Revised Nonprofit Corporation Act, members are required to vote on amendments to change the quorum requirements for members.
- E. The amendment to the Section 3.13 of the Bylaws was approved by two-thirds of the members of the Board of Directors following notice and comment to all Unit Owners.
- F. The amendments to Sections 2.1(e) and 3.11 below have also been approved by a majority of the members present and voting in person or by proxy at a duly called meeting or by mail ballot.

NOW THEREFORE, the Bylaws of the Association are hereby amended as follows:

1. **Amendment.** Article 2, Section 2.1(e) of the Bylaws is amended by deleting that section in its entirety and substituting therefor the following:

Section 2.1     Number and Qualification – Termination of Declarant Control.

(e)     Term of Office. The term of office of directors will be two years or until a successor is elected. At the expiration of a director's term, if a successor cannot be elected for any reason, the existing director will continue to hold office and begin serving another term until his or her successor is elected to fill the remainder of such new term, or he or she resigns. The terms of the directors will be staggered. The terms of at least 1/4 of the directors will expire annually. At the first meeting following the adoption of these Bylaws, the three persons with the highest number of votes will be elected for a term of three years, the two directors with the next highest number of votes will be elected for a term of office of two years, and the two directors with the next highest number of votes will be elected for a term of office of one year. Thereafter, all directors will be elected to two year terms of office.

2. **Amendment.** Article 3, Section 3.11 shall be amended by deleting that section in its entirety and substituting therefor the following:

Section 3.11 **Quorum.** The presence of 10% of the Unit Owners eligible to vote at the beginning or any meeting, in person or by proxy, will constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, and these Bylaws. Once a quorum is established for a meeting, it will conclusively be presumed to exist until the meeting is adjourned and will not need to be reestablished. If the required quorum is not present, the Unit Owners who are present will have the power to adjourn the meeting from time to time to a later date, until such time as a quorum will be present.

IN WITNESS WHEREOF, the undersigned hereby certify that this amendment to the Bylaws was approved by a majority of two-thirds of the members of the Board of Directors following notice and comment to all Lot Owners. Additionally, at least a majority of the members present and voting in person or by proxy at a duly called meeting or by mail ballot have approved the amendments concerning terms of office (Section 2.1 (e)) and quorum requirements for member meetings (Section 3.11).

**WATER VALLEY MASTER ASSOCIATION, INC.,**  
a Colorado nonprofit corporation

By:   
\_\_\_\_\_  
President

Attest:   
\_\_\_\_\_  
Secretary