

(e) Any officer of the Association may prepare, execute, certify and record amendments to the Declaration on behalf of the Association.

ARTICLE X  
DELEGATION OF AUTHORITY TO A MANAGING AGENT

At such time as the Association consists of thirty (30) or more Lots, if the Board of Directors or officers of the Association delegate any of their powers of collection, deposit, transfer or disbursement of Association funds to other Persons or to a managing agent, then the following provisions shall be required:

1. Fidelity Insurance or Fidelity Bonds. That the other Person or managing agent maintain fidelity insurance coverage or a fidelity bond in an amount of not less than Fifty Thousand and no/100 Dollars (\$50,000.00) or such higher amount as the Board of Directors or the Act may require from time to time.

2. Separate Funds and Accounts. That the other Person or managing agent maintain all funds and accounts of the Association separate from the funds and accounts of other homeowners associations that are managed by such other Person or managing agent, and keep and maintain all reserve accounts of each such homeowners association so managed separate from operational accounts of the Association.

3. Annual Accounting. That an annual accounting of the Association funds and a financial statement be prepared and presented to the Association by the managing agent, a public accountant, or a certified public accountant.

ARTICLE XI  
COMMITTEES

The Association shall appoint an Architectural Review Committee, subject to the provisions of the Declaration, and may appoint a nominating committee. In addition, the Board of Directors may appoint other committees as it deems appropriate from time to time in carrying out its purposes.

ARTICLE XII  
BOOKS AND RECORDS

The Association shall make available to Owners current copies of the Declaration, Articles of Incorporation, these Bylaws, the rules and regulations, books, records and financial statements of the Association. "Available" shall mean available for inspection, upon request, during normal weekday business hours or under other reasonable circumstances.

ARTICLE XIII  
CORPORATE SEAL

The Association shall have a seal in circular form and within its circumference the words: WATKINS FARM HOMEOWNERS ASSOCIATION, INC.

ARTICLE XIV  
AMENDMENTS

These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of the votes of a quorum of Members present in person or by proxy; provided, however, that the written approval of HUD or VA shall be required for any amendments enacted during the Period of Declarant Control if, at the time such amendment is enacted, HUD has insurance or VA has a guarantee(s) on one or more First Security Interests.

ARTICLE XV  
CONFLICTS OF PROVISIONS

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

ARTICLE XVI  
FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January and end on the last day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the directors of WATKINS FARM HOMEOWNERS ASSOCIATION, INC., have hereunto set our hands this 10 day of June, 2003.

DIRECTORS:

[Signature]

[Signature]

[Signature]

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of WATKINS FARM HOMEOWNERS ASSOCIATION, INC., a Colorado non-profit corporation, and

That the foregoing Bylaws constitute the Bylaws of said Association, as duly adopted by the Board of Directors thereof on the 10 day of June, 2003.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 10 day of June, 2003.

(SEAL)

[Signature], Secretary