

**BYLAWS
OF
HICKORY COMMONS ASSOCIATION
(A Nonprofit Corporation)**

ARTICLE I. NAME AND OFFICE

The name of the corporation is Hickory Commons Association, a Colorado nonprofit corporation (“the Association”). The initial office of the Association shall be at 700 N. College Avenue, Fort Collins, CO 80524. The Association may have such other offices within the state of Colorado as the Board of Directors may designate or as the business of the Association may from time to time require.

ARTICLE II. PURPOSE, POWERS AND DEFINITIONS

1. Purpose. The Association is formed pursuant to the Colorado Revised Nonprofit Corporation Act, as amended, C.R.S. § 7-121-101, et seq. (“the Nonprofit Corporation Act”), for the purpose of constituting the association pursuant to the Condominium Declaration for Hickory Commons Condominiums recorded or to be recorded in the office of the Clerk and Recorder of Larimer County, Colorado (“the Declaration”).

2. Powers. The Association shall have the following powers:

(a) Exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Condominium Declaration for Hickory Commons Condominiums (“the Declaration”) recorded or to be recorded in the office of the Larimer County, Colorado, Clerk and Recorder, as the same may be amended from time to time as therein provided.

(b) Have and exercise any and all powers, rights, and privileges granted to an association under the Colorado Common Interest Ownership Act, as amended (“CIOA”).

(c) Have and exercise any and all powers, rights, and privileges which a corporation organized under the Nonprofit Corporation Act of the State of Colorado by law may now or hereafter have or exercise.

3. Nonprofit. The Association is not organized for profit. No part of the earnings of the Association shall inure to the benefit of or be distributed to the members, Directors, or officers of the Association, or other private Persons, except (a) as provided by the Articles and applicable law; and (b) that the Association shall be authorized and empowered to pay reasonable compensation for services rendered to it and to make

payments and distributions in furtherance of the purposes set forth in these Bylaws and the Declaration.

4. Applicability. All present or future members, tenants, or other Persons that might use in any manner the Real Estate which is subject to the Declaration are subject to the provisions of these Bylaws. Acquisition, rental, or occupancy of any of the Real Estate which is subject to the Declaration shall constitute acceptance and ratification of these Bylaws and shall be an agreement to comply with the Declaration and these Bylaws.

5. Definitions. The terms used in these Bylaws are defined by the definition of terms in the Declaration, and any modifications thereto, and CIOA.

ARTICLE III. MEMBERS

1. Members. Each person who owns a Unit within the Community shall be a member of the Association as provided in the Declaration. By acquiring title to a Unit within the Community, the owner(s) of the Unit shall be deemed to have consented to become a member of the Association as provided in the Declaration.

2. Voting. There shall be one class of voting members. Each member shall be entitled to vote on all matters submitted to the members for approval as provided in the Declaration. Cumulative voting is not permitted. Notwithstanding the foregoing, until expiration of the Period of Declarant Control and subject to the limitations of CIOA, the Declarant shall have additional rights as may be provided under CIOA and the Declaration, including the exclusive power to appoint and remove the Board of Directors and the officers of the Association, which exclusive power is established by and shall be governed by the Declaration.

3. Transfer of Interest. No member of the Association may transfer such member's membership or any right arising therefrom, except as appurtenant to the transfer of such member's Unit as provided in the Declaration.

4. Resignation. A member may not resign from the Association.

5. Termination, Expulsion, or Suspension. No member may be expelled or suspended, and no membership in the Association may be terminated or suspended.

6. Qualifications. The membership qualifications, rights, and obligations shall be defined by and comply with the Declaration or any amendments to the Declaration.

ARTICLE IV. MEETINGS

1. Annual and Regular Meetings.

(a) The Association shall hold a meeting of the voting members annually at a time and date stated or fixed in accordance with a resolution of the board of directors.

(b) The Association may hold regular membership meetings at a time and date stated in or fixed in accordance with a resolution of the board of directors.

(c) Annual and regular membership meetings may be held in or out of this state at a place stated or fixed in accordance with a resolution of the board of directors. If no place is so stated or fixed, annual and regular meetings shall be held at the Association's principal office.

(d) The failure to hold an annual or regular meeting at the time and date determined pursuant to subsection (a) hereinabove shall not affect the validity of any action of the Association and shall not work a forfeiture or dissolution of the Association.

2. Special Meeting.

(a) The Association shall hold a special meeting of its members:

(1) On call of its board of directors or the person or persons authorized by resolution of the board of directors to call such a meeting; or

(2) If the Association receives one or more written demands for the meeting, stating the purpose or purposes for which it is to be held, signed and dated by members holding at least ten percent (10%) of all the votes entitled to be cast on any issue proposed to be considered at the meeting.

(a) The record date for determining the members entitled to demand a special meeting pursuant to subsection (a)(2) hereinabove is the date of the earliest of any of the demands pursuant to which the meeting is called, or the date that is sixty (60) days before the date the first of such demands is received by the Association, whichever is later.

(b) If a notice for a special meeting demanded pursuant to subsection (a)(2) hereinabove is not given within thirty (30) days after the date the written demand or demands are delivered to an officer of the Association, regardless of the requirements of subsection (d) hereinafter, a person signing the demand or demands may set the time and place of the meeting and give notice.

(c) Special meetings of the members may be held in or out of this state, at a place stated or fixed in accordance with a resolution of the board of directors. If no place is so stated or fixed, special meetings shall be held at the Association's principal office.

(d) Only business within the purpose or purposes described in the notice of the meeting may be conducted at a special meeting of the members.

3. Right to Attend. Notwithstanding the provisions of any of the documents to the contrary, all meetings of the Association shall be open to every member or to any person designated by a member in writing as the member's representative, and all members or designated representatives so desiring shall be permitted to attend, listen and speak at an appropriate time during the deliberations and proceedings; except that the Board of Directors may place reasonable time restrictions on those persons speaking during the meeting, but shall permit a member or a member's designated representative to speak before formal action is taken on any item under discussion, in addition to any other opportunities to speak. A reasonable number of persons shall be provided an opportunity to speak on each side of an issue.

3. Notice of Meeting.

(a) The Association shall give to each member entitled to vote at the meeting notice of meetings of members in a fair and reasonable manner.

(b) Any notice that conforms to the requirements of subsection (c) hereinafter is fair and reasonable, but other means of giving notice may also be fair and reasonable when all the circumstances are considered.

(c) Notice is fair and reasonable if:

(1) The Association notifies its members of the place, date, and time of each annual, regular, and special meeting of members no fewer than ten (10) days, or if notice is mailed by other than first class or registered mail, no fewer than thirty (30) days and no more than sixty (60) days before the meeting date.

(2) Notice of an annual or regular meeting includes a description of any matter or matters that must be approved by the members or for which the members' approval is sought.

(3) Notice of a special meeting includes a description of the purpose or purposes for which the meeting is called.

(d) If an annual, regular, or special meeting of members is adjourned to a different date, time, or place, notice need not be given of the new date, time, or place if

the new date, time, or place is announced at the meeting before adjournment. If a new record date for the adjourned meeting is or must be fixed, however, notice of the adjourned meeting must be given to the members of record as of the new record date.

(e) When giving notice of an annual, regular, or special meeting of members, the Association shall give notice of a matter a member intends to raise at the meeting if:

(1) Requested in writing to do so by a person entitled to call a special meeting; and

(2) The request is received by the secretary or president of the Association at least ten (10) days before the Association gives notice of the meeting.

(f) The notice of any meeting of the members shall be physically posted in a conspicuous place, to the extent that such posting is feasible and practicable, in addition to any electronic posting or electronic mail notices that may be given. The posted notice shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or these Bylaws, any budget changes, and any proposal to remove an officer or member of the Board of Directors.

(g) The Association is encouraged to provide all notices and agendas in electronic form by posting on a web site or otherwise in addition to printed form. If such electronic means are available, the Association shall provide notice of all regular and special meetings of members by electronic mail to all members who so request and who furnish to the Association their electronic mail addresses. Electronic notice of a special meeting shall be given as soon as possible but at least twenty-four (24) hours before the meeting.

4. Waiver of Notice.

(a) A member may waive any notice required by these Bylaws, whether before or after the date or time stated in the notice as the date or time when any action will occur or has occurred. The waiver shall be in writing, be signed by the member entitled to the notice, and be delivered to the Association for inclusion in the minutes or filing with the Association records, but such delivery and filing shall not be conditions of the effectiveness of the waiver.

(b) A member's attendance at a meeting:

(1) Waives objection to lack of notice or defective notice of the meeting unless the member, at the beginning of the meeting, objects to holding the

meeting or transacting business at the meeting because of lack of notice or defective notice; and

(2) Waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice unless the member objects to considering the matter when it is presented.

5. Record Date – Determining Members Entitled to Notice and Vote.

(a) Members are entitled to notice of any meeting at the close of business on the business day preceding the day on which notice is given or, if notice is waived, at the close of business on the business day preceding the day on which the meeting is held.

(b) On the date of the meeting, members who are otherwise eligible to vote are entitled to vote at the meeting.

(c) A determination of members entitled to notice of or to vote at a meeting of members is effective for any adjournment of the meeting unless the meeting is adjourned to a date more than one hundred twenty (120) days after the record date for determining members entitled to notice of the original meeting.

6. Action Without Meeting.

(a) Any action required or permitted to be taken at a members' meeting may be taken without a meeting, if members entitled to cast a majority of the votes entitled to be cast by all members, agree and consent to such action in writing.

(b) No action taken pursuant to this section shall be effective unless writings describing and consenting to the action, signed by members sufficient under subsection (a) hereinabove to take the action and not revoked pursuant to subsection (c) hereinafter, are received by the Association within sixty (60) days after the date the earliest dated writing describing and consenting to the action is received by the Association. Any such writing may be received by the Association by electronic transmitted facsimile or other form of wire or wireless communication providing the Association with a complete copy thereof, including a copy of the signature thereto. Action taken pursuant to this section shall be effective when the last writing necessary to effect the action is received by the Association unless the writings describing and consenting to the action set forth a different effective date.

(c) Any member who has signed a writing describing and consenting to action taken pursuant to this section may revoke such consent by a writing signed and dated by the member describing the action and stating the member's prior consent thereto

is revoked if such writing is received by the Association before the last writing necessary to effect the action is received by the Association.

(d) The record date for determining members entitled to take action without a meeting or entitled to be given notice under subsection (f) hereinafter of action so taken is the date a writing upon which the action is taken pursuant to subsection (a) hereinabove is first received by the Association.

(e) Action taken under this section has the same effect as action taken at a meeting of members and may be described as such in any document.

(f) In the event action is taken under subsection (a) hereinabove with less than unanimous consent of all members entitled to vote upon the action, the Association or the members taking the action shall promptly, after all of the writings necessary to effect the action have been received by the Association, give notice of such action to all members who were entitled to vote upon the action. The notice shall contain or be accompanied by the same material, if any, that would have been required to be given to members in or with a notice of the meeting at which the action would have been submitted to the members for action.

(g) All signed, written instruments necessary for any action taken pursuant to this section shall be filed with the minutes of the meetings of the members.

7. Meetings by Telecommunications. Any or all of the members may participate in an annual, regular, or special meeting of the members by, or the meeting may be conducted through the use of, any means of communication by which all persons participating in the meeting may hear each other during the meeting. A member participating in a meeting by this means is deemed to be present in person at the meeting.

8. Action by Written Ballot.

(a) Any action that may be taken at any annual, regular, or special meeting of members may be taken without a meeting if the Association delivers a written Ballot to every member entitled to vote on the matter.

(b) A written Ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action.

(c) Approval by written Ballot pursuant to this section shall be valid only when the number of votes cast by Ballot equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by Ballot.

(d) All solicitations for votes by written Ballot shall:

(1) Indicate the number of responses needed to meet the quorum requirements;

(2) State the percentage of approvals necessary to approve each matter other than election of directors;

(3) Specify the time by which a Ballot must be received by the Association in order to be counted; and

(4) Be accompanied by written information sufficient to permit each person casting such Ballot to reach an informed decision on the matter.

(e) A written Ballot may not be revoked.

(f) Action taken under this section has the same effect as action taken at a meeting of members and may be described as such in any document.

ACTION V. VOTING

1. Members List for Meeting and Action by Written Ballot.

(a) The Association shall prepare an alphabetical list of the names of all its members who are entitled to notice of, and to vote at, a meeting or to take such action by written Ballot. The list shall show the address of each member entitled to notice of, and to vote at, the meeting or to take such action by written Ballot and the number of votes each member is entitled to vote at the meeting or by written Ballot.

(b) If prepared in connection with a meeting of the members, the members list shall be available for inspection by any member entitled to vote at the meeting, beginning the earlier of ten (10) days before the meeting for which the list was prepared or two (2) business days after notice of the meeting is given and continuing through the meeting, and any adjournment thereof, at the Association's principal office or at a place identified in the notice of the meeting in the city where the meeting will be held. The Association shall make the members list available at the meeting, and any member entitled to vote at the meeting, or an agent or attorney of a member entitled to vote at the meeting, is entitled to inspect the list at any time during the meeting or any adjournment. If prepared in connection with action to be taken by the members by written Ballot, the members list shall be available for inspection by any member entitled to cast a vote by such written Ballot, beginning on the date that the first written Ballot is delivered to the members and continuing through the time when such written Ballots must be received by the Association in order to be counted, at the Association's principal office. A member entitled to vote at the meeting or by such written Ballot, or an agent or attorney of a member entitled to vote at the meeting or by such written Ballot, is entitled

on written demand to inspect and copy the list during regular business hours, at the member's expense, and during the period it is available for inspection.

(c) Failure to prepare or make available the list of members does not affect the validity of action taken at the meeting or by means of such written Ballot.

2. Voting Entitlement.

(a) Only voting members shall be entitled to vote with respect to any matter required or permitted to be submitted to a vote of the members.

(b) Voting members shall be entitled to vote with respect to all matters required or permitted to be submitted to a vote of the members.

(c) Each member entitled to vote shall be entitled to vote on each matter submitted to a vote of members as provided in the Declaration and Article III hereinabove.

(d) If a membership stands of record in the names of two or more persons, their acts with respect to voting shall have the following effect:

(1) If only one votes, such act binds all; and

(2) If more than one votes, the vote shall be divided on a prorata basis.

(e) The omission or failure of the Association or any member to enforce the covenants, conditions, restrictions, uses, limitations, obligations, or other provisions of the Declaration or Bylaws, or the Rules or Regulations adopted pursuant thereto, shall not constitute or be deemed a waiver, modification, or release, and the Association shall have the right to enforce the same.

3. Proxies.

(a) A member entitled to vote may vote or otherwise act in person or by proxy. A proxy shall not be valid if obtained through fraud or misrepresentation.

(b) Without limiting the manner in which a member may appoint a proxy to vote or otherwise act for the member, the following shall constitute valid means of such appointment:

(1) A member may appoint a proxy by signing an appointment form, either personally or by the member's attorney-in-fact.

(2) A member may appoint a proxy by transmitting or authorizing the transmission of a telegram, teletype, or other electronic transmission providing a written statement of the appointment to the proxy or to the Association; except that the transmitted appointment shall set forth or be transmitted with written evidence from which it can be determined that the member transmitted or authorized the transmission of the appointment.

(c) An appointment of a proxy is effective against the Association when received by the Association, including receipt by the Association of an appointment transmitted pursuant to subsection (b)(2) hereinabove. An appointment is valid for eleven (11) months unless a different period is expressly provided in the appointment form.

(d) Any complete copy, including an electronically transmitted facsimile, of an appointment of a proxy may be substituted for or used in lieu of the original appointment for any purpose for which the original appointment could be used.

(e) An appointment of a proxy is revocable by the member.

(f) Appointment of a proxy is revoked by the person appointing the proxy attending any meeting and voting in person or signing and delivering to the secretary or other officer or agent authorized to tabulate proxy votes either a writing stating that the appointment of the proxy is revoked or a subsequent appointment form.

(g) The death or incapacity of the member appointing a proxy does not affect the right of the Association to accept the proxy's authority unless notice of the death or incapacity is received by the secretary or other officer or agent authorized to tabulate votes before the proxy exercises the proxy's authority under the appointment.

(h) Subject to any express limitation on the proxy's authority appearing on the appointment form, the Association is entitled to accept the proxy's vote or other action as that of the member making the appointment.

4. Association's Acceptance of Votes.

(a) If the name signed on a vote, consent, written Ballot, waiver, proxy appointment, or proxy appointment revocation corresponds to the name of a member, the Association, if acting in good faith, is entitled to accept the vote, consent, written Ballot, waiver, proxy appointment, or proxy appointment revocation and to give it effect as the act of the member.

(b) If the name signed on a vote, consent, written Ballot, waiver, proxy appointment, or proxy appointment revocation does not correspond to the name of a member, the Association, if acting in good faith, is nevertheless entitled to accept the

vote, consent, written Ballot, waiver, proxy appointment, or proxy appointment revocation and to give it effect as the act of the member if:

(1) The member is an entity and the name signed purports to be that of an officer or agent of the entity;

(2) The name signed purports to be that of an administrator, executor, guardian, or conservator representing the member and, if the Association requests, evidence of fiduciary status acceptable to the Association has been presented with respect to the vote, consent, written Ballot, waiver, proxy appointment, or proxy appointment revocation;

(3) The name signed purports to be that of a receiver or trustee in bankruptcy of the member and, if the Association requests, evidence of this status acceptable to the Association has been presented with respect to the vote, consent, written Ballot, waiver, proxy appointment, or proxy appointment revocation;

(4) The name signed purports to be that of a pledgee, beneficial owner, or attorney-in-fact of the member and, if the Association requests, evidence acceptable to the Association of the signatory's authority to sign for the member has been presented with respect to the vote, consent, written Ballot, waiver, proxy appointment, or proxy appointment revocation;

(5) Two or more persons are the member as co-tenants or fiduciaries and the name signed purports to be the name of at least one of the co-tenants or fiduciaries and the person signing appears to be acting on behalf of all of the co-tenants or fiduciaries; or

(6) The acceptance of the vote, consent, written Ballot, waiver, proxy appointment, or proxy appointment revocation is otherwise proper under rules established by the Association that are not inconsistent with the provisions of this subsection (b).

(c) The Association is entitled to reject a vote, consent, written Ballot, waiver, proxy appointment, or proxy appointment revocation if the secretary or other officer or agent authorized to tabulate votes, acting in good faith, has reasonable basis for doubt about the validity of the signature on it or about the signatory's authorization to sign for the member.

(d) The Association and its officer or agent who accepts or rejects a vote, consent, written Ballot, waiver, proxy appointment, or proxy appointment revocation, in good faith and in accordance with the standards of this section, are not liable in damages for the consequences of the acceptance or rejection.

(e) Association action based on the acceptance or rejection of a vote, consent, written Ballot, waiver, proxy appointment, or proxy appointment revocation under this section is valid unless a court of competent jurisdiction determines otherwise.

(f) The Association shall be entitled to reject a vote, consent, written Ballot, waiver, proxy, appointment or proxy appointment revocation if the secretary or other officer or agent authorized to tabulate votes acting in good faith has reasonable basis for doubt about the validity of the signature on it or about the signatory's authority to sign for the member. The Association and its officers and agents who accept or reject a vote, consent, written Ballot, waiver, proxy appointment or proxy appointment revocation in good faith are not liable in damages for the consequences of the acceptance or rejection. Any action of the Association based on the acceptance or rejection of a vote, consent, written Ballot, waiver, proxy appointment or proxy appointment revocation, is valid unless a court of competent jurisdiction determines otherwise.

5. Quorum and Voting Requirements.

(a) Twenty-five percent (25%) of the votes entitled to be cast on the matter by the members constitutes a quorum of the members for action on that matter.

(b) Once a member is represented for any purpose at a meeting, including the purpose of determining that a quorum exists, the member is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting, unless a new record date is or shall be set for that adjourned meeting.

(c) If a quorum exists, action on a matter is approved if the votes cast favoring the action exceed the votes cast opposing the action unless a greater number of affirmative votes is required by these Bylaws or the Declaration.

6. Voting Agreements. Two or more members may provide for the manner in which they will vote by signing an agreement for that purpose. A voting agreement created under this section is specifically enforceable.

7. Election of Board Members. Votes for contested positions on the Board of Directors shall be taken by secret Ballot and, at the discretion of the Board of Directors, or upon the request of twenty percent (20%) or more members who are present at the meeting in person or by proxy, if a quorum has been achieved, a vote on any other matter affecting the Common Interest Community on which all members are entitled to vote, shall be by secret Ballot. Ballots shall be counted by a neutral third party or by a committee of volunteers, such volunteers shall be unit owners who are selected or appointed at an open meeting, in a fair manner, by the chair of the Board of Directors, or another person presiding during that portion of the meeting. The volunteers shall not be Board members and, in the case of a contested election for a Board position, shall not be

candidates.. The results of a vote taken by secret Ballot shall be reported without reference to names, addresses, or other identifying information.

ARTICLE VI. BOARD OF DIRECTORS

1. Powers. All Association powers shall be exercised by or under the authority of, and the business and affairs of the Association managed under the direction of, the board of directors.

2. Qualifications of Directors. A director shall be a natural person who is eighteen (18) years of age or older. A director need not be a resident of this state or a member of the Association.

3. Number of Directors. The board of directors shall consist of not less than one (1) nor more than five (5) directors. During the Period of Declarant Control as provided in the Declaration, the number of directors shall be fixed or changed by the Declarant. Thereafter, the number of directors may be fixed or changed from time to time within the range by the voting members.

4. Election, Appointment, and Designation of Directors. All directors, except the initial directors and directors appointed by the Declarant pursuant to the Declaration during the Period of Declarant Control, shall be elected by the voting members at each annual meeting of the voting members.

5. Terms of Directors.

(a) The initial term of one-third (1/3) of the directors shall be one (1) year; the initial term of one-third (1/3) of the directors shall be two (2) years; and the initial term of one-third (1/3) of the directors shall be three (3) years.

(b) After the expiration of the initial terms of the directors of the Association, directors shall be elected or appointed for terms of three (3) years.

(c) The terms of the initial directors of the Association expire at the first meeting at which directors are elected or appointed.

(d) A decrease in the number of directors or in the term of office does not shorten an incumbent director's term.

(e) The term of a director filling a vacancy expires at the end of the unexpired term that such director is filling.

(f) Despite the expiration of a director's term, a director continues to serve until the director's successor is elected, appointed, or designated and qualifies, or until there is a decrease in the number of directors.

(g) A director whose term has ended may deliver to the Colorado Secretary of State for filing a statement to that effect.

6. Resignation of Directors.

(a) A director may resign at any time by giving written notice of resignation to the Association.

(b) A resignation of a director is effective when the notice is received by the Association unless the notice specifies a later effective date.

(c) A director who resigns may deliver to the Colorado Secretary of State for filing a statement to that effect.

7. Removal of Directors. Directors appointed by the Declarant pursuant to the Declaration during the Period of Declarant Control may be removed only by the Declarant. Directors elected by voting members may be removed as follows:

(a) The voting members may remove one or more directors elected by them with or without cause.

(b) A director may be removed only if the number of votes cast to remove the director would be sufficient to elect the director at a meeting to elect directors.

(c) A director elected by voting members may be removed by the voting members only at a meeting called for the purpose of removing that director; and the meeting notice shall state that the purpose, or one of the purposes, of the meeting is removal of the director.

(d) An entire board of directors may be removed under subsections (a) through (c) of this section.

8. Vacancy on Board. If a vacancy occurs on a board of directors, including a vacancy resulting from an increase in the number of directors, the Declarant shall fill the vacancy by appointment during the Period of Declarant Control as provided in the Declaration. Thereafter:

(a) The voting members may fill the vacancy;

(b) The board of directors may fill the vacancy; or

(c) If the directors remaining in office constitute less than a quorum of the board of directors, they may fill the vacancy by the affirmative vote of a majority of all the directors remaining in office.

9. Compensation of Directors. Directors shall not receive compensation for service on the board of directors. However, any director may be reimbursed for the actual expenses incurred by the director in the performance of his or her duties.

ARTICLE VII. MEETINGS AND ACTION OF THE BOARD

1. Meetings.

(a) The board of directors may hold regular or special meetings in or out of this state.

(b) The board of directors may permit any director to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

(c) Notwithstanding any provision in any of the documents to the contrary, all meetings of the Board of Directors are open to every member of the Association and to any person designated by a member in writing as the member's representative, at an appropriate time determined by the Board, but before the Board votes on an issue under discussion, members or their designated representatives shall be permitted to speak regarding that issue. If more than one person desires to address an issue and there are opposing views, the Board of Directors may place reasonable time restrictions on those persons speaking during the meeting, . The Board of Directors shall provide for a reasonable number of persons to speak on each side of the issue.

2. Action Without Meeting.

(a) Any action required or permitted to be taken at a board of directors' meeting may be taken without a meeting if each and every member of the board in writing either:

(1) Votes for such action; or

(2) Votes against such action or abstains from voting, and waives the right to demand that action not be taken without a meeting.

(b) Action is taken under this section only if the affirmative vote for such action equals or exceeds the minimum number of votes that would be necessary to take such action at a meeting at which all of the directors then in office were present and voted.

(c) No action taken pursuant to this section shall be effective unless writings describing the action taken and otherwise satisfying the requirements of subsection (a) hereinabove, signed by all directors and not revoked pursuant to subsection (d) of this section, are received by the Association. Any such writing may be received by the Association by electronically transmitted facsimile or other form of wire or wireless communication providing the Association with a complete copy of the document, including a copy of the signature on the document. A director's right to demand that action not be taken without a meeting shall be deemed to have been waived if the Association receives a writing satisfying the requirements of subsection (a) hereinabove that has been signed by the director and not revoked pursuant to subsection (d) hereinafter. Action taken pursuant to this section shall be effective when the last writing necessary to effect the action is received by the Association unless the writings describing the action taken set forth a different effective date.

(d) Any director who has signed a writing pursuant to this section may revoke such writing by a writing signed and dated by the director describing the action and stating that the director's prior vote with respect thereto is revoked, if such writing is received by the Association before the last writing necessary to effect the action is received by the Association.

(e) Action taken pursuant to this section has the same effect as action taken at a meeting of directors and may be described as such in any document.

(f) All signed, written instruments necessary for any action taken pursuant to this section shall be filed with the minutes of the meetings of the board of directors.

3. Notice of Meeting.

(a) Regular meetings of the board of directors may be held without notice of the date, time, place, or purpose of the meeting.

(b) Special meetings of the board of directors shall be preceded by at least two (2) days' notice of the date, time, and place of the meeting. The notice need not describe the purpose of the special meeting.

4. Waiver of Notice.

(a) A director may waive any notice of a meeting before or after the time and date of the meeting stated in the notice. Except as provided by subsection (b) hereinafter, the waiver shall be in writing and signed by the director entitled to the notice. Such waiver shall be delivered to the Association for filing with the Association records, but such delivery and filing shall not be conditions of the effectiveness of the waiver.

(b) A director's attendance at or participation in a meeting waives any required notice to that director of the meeting unless, at the beginning of the meeting or promptly upon the director's later arrival, the director objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice and does not thereafter vote for or assent to action taken at the meeting.

5. Quorum and Voting.

(a) A quorum of the board of directors consists of a majority of the number of directors in office immediately before the meeting begins.

(b) If a quorum is present when a vote is taken, the affirmative vote of a majority of directors present is the act of the board of directors unless the vote of a greater number of directors is required by these Bylaws or the Declaration.

(c) For purposes of determining a quorum with respect to a particular proposal, and for purposes of casting a vote for or against a particular proposal, a director may be deemed to be present at a meeting and to vote if the director has granted a signed, written proxy to another director who is present at the meeting, authorizing the other director to cast the vote that is directed to be cast by the written proxy with respect to the particular proposal that is described with reasonable specificity in the proxy. Except as provided in this subsection (c), directors may not vote or otherwise act by proxy.

(d) A director who is present at a meeting of the board of directors when Association action is taken is deemed to have assented to all action taken at the meeting unless:

(1) The director objects at the beginning of the meeting, or promptly upon the director's arrival, to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to any action taken at the meeting;

(2) The director contemporaneously requests that the director's dissent or abstention as to any specific action taken be entered in the minutes of the meeting; or

(3) The director causes written notice of the director's dissent or abstention as to any specific action to be received by the presiding officer of the meeting before adjournment of the meeting or by the Association promptly after adjournment of the meeting.

(e) The right of dissent or abstention pursuant to subsection (d) hereinabove as to a specific action is not available to a director who votes in favor of the action taken.

6. Committees of the Board.

(a) The board of directors may create one or more committees of the board and appoint one or more directors to serve on them.

(b) The creation of a committee of the board and appointment of directors to it shall be approved by a majority of all the directors in office when the action is taken.

(c) Action without meeting, notice, waiver of notice, and quorum and voting requirements of the board of directors apply to committees of the board and their members as well.

(d) To the extent specified by the board of directors, each committee of the board shall have the authority of the board of directors, except that a committee of the board shall not authorize distributions; approve or propose to members actions that are required to be approved by members; elect, appoint, or remove any director; amend articles of incorporation; adopt, amend, or repeal bylaws; approve a plan of merger not requiring member approval; or approve a sale, lease, exchange, or other disposition of all, or substantially all, of its property, with or without good will, other than in the usual and regular course of business, subject to approval by members.

(e) The creation of, delegation of authority to, or action by a committee does not alone constitute compliance by a director with the standards of conduct described in these Bylaws.

(f) Nothing in these Bylaws shall prohibit or restrict the Association from establishing by action of the board of directors one or more committees, advisory boards, auxiliaries, or other bodies of any kind, having such members and rules of procedure as the board of directors may provide, in order to provide such advice, service, and assistance to the Association, and to carry out such duties and responsibilities for the Association, as may be specified by the board of directors; except that if any such committee or other body has one or more members thereof who are entitled to vote on

committee matters and who are not then also directors, such committee or other body may not exercise any power or authority of the board of directors.

7. Executive Sessions. The members of the board of directors or any committee thereof may hold an executive or closed-door session and may restrict attendance to board members and such other persons requested by the board during a regular or specially announced meeting or a part thereof. The matters to be discussed at such an executive session shall include only the following matters:

(a) Matters pertaining to employees of the Association or involving employment, promotion, discipline, or dismissal of an officer, agent, or employee of the Association.

(b) Consultation with legal counsel concerning disputes that are the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client. Upon the final resolution of any matter for which the Board of Directors received legal advice for the concerned pending or contemplated litigation, the Board may elect to preserve the attorney/client privilege in any appropriate manner, or it may elect to disclose such information as it deems appropriate about such matter in an open meeting.

(c) Investigative proceedings concerning possible or actual criminal misconduct.

(d) Matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosure.

(e) Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy.

Prior to the time the members of the board or any committee thereof convene in executive session, the chair of the body shall announce the general matter of discussion as enumerated in subparagraphs (a) through (e) above. No rule or regulation of the board or any committee thereof shall be adopted during an executive session. A rule or regulation may be validly adopted only during a regular or special meeting or after the body goes back into regular session following an executive session. The minutes of all meetings at which an executive session was held shall indicate that an executive session was held and the general subject matter of the executive session.

ARTICLE VIII. STANDARDS OF CONDUCT

1. General Standards of Conduct for Directors and Officers.

(a) Each director shall discharge the director's duties as director, including the director's duties as a member of a committee of the board, and each officer with discretionary authority shall discharge the officer's duties under that authority in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the director or officer reasonably believes to be in the best interests of the Association.

(b) In discharging duties, a director or officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:

(1) One or more officers or employees of the Association whom the director or officer reasonably believes to be reliable and competent in the matters presented;

(2) Legal counsel, a public accountant, or another person as to matters the director or officer reasonably believes are within such person's professional or expert competence; or

(3) In the case of a director, a committee of the board of directors of which the director is not a member if the director reasonably believes the committee merits confidence.

(c) A director or officer is not acting in good faith if the director or officer has knowledge concerning the matter in question that makes reliance otherwise permitted by subsection (b) hereinabove unwarranted.

(d) A director or officer is not liable to the Association or its members for any action taken or omitted to be taken as a director or officer, as the case may be, if, in connection with such action or omission, the director or officer performed the duties of the position in compliance with this section.

(e) A director, regardless of title, shall not be deemed to be a trustee with respect to the Association or with respect to any property held or administered by the Association, including, without limitation, property that may be subject to restrictions imposed by the donor or transferor of such property.

2. Liability of Directors for Unlawful Distributions.

(a) A director who votes for or assents to a distribution made in violation of these Bylaws is personally liable to the Association for the amount of the distribution that exceeds what could have been distributed without violating these Bylaws if it is established that the director did not perform the director's duties in compliance with the foregoing section. In any proceeding commenced under this section, a director shall have all of the defenses ordinarily available to the director.

(b) A director held liable under subsection (a) hereinabove for an unlawful distribution is entitled to contribution:

(1) From every other director who could be held liable under subsection (a) hereinabove for the unlawful distribution; and

(2) From each person who accepted the distribution knowing the distribution was made in violation of these Bylaws, the amount of the contribution from such person being the amount of the distribution to that person that exceeds what could have been distributed to that person without violating these Bylaws.

ARTICLE IX. DIRECTORS' CONFLICTING INTEREST TRANSACTIONS

1. As used in this section, "conflicting interest transaction" means a contract or other financial relationship between the Association and a director of the Association, or between the Association and a party related to a director, or between the Association and an entity in which a director of the Association is a director or officer or has a financial interest.

2. No loans shall be made by the Association to its directors or officers. Any director or officer who assents to or participates in the making of any such loan shall be liable to the Association for the amount of such loan until the repayment thereof.

3. No conflicting interest transaction shall be void or voidable or be enjoined, set aside, or give rise to an award of damages or other sanctions in a proceeding by a member or by or in the right of the Association solely because the conflicting interest transaction involves a director of the Association or a party related to a director or an entity in which a director of the Association is a director or officer or has a financial interest, or solely because the director is present at or participates in the meeting of the Association's board of directors or of the committee of the board of directors that authorizes, approves, or ratifies the conflicting interest transaction, or solely because the director's vote is counted for such purpose if:

(a) The material fact as to the director's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the board of directors or

the committee, and the board of directors or the committee, in good faith, authorizes, approves, or ratifies the conflicting interest transaction by the affirmative vote of a majority of the disinterested directors, even though the disinterested directors are less than a quorum; or

(b) The material facts as to the director's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the members entitled to vote thereon, and the conflicting interest transaction is specifically authorized, approved, or ratified in good faith by a vote of the members entitled to vote thereon; or

(c) The conflicting interest transaction is fair as to the Association.

4. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the board of directors or of a committee which authorizes, approves, or ratifies the conflicting interest transaction.

5. For purposes of this section, a "party related to a director" shall mean a spouse, a descendent, an ancestor, a sibling, the spouse or descendent of a sibling, an estate or trust in which the director or a party related to a director has a beneficial interest, or an entity in which a party related to a director is a director, officer, or has a financial interest.

6. Notwithstanding any other term or provision of the documents, if any contract, decision or other action taken by or on behalf of the Board of Directors would financially benefit any member of the Board of Directors or any person who is a parent, grandparent, spouse, child or sibling of a member of the Board of Directors, or a parent or spouse of any of those persons, that member of the Board of Directors shall declare a conflict of interest for that issue. The member of the Board shall declare the conflict in an open meeting prior to any discussion or action on that issue. After making such declaration, the member may participate in the discussion but shall not vote on that issue. Any contract entered into in violation of this Section is void and unenforceable. This Section shall not be construed to invalidate any provision of the documents that more strictly define conflicts of interest or contain further limits on the participation of members of the Board who may have conflicts of interest.

ARTICLE X. LIMITS OF CERTAIN LIABILITIES OF DIRECTORS

1. There shall be no personal liability, either direct or indirect, of any director or officer to the Association or to its members for monetary damages for any breach or breaches of fiduciary duty as director or officer, except that this provision shall not eliminate the liability of a director or officer to the Association or its members for monetary damages for any breach, act, omission, or transaction to which the Nonprofit Corporation Act expressly prohibits the elimination of liability.

2. This provision shall not limit the rights of directors or officers of the Association for indemnification or other assistance from the Association. This provision shall not modify, restrict, or otherwise diminish the provisions of C.R.S. § 13-21-116(2)(b) (concerning elimination of liability of directors, except for willful and wanton acts or omissions); any amendment or successor provision thereto; or any law limiting or eliminating liabilities.

3. Any repeal or modification of the foregoing provisions of this article by the members of the Association or any repeal or modification of the provisions of the Nonprofit Corporation Act which permits the elimination of liability of directors by this article shall not affect adversely any elimination of liability, right, or protection of a director or officer of the Association with respect to any breach, act, omission, or transaction of such director or officer occurring prior to the time of such repeal or modification.

ARTICLE XI. INDEMNIFICATION

1. Indemnification Definitions. As used in this article:

(a) “Director” means an individual who is or was a director of the Association or an individual who, while a director of the Association, is or was serving at the Association’s request as a director, officer, partner, member, manager, trustee, employee, fiduciary, or agent of another domestic or foreign corporation, nonprofit corporation, or other person or of an employee benefit plan. A director is considered to be serving an employee benefit plan at the Association’s request if the director’s duties to the Association also impose duties on, or otherwise involve services by, the director to the plan or to the participants in or beneficiaries of the plan. “Director” includes, unless the context requires otherwise, the estate or personal representative of a director.

(b) “Expenses” includes counsel fees.

(c) “Liability” means the obligation incurred with respect to a proceeding to pay a judgment, settlement, penalty, fine (including an excise tax assessed with respect to an employee benefit plan), or reasonable expenses.

(d) “Official capacity” means, when used with respect to a director, the office of director in the Association and, when used with respect to a person other than a director, the office in the Association held by the officer or the employment, fiduciary, or agency relationship undertaken by the employee, fiduciary, or agent on behalf of the Association. “Official capacity” does not include service for any other domestic or foreign corporation, nonprofit corporation, or other person or employee benefit plan.

(e) “Party” includes a person who was, is, or is threatened to be made a named defendant or respondent in a proceeding.

(f) “Proceeding” means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal.

2. Authority to Indemnify Directors.

(a) Except as provided in subsection (d) hereinafter, the Association shall indemnify a person made a party to a proceeding because the person is or was a director against liability incurred in the proceeding if:

(1) The person’s conduct was in good faith; and

(2) The person reasonably believed:

(i) In the case of conduct in an official capacity with the Association, that the conduct was in the Association’s best interests;

(ii) In all other cases, that the conduct was at least not opposed to the Association’s best interests; and

(iii) In the case of any criminal proceeding, the person had no reasonable cause to believe the conduct was unlawful.

(b) A director’s conduct with respect to an employee benefit plan for a purpose the director reasonably believed to be in the interests of the participants in or beneficiaries of the plan is conduct that satisfies the requirement of subsection (2)(ii) hereinabove. A director’s conduct with respect to an employee benefit plan for a purpose that the director did not reasonably believe to be in the interests of the participants in or beneficiaries of the plan shall be deemed not to satisfy the requirements of subsection (a)(1) hereinabove.

(c) The termination of a proceeding by judgment, order, settlement, or conviction or upon a plea of *nolo contendere* or its equivalent is not, of itself, determinative that the director did not meet the standard of conduct described in this section.

(d) The Association may not indemnify a director under this section:

(1) In connection with a proceeding by or in the right of the Association in which the director was adjudged liable to the Association; or

(2) In connection with any other proceeding charging that the director derived an improper personal benefit, whether or not involving action in an official capacity, in which proceeding the director was adjudged liable on the basis that the director derived an improper personal benefit.

(e) Indemnification permitted under this section in connection with a proceeding by or in the right of the Association is limited to reasonable expenses incurred in connection with the proceeding.

3. Mandatory Indemnification of Directors. The Association shall indemnify a person who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which the person was a party because the person is or was a director, against reasonable expenses incurred by the person in connection with the proceeding.

4. Advance of Expenses to Directors.

(a) The Association shall pay for or reimburse the reasonable expenses incurred by a director who is a party to a proceeding in advance of final disposition of the proceeding if:

(1) The director furnishes to the Association a written affirmation of the director's good faith belief that the director has met the standard of conduct described in these Bylaws;

(2) The director furnishes to the Association a written undertaking, executed personally or on the director's behalf, to repay the advance if it is ultimately determined that the director did not meet the standard of conduct; and

(3) A determination is made that the facts then known to those making the determination would not preclude indemnification under this article.

(b) The undertaking required by subsection (a)(2) hereinabove shall be an unlimited general obligation of the director but need not be secured and may be accepted without reference to financial ability to make repayment.

5. Determination and Authorization of Indemnification of Directors.

(a) The Association may not indemnify a director under this article unless authorized in the specific case after a determination has been made that indemnification of the director is permissible in the circumstances because the director has met the standard of conduct set forth in these Bylaws. The Association shall not advance expenses to a director under this article unless authorized in the specific case after the written affirmation and undertaking required by these Bylaws are received and the determination required by these Bylaws has been made.

(b) The determination required by subsection (a) hereinabove shall be made:

(1) By the board of directors by a majority vote of those present at a meeting at which a quorum is present, and only those directors not parties to the proceeding shall be counted in satisfying the quorum; or

(2) If a quorum cannot be obtained, a majority vote of a committee of the board of directors designated by the board of directors, which committee shall consist of two (2) or more directors not parties to the proceeding; except that directors who are parties to the proceeding may participate in the designation of directors for the committee.

(c) If a quorum cannot be obtained as contemplated in subsection (b)(1) hereinabove, and a committee cannot be established under subsection (b)(2) hereinabove, or even if a quorum is obtained or a committee is designated, if a majority of the directors constituting such quorum or such committee so directs, the determination required to be made by subsection (a) hereinabove shall be made:

(1) By independent legal counsel selected by a vote of the board of directors or the committee in the manner specified in subsection (b)(1) or (b)(2) hereinabove, or if a quorum of the full board cannot be obtained and a committee cannot be established, by independent legal counsel selected by a majority vote of the full board of directors; or

(2) By the voting members, but voting members who are also directors and who are at the time seeking indemnification may not vote on the determination.

(d) Authorization of indemnification and advance of expenses shall be made in the same manner as the determination that indemnification or advance of expenses is permissible; except that if the determination that indemnification or advance of expenses is permissible is made by independent legal counsel, authorization of indemnification and advance of legal expenses shall be made by the body that selected such counsel.

6. Indemnification of Officers, Employees, Fiduciaries, and Agents.

(a) An officer is entitled to mandatory indemnification under this article, in each case to the same extent as a director.

(b) The Association shall indemnify and advance expenses to an officer, employee, fiduciary, or agent of the Association to the same extent as to a director.

(c) The Association shall also indemnify and advance expenses to an officer, employee, fiduciary, or agent who is not a director to a greater extent, if not inconsistent with public policy or these Bylaws, general or specific action of the board of directors or voting members, or contract.

7. Insurance. The Association may purchase and maintain insurance on behalf of a person who is or was a director, officer, employee, fiduciary, or agent of the Association or who, while a director, officer, employee, fiduciary, or agent of the Association, is or was serving at the request of the Association as a director, officer, partner, member, manager, trustee, employee, fiduciary, or agent of another domestic or foreign corporation, nonprofit corporation, or other person, or of an employee benefit plan, against liability asserted against or incurred by the person in that capacity or arising from the person's status as a director, officer, employee, fiduciary, or agent, whether or not the Association would have power to indemnify the person against the same liability under this article. Any such insurance may be procured from any insurance company designated by the board of directors, whether such insurance company is formed under the laws of this state or any other jurisdiction of the United States or elsewhere, including any insurance company in which the Association has an equity or any other interest through stock ownership or otherwise.

8. Limitation of Indemnification of Directors. This article does not limit the Association's power to pay or reimburse expenses incurred by a director in connection with an appearance as a witness in a proceeding at a time when the director has not been made a named defendant or respondent in the proceeding.

9. Notice to Voting Members of Indemnification of Director. If the Association indemnifies or advances expenses to a director under this article in connection with a proceeding by or in the right of the Association, the Association shall give written notice of the indemnification or advance to the voting members with or before the notice of the next voting members' meeting. If the next voting member action is taken without a meeting at the instigation of the board of directors, such notice shall be given to the voting members at or before the time the first voting member signs a writing consenting to such action.

ARTICLE XII. OBLIGATIONS OF MEMBERS

1. Assessments. Except as otherwise provided in the Declaration, all members shall be obligated to pay the assessments imposed by the Association pursuant to the Declaration. Unless otherwise determined by the Association, the annual assessments and any special assessments which are to be paid in periodic installments shall be paid periodically in advance and shall be due and payable to the Association at its principal office or as the Association may otherwise direct in writing. A member shall be deemed to be in good standing and entitled to vote at any annual meeting or special

meeting of the members within the meanings of these Bylaws if, and only if, the member shall have fully paid all assessments due against the Unit(s) owned by the member as of the date of the meeting.

2. Evidence of Ownership. Any person becoming an owner of a Unit shall furnish to the Association a copy of the recorded instrument vesting that person with an interest or ownership in the Unit, which copy shall remain in the files of the Association.

3. Registration of Mailing Address. The owner or owners of one Unit shall have one and the same registered mailing address to be used by the Association for the mailing of statements, notices, demands, and all communications, and such registered address shall be the only mailing address of the owner or owners of the Unit. The registered address of an Owner shall be furnished by such member to the Association within fifteen (15) days after the transfer of title or any change of address, and such registration shall be in written form and signed by the owner or owners of each Unit. If no address is registered or if all members cannot agree, then the address of the Unit shall be deemed the registered address for the purposes of these Bylaws until another registered address is furnished as required by this section. If the Unit is the registered address of the member(s), then any notice shall have been deemed to be duly given if delivered to any person occupying that Unit or, if such Unit is unoccupied, if the notice is held and available for the member(s) at the principal office of the Association.

ARTICLE XIII. OFFICERS

1. Officers. The Association shall have a president, a secretary, a treasurer, and such other officers as may be designated by the board of directors. An officer shall be a natural person who is eighteen (18) years of age or older. An officer need not be a director or a member of the Association. Officers may be appointed by the board of directors. A duly appointed officer may appoint one or more officers or assistant officers if authorized by the board of directors. The board of directors shall delegate to the secretary or to one or more other persons responsibility for the preparation and maintenance of minutes of the directors' and members' meetings and other records and information required to be kept by the Association and for authenticating records of the Association. The same individual may simultaneously hold more than one office in the Association.

2. President. The president shall be the chief executive officer of the Association. The president shall preside at all meetings of the Association and of the board. The president shall have the general powers and duties that are usually vested in the office of president of a corporation, including, but not limited to, the power to appoint committees from and among the members from time to time as the president may determine to be appropriate to assist in the conduct of the affairs of the Association or as

may be established by the board or by the members of the Association at any regular or special meetings.

3. Vice President. The vice president shall have all the powers and authority and perform all functions and duties of the president in the absence of the president or his or her inability for any reason to exercise such powers and functions or to perform such duties.

4. Secretary. The secretary shall keep all minutes of the meetings of the board of directors and the minutes of all meetings of the Association. The secretary shall have charge of all books and papers that the board may direct and shall, in general, perform all the duties incident to the office of the secretary. The secretary shall compile and keep up to date at the principal office of the Association a complete list of the members and their registered addresses as shown on the record of the Association.

5. Treasurer. The treasurer shall have the responsibility for the Association funds and shall be responsible for keeping a full and accurate account of all receipts and disbursements in the books belonging to the Association; provided, however, that when a manager has been delegated the responsibility of collecting and disbursing funds, the treasurer's responsibility shall be to review the accounts of the manager not less often than quarterly. The treasurer shall perform such other duties as from time to time may be assigned by the board of directors or provided for by the declaration.

6. Resignation and Removal of Officers. An officer may resign at any time by giving written notice of resignation to the Association. A resignation of an officer is effective when the notice is received by the Association unless the notice specifies a later effective date. If a resignation is made effective at a later date, the board of directors may permit the officer to remain in office until the effective date and may fill the pending vacancy before the effective date with the provision that the successor does not take office until the effective date, or the board may remove the officer at any time before the effective date and may fill the resulting vacancy. The Declarant may remove any officer during the Period of Declarant Control pursuant to the Declaration. Thereafter, the board of directors may remove any officer at any time without cause; or the board of directors may make provisions for the removal of officers by other officers. An officer who resigns or is removed or whose appointment has expired may deliver to the Colorado Secretary of State for filing a statement to that effect.

7. Contract Rights With Respect to Officers. The appointment of an officer does not itself create contract rights. An officer's removal does not affect the officer's contract rights, if any, with the Association. An officer's resignation does not affect the Association's contract rights, if any, with the officer.

ARTICLE XIV. ASSOCIATION RECORDS

1. Association Records.

(a) The Association shall keep as permanent records minutes of all meetings of its members and board of directors, a record of all actions taken by the members or board of directors without a meeting, a record of all actions taken by a committee of the board of directors in place of the board of directors on behalf of the Association, and a record of all waivers of notices of meetings of members and of the board of directors or any committee of the board of directors.

(b) The Association shall maintain appropriate accounting records.

(c) The Association or its agent shall maintain a record of its members in a form that permits preparation of a list of the names and addresses of all members in alphabetical order, showing the number of votes each member is entitled to vote.

(d) The Association shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

(e) The Association shall keep a copy of each of the following records at its principal office:

(1) Its Articles of Incorporation;

(2) Its Bylaws;

(3) Resolutions adopted by its board of directors relating to the characteristics, qualifications, rights, limitations, and obligations of members or any class or category of members;

(4) The minutes of all members' meetings and records of all action taken by members without a meeting for the past three (3) years;

(5) All written communications within the past three (3) years to members generally as members;

(6) A list of the names and business or home addresses of its current directors and officers;

(7) A copy of its most recent corporate report delivered to the Colorado Secretary of State; and

(8) All financial statements prepared for periods ending during the last three (3) years that a member could have requested under this article.

2. Inspection of Association Records by Members.

(a) A member is entitled to inspect and copy, during regular business hours at the Association's principal office, any of the records of the Association described in subsection 1(e) above if the member gives the Association written demand at least five (5) business days before the date on which the member wishes to inspect and copy such records, or at the next regularly scheduled meeting, if such meeting occurs within thirty (30) days after the request. The Association may charge a fee which may be collected in advance, but which shall not exceed the Association's actual cost per page for copies of Association records.

(b) Pursuant to subsection (e) of this section, a member is entitled to inspect and copy, during regular business hours at a reasonable location specified by the Association, any of the other records of the Association if the member meets the requirements of subsection (c) of this section and gives the Association written demand at least five (5) business days before the date on which the member wishes to inspect and copy such records.

(c) A member may inspect and copy the records described in subsection (b) of this section only if:

(1) The member has been a member for at least three (3) months immediately preceding the demand to inspect or copy or is a member holding at least five percent (5%) of the voting power as of the date the demand is made;

(2) The demand is made in good faith and for a proper purpose;

(3) The member describes with reasonable particularity the purpose and the records the member desires to inspect; and

(4) The records are directly connected with the described purpose.

(d) For purposes of this section:

(1) "Member" includes a beneficial owner whose membership interest is held in a voting trust and any other beneficial owner of a membership interest who establishes beneficial ownership.

(2) "Proper purpose" means a purpose reasonably related to the demanding member's interest as a member.

(e) The right of inspection granted by this section may not be abolished or limited.

(f) This section does not affect:

(1) The right of a member to inspect records to the same extent as any other litigant if the member is in litigation with the Association; or

(2) The power of a court to compel the production of Association records for examination.

3. Scope of Member's Inspection Right.

(a) A member's agent or attorney has the same inspection and copying rights as the member.

(b) The right to copy records under this article includes, if reasonable, the right to receive copies made by photographic, xerographic, electronic, or other means.

(c) The Association may impose a reasonable charge, covering the costs of labor and material, for copies of any documents provided to the member. The charge may not exceed the estimated cost of production and reproduction of the records.

(d) The Association may comply with a member's demand to inspect the record of members by furnishing to the member a list of members that was compiled no earlier than the date of the member's demand.

4. Limitations on Use of Membership List.

(a) Without consent of the board of directors, a membership list or any part thereof may not be obtained or used by any person for any purpose unrelated to a member's interest as a member without the consent of the Board of Directors.

(b) Without limiting the generality of subsection (a) hereinabove, without the consent of the board of directors, a membership list or any part thereof may not be:

(1) Used to solicit money or property unless such money or property will be used solely to solicit the votes of the members in an election to be held by the Association;

(2) Used for any commercial purpose; or

(3) Sold to or purchased by any person.

5. Audit. The books and records of the Association shall be subject to an audit using generally accepted accounting standards, or a review, using statements on standards for accounting and review services, by an independent and qualified person

selected by the Board of Directors. Such person need not be a certified public accountant, except in the case of an audit. A person selected to conduct a review shall have at least a basic understanding of the principles of accounting as a result of prior business experience, education above the high school level, or bona fide home study. The audit or review report shall cover the Association's financial statements, which shall be prepared using generally accepted accounting principles or the cash or tax basis of accounting. An audit shall be required under this Section only when both of the following conditions are met:

(a) The Association has annual revenues or expenditures of at least Two Hundred Fifty Thousand Dollars (\$250,000); and

(b) An audit is requested by the members of at least one-third of the Units.

Copies of the audit or review under this Section shall be made available upon request to any member beginning no later than thirty (30) days after the audit or review is completed.

ARTICLE XV. AMENDMENT

These Bylaws may be amended by vote of a majority of the members voting in person or by proxy at a meeting called for such purpose at which a quorum of the members is present.