

4.07. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be fulfilled by election by the remaining directors, even though they may constitute less than a quorum; and each person so elected shall be a director until a successor is duly elected and qualified at the next annual meeting of the Association.

4.08. Removal of Directors. At any annual or special meeting of the Association, duly called, any one or more of the directors may be removed for cause by the vote of Owners representing an aggregate ownership interest of at least 51% of the General Common Elements, and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting.

4.09. Organizational Meeting. The first meeting of a newly elected Board of Directors shall be held within thirty days of such election at such place as shall be fixed by the directors at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order to convene such meeting, providing a majority of the new Board shall be present at such election meeting.

4.10. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors, but at least two such meetings shall be held each year. Notice of regular meetings of the Board of Directors shall be given to each director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

4.11. Special Meetings. Special meetings of the Board of Directors may be called by the President, on his own initiative, on three (3) days' notice to each director, given personally, or by mail, telephone or telegraph, which notice shall set forth the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on receipt of a written request to call such a special meeting from at least two (2) directors.

4.12. Waiver of Notice. Before or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

4.13. Board of Directors' Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time for periods of no longer than one week until a quorum is obtained or until a conclusion can be reached. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

4.14. Compensation; Fidelity Bonds. The members of the Board of Directors shall serve without salary or compensation. The Board of Directors may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

ARTICLE V

Officers

5.01. Designation. The officers of the Association shall be a President, a Vice President or Vice Presidents, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. Further, the Board of Directors may, in its discretion, elect an Assistant Secretary and/or an Assistant Treasurer.

5.02. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board and shall hold office at the pleasure of the Board. All officers, except the initial officers, must be members of the Association and the President must be elected from among the Board of Directors. One person may hold concurrently the office of Vice President and Secretary or Vice President and Treasurer or Secretary and Treasurer, but the President shall serve only in the office of President.

5.03. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.

5.04. President. The President shall be elected from among the Board of Directors and shall be the chief executive officer of the Association. The President shall preside at all meetings of the Association and of the Board of Directors. The President shall have all of the general powers and duties which are usually vested in the office of the president of a non-profit corporation, including, but not limited to, the power to appoint committees from among the members from time to time as may be deemed 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.

5.05. Vice President. The Vice President shall have all of the powers and authority and perform all the functions and duties of the President, in the absence of the President or in the President's inability for any reason to exercise such powers and functions or perform such duties.

5.06. Secretary. The Secretary shall keep the minutes of all the meetings of the Board of Directors and the minutes of all meetings of the Association; the Secretary shall have charge of such books and papers as the Board of Directors may direct; and shall, in general perform all the duties incident to the office of Secretary. The Secretary shall compile and keep up to date at the principal office of the Association a complete list of members and their last-known addresses as shown on the records of the Association. Such list shall also show opposite each member's name the number or other appropriate designation of the Condominium Unit owned by such member,

the ownership interest in the General Common Elements attributable thereto and a description of the Limited Common Elements assigned for exclusive use in connection with such Condominium Unit. Such list shall be open to inspection by members and other persons lawfully entitled to inspect the same at reasonable times during regular business hours. Assistant secretaries, if any, shall have the same duties and powers, subject to supervision by the Secretary.

5.07. Treasurer. The Treasurer shall have responsibility for Association funds, shall keep the financial records and books of account of the Association and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors. Assistant treasurers, if any, shall have the same duties and powers, subject to supervision by the Treasurer.

ARTICLE VI

Indemnification and Non-Liability

6.01. Indemnification. The Association shall indemnify every director and officer and the Declarant, and their heirs, executors, administrators, successors and assigns against all loss, costs and expense, including counsel fees, reasonably incurred in connection with any action, suit or proceeding to which such person may be made a party by reason of being or having been a director or officer of the Association, except as to matters as to which such person shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or fraud. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or fraud in the performance of his duty as such director or officer in relation to the matter involved.

The foregoing rights shall not be exclusive of other rights to which such director or officer may be entitled. All liability, loss, damage, costs and expense incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as Common Expenses. Nothing contained in this Section 6.01 shall, however, be deemed to obligate the Association to indemnify any Owner who is or has been a director or officer of the Association with respect to any duties or obligations assumed or liabilities incurred as an Owner under or by virtue of the Project Declaration, or his ownership of a Condominium Unit, as distinguished from his conduct and activities as an officer or director of the Association.

6.02. Non-Liability of the Directors, Board, Officers and Declarant. Neither the directors, Board or officers of the Association, nor Declarant shall be personally liable to the Owners for any mistake or judgment or for any acts or omissions of any nature whatsoever as such directors, Board, officers, or Declarant, except for any acts or omissions found by a court to constitute gross negligence or fraud.

ARTICLE VII

Amendments

7.01. Bylaws. These Bylaws may be amended by action or approval of Owners representing an aggregate ownership interest of at least seventy-five percent (75%) of the General Common Elements and any notice of any meeting therefor shall specify the nature and text of any proposed amendment or amendments, provided that these Bylaws shall at all times comply with the provisions of Colo. Rev. Stat. Ann. § 38-33-106 (1973, as amended).

ARTICLE VIII

Miscellaneous

8.01. Notice to Association. Every Owner shall timely notify the Association of the name and address of any Mortgagee, purchaser, transferee or lessee of his Condominium Unit. The Association shall maintain such information at the office of the Association.

8.02. Proof of Ownership. Except for those Owners who initially purchase a Condominium Unit from Declarant, every Person becoming an Owner shall immediately furnish to the Board of Directors a photocopy or a certified copy of the recorded instrument vesting in that Person such ownership, which instrument shall remain in the files of the Association. A member shall not be deemed to be in good standing nor shall he be entitled to vote at any annual or special meeting of members unless this requirement is first met.

8.03. Compliance. These Bylaws are intended to comply with the requirements of the Colorado Condominium Ownership Act. If any provisions of these Bylaws conflict with the provisions of said Act, as said Act may be amended, it is hereby agreed that the provisions of such Act will apply.

8.04. Character of Association. This Association is not organized for profit. No member, member of the Board of Directors, officer or Person for whom the Association may receive any property or funds shall receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of, any of the Board of Directors, officers or members, except upon a dissolution of the Association, provided, however, (1) that reasonable compensation may be paid to any member, manager, director, or officer while acting as an agent or employee of the Association for service rendered in effecting one or more of the purposes of the Association, and (2) that any member, manager, director, or officer may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

8.05. Conveyances and Encumbrances. Corporate property may be purchased, conveyed or encumbered for security of monies borrowed by authority of the Association and/or the Board of Directors. Conveyance or encumbrances shall be by instrument executed by the President or Vice President and by the Secretary or the Treasurer or an Assistant Secretary or an Assistant Treasurer, or executed by such other Person or Persons to whom such authority may be delegated by the Board.

8.06. Inspection of Records. Any Owner or first Mortgagee may, pursuant to Colo. Rev. Stat. Ann. § 38-33-107 (1973, as amended), inspect the Association's records of receipts and expenditures at any reasonable time during convenient weekday business hours, and, upon ten days' notice to the Board of Directors or Managing Agent, if any, and upon payment of a reasonable fee, not to exceed Twenty Dollars, any Owner or first Mortgagee of such Owner shall be furnished a statement of account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner. Further, the Association shall make available for inspection during normal business hours, to any Owner, Mortgagee, insurer or guarantor of any Mortgage and to any prospective purchaser of a Condominium Unit, current copies of the Declaration, Bylaws, Articles of Incorporation, Rules and Regulations, and most recent financial statements of the Association.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands this 26th day of November, 1980.

BOARD OF DIRECTORS:

C. J. Lawrence
Del. S. B.
W. D. O'K.

KNOW ALL MEN BY THESE PRESENTS, that the undersigned Secretary of the corporation does hereby certify that the above and foregoing Bylaws were duly adopted by the Directors of said corporation as the Bylaws of said corporation on the 26th day of November, 1980, and that they do now constitute the Bylaws of said corporation.

C. J. Lawrence
Secretary