

a registered agent who resides in the State of Colorado and whose business office is identical with such registered office. The registered office need not be the same as the principal office of the Association. The initial registered office and the initial registered agent are specified in the Articles of Incorporation of the Association, but may be changed by the Association at any time, without amendment to the Articles of Incorporation, by filing a statement as specified by law in the Office of the Secretary of State of Colorado.

### ARTICLE III MEMBERS

Section 3.1. Members. A "Member" of the Association is as defined in the Declaration. The corporation shall have one class of Members.

Section 3.2. Memberships Appurtenant to Lots. Each Membership shall be appurtenant to the fee simple title to a Lot. The Member(s) which has fee simple title to a Lot shall automatically be the holder of the Membership therefor, and the Membership shall automatically pass with fee simple title to the Lot. No Member may resign his, her or its Membership without the conveyance of fee simple title to the Lot.

Section 3.3. Members Votes. Each Member is entitled to one vote for each Lot owned, in a manner as provided in these Bylaws, the Declaration and the Articles of Incorporation.

Section 3.4. Voting by Joint Members. If there is more than one Member of a Lot, the vote(s) for such Lot shall be exercised as the persons holding such interest shall determine between themselves, provided that in no event shall more votes be cast with respect to any Lot as are allocated to such Lot by the provisions of the Declaration. If, however, the Members of a Lot are unable, within a reasonable time, to agree upon how they will vote any issue, they shall be passed over and their right to vote on such issue shall be lost.

Section 3.5. Suspension of Voting Rights. The Board may suspend, after notice and hearing as provided herein, the voting rights of a Member during and for up to 60 days following any breach by such Member or an Owner's agent of any provision of the Declaration or of any rule or regulation adopted by the Association unless such breach is a continuing breach, in which case such suspension shall continue for so long as such breach continues and for up to 60 days thereafter.

Section 3.6. Transfer of Memberships on Association Books. Transfers of Memberships shall be made on the books of the Association only upon presentation of evidence, satisfactory to the Association, of the transfer of ownership of the Lot to which the Membership is appurtenant. Prior to presentation of such evidence, the Association may treat the previous owner of the Membership as the owner of the Membership entitled to all rights in connection therewith, including the right to vote and to receive notices.

ARTICLE IV  
MEETINGS OF MEMBERS

Section 4.1. Place of Members' Meetings. Meetings of Members shall be held at the principal office of the Association or at such other place as may be fixed by the Board from time to time and specified in the notice of the meeting.

Section 4.2. Annual Meetings of Members. Each regular annual meeting of the Members shall be held on a date and at a time selected by the Board in each succeeding year. At each annual meeting, the Members shall elect Directors to fill vacancies in accordance with the provisions of these Bylaws, the Declaration and the Articles of Incorporation and conduct such other business as may properly come before the meeting.

Section 4.3. Special Meetings of Members. Special meetings of the Members may be called by the President or a majority of the members of the Board, or shall be called by the President at the request of Members holding not less than 20% of the total votes of the Association.

Section 4.4. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary of the Association or person authorized to call the meeting, not less than 10 nor more than 50 days before the date of the meeting, either by hand delivery or by United States mail, to each Member entitled to vote at such meeting. The notice of any meeting must 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, the Articles, or these Bylaws, any budget changes, and any proposal to remove an officer or member of the Board. If mailed, such notice shall be deemed to have been delivered when deposited in the United States mail addressed to the Member at the address of its Lot or to any other mailing address designated in writing by the Member, with postage thereon prepaid; if delivered, such notice shall be deemed to have been delivered on the date of actual delivery thereof.

Section 4.5. Record Date. For the purpose of determining Members entitled to notice of, or to vote at, any meeting of Members or in order to make a determination of such Members for any other proper purpose, the Board may fix, in advance, a date as the record date for any such determination of Members. The record date shall be not more than 50 days prior to the meeting of Members or the event requiring a determination of Members.

Section 4.6. Proxies. At all meetings of members, each member entitled to vote may vote in person or by individual proxy properly executed. All proxies shall in writing and filed with the secretary at the meeting for which the proxy is intended. Every proxy shall be revocable and shall automatically cease by written revocation prior to a meeting or orally at a membership meeting. A proxy shall be valid only for its stated purpose.

Section 4.7. Quorum at Members' Meetings. Except as may be otherwise provided in the Declaration, the Articles of Incorporation or these Bylaws, and except as hereinafter provided with respect to the calling of another meeting, a quorum is deemed present if persons entitled to cast ten percent (10%) of the votes which may be cast for election of the Board are present, in person or by proxy, at the

beginning of the meeting. A quorum of Members who are present in person or by proxy at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of Members so as to leave less than a quorum.

Section 4.8. Adjournments of Members' Meetings. Members present in person or by proxy at any meeting may adjourn the meeting from time to time, whether or not a quorum shall be present in person or by proxy, without notice other than announcement at the meeting, for a total period or periods not to exceed 30 days after the date set for the original meeting.

Section 4.9. Vote Required at Members' Meetings. At any Members' meeting, if a quorum is present, in person or by proxy, a majority of the votes present in person or by proxy and entitled to be cast on a matter shall be necessary for the adoption of the matter, unless a greater percentage is required by law, the Declaration, the Articles of Incorporation or these Bylaws; except that in the case of elections in which there are more than two candidates, the person (or persons if there is more than one seat to be filled) receiving the highest number of votes cast shall be elected, and the person receiving the highest number of votes shall be elected to the longer term. At the discretion of the Board, or upon the request of twenty percent of the Members who are present at the meeting or represented by proxy, a vote on any matter affecting the Association on which all Members are entitled to vote shall be by secret ballot. Such ballots shall be counted by a neutral third party or by a committee of volunteers. Volunteers shall be Lot owners who are selected or appointed at an open meeting, in a fair manner, by the chair of the Board 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 of Members participating in the vote.

Section 4.10. Acceptance or Rejection of Vote, Consent, Ballot, Waiver or Proxy.

a. The Association is entitled to reject a vote, consent, written ballot, waiver, proxy appointment or proxy appointment revocation if the Secretary of the Association, 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 Owner.

b. 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 4 are not liable in damages for the consequences of the acceptance or rejection.

c. Any action of the Association based on the acceptance or rejection of a vote, consent, written ballot, waiver, proxy appointment or proxy appointment revocation under this Section 4 is valid unless a court of competent jurisdiction determines otherwise.

