

To Masood

BYLAWS

OF

**4 INVERNESS COURT EAST
OFFICE CONDOMINIUM ASSOCIATION, INC.**

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**BYLAWS
OF
4 INVERNESS COURT EAST
OFFICE CONDOMINIUM ASSOCIATION, INC.**

ARTICLE I

GENERAL

1.1 Purpose of Bylaws. These Bylaws of 4 INVERNESS COURT EAST OFFICE CONDOMINIUM ASSOCIATION, INC. (these "Bylaws") are adopted for the regulation and management of the affairs of 4 INVERNESS COURT EAST OFFICE CONDOMINIUM ASSOCIATION, INC. (the "Association"). The Association is organized as a Colorado nonprofit corporation under the Colorado Revised Nonprofit Corporation Act, C.R.S. § 7-121-101, *et seq.* (the "Nonprofit Act"), in conformance with the Colorado Common Interest Ownership Act, C.R.S. § 38-33.3-101, *et seq.* ("CCIOA"), and is the Association under the Declaration of Covenants, Conditions and Restrictions for 4 Inverness Court East Office Condominiums (the "Declaration"). The Declaration relates to the real property in Arapahoe County, Colorado, which is or may become subject to the Declaration (the "Property").

1.2 Terms Defined in the Declaration. Initially capitalized terms used but not defined in these Bylaws are defined in the Declaration and have the same definition as in the Declaration.

1.3 Controlling Laws and Instruments. These Bylaws are controlled by and must always be consistent with the provisions of the Nonprofit Act, CCIOA, the Declaration and the Articles of Incorporation of the Association filed with the Secretary of State of Colorado (the "Articles"), as any of them are amended from time to time. The Declaration, the Articles and these Bylaws, as any of them may be amended from time to time, together with all exhibits or attachments to any of them, are collectively referred to as the "Condominium Instruments."

ARTICLE II

OFFICES

2.1 Principal Office. The Board, in its discretion, may fix and change the location of the principal office of the Association from time to time.

2.2 Registered Office and Agent. The Board may change the Association's initial registered office and initial registered agent specified in the Articles at any time by filing a statement as specified by law in the Office of the Secretary of State of Colorado. At all times, the street addresses of the Association's registered office and the business office of the Association's registered agent will be identical.

ARTICLE III

MEMBERS AND VOTING RIGHTS

3.1 General.

(a) By this reference, these Bylaws incorporate the membership and voting rights provisions of the Declaration. Each Owner of a Unit is a member of the Association (a "Member"). An Owner's membership in the Association is referred to as a "Membership." Each Membership is appurtenant to the fee simple title to a Unit. The Owner of fee simple title to a Unit is automatically the holder of the Membership appurtenant to the Unit, and the Membership automatically passes with fee simple title to the Unit.

(b) In any matter coming before the Association for which a vote of the Members is required, for any Unit owned by multiple owners (the "Multiple Owners"): (i) if only one such Multiple Owner is present when such vote occurs, such Multiple Owner will be entitled to cast any and all votes allocated to such Unit; or (ii) if more than one of the Multiple Owners are present, any and all votes allocated to such Unit will be cast only in accordance with the agreement of a majority in interest of the Multiple Owners, provided that a majority agreement among the Multiple Owners will be deemed to exist if any one of the Multiple Owners casts the vote or votes allocated to such Unit without protest being made promptly to the person presiding over the meeting by any of the other Multiple Owners, and provided further that the Multiple Owners will not be entitled to cast any vote on such matter unless a majority agreement is reached among the Multiple Owners before the conclusion of the tabulation of votes on such matter by the Association.

(c) The Association itself will have no vote for any Unit it owns.

3.2 Votes. In all matters coming before the Association for which a vote of the Members is required, each Unit is allocated a percentage of the votes in the Association equal to the Unit's Common Allocation percentage as described in the Declaration.

3.3 Resignation of Members. No Member may resign from the Association. An Owner's Membership in the Association will terminate only upon the conveyance by such Member of all of such Member's ownership interests in any and all Units in the Office Condominium Project.

3.4 Membership Termination: Member Sanctions. No Member may be expelled from the Association and no Member's Membership may be terminated as long as such Member is an Owner. Notwithstanding the foregoing, if any Member fails to comply with any provision of the Condominium Instruments, the Association may impose such enforcement sanctions as are provided for in the Declaration. Without limiting the foregoing, the Board may suspend, after notice and hearing in accordance with the provisions of Article IX, the voting rights of any Member during and following any breach by such Member of any provision of the Declaration or any Rules adopted by the Board.

3.5 Purchase of Memberships by Association. The Association will not purchase the Membership of any Member. The Association will only be a Member, and will only have such rights as are attendant to Membership, to the extent that it is also an Owner.

3.6 Resolution of Voting Disputes. In the event of any dispute as to the entitlement of any Member to vote or as to the results of any vote of the Members, the Board will act as arbitrators and the decision of a disinterested majority of the Board will, when rendered in writing, be final and binding as an arbitration award and may be acted upon in accordance with the Colorado Uniform Arbitration Act of 1975, as the same may be amended. No dispute as to the entitlement of any Member to vote will postpone or delay any vote for which a meeting of the Members has been duly called pursuant to the provisions of these Bylaws if a quorum is present at such meeting.

3.7 Transfer of Memberships on Association Books. Transfers of Memberships will be made on the books of the Association only upon presentation of evidence, satisfactory to the Board, of the transfer of ownership of the Unit to which the Membership is appurtenant. Prior to presentation of such evidence, the Association may treat the previous owner of the Membership as being entitled to all rights in connection with the Membership.

ARTICLE IV

MEETINGS OF MEMBERS

4.1 Place of Members' Meetings. Meetings of the Members will be held at the principal office of the Association or at such other place, within or convenient to the Property, as may be fixed by the Board and specified in the notice of the meeting.

4.2 Annual Meetings of Members. Annual meetings of the Members will be held in a month of each year as fixed in accordance with a resolution of the Board on such day and at such time of day as is fixed by the Board and specified in the notice of meeting. The annual meetings will be held to transact such business that properly comes before the meeting.

4.3 Special Meetings of Members. Special meetings of the Members may be called by the Board, the President of the Association, or by the Members holding not less than 20% of the total votes in the Association. No business will be transacted at a special meeting of the Members except as indicated in the notice thereof.

4.4 Record Date. For the purpose of determining the Members entitled to notice of, or to vote at, any meeting of the Members, or for the purpose of determining such Members for any other proper purpose, the Board may fix in advance a future date as the record date for any determination of the Members. The record date may not be more than 70 days prior to the meeting of the Members or the event requiring a determination of the Members.

4.5 Notice of Members' Meetings. Written notice of any meeting of the Members will be delivered not less than 10 nor more than 50 days before the date of the meeting, either personally or by first class or registered mail to each Member entitled to vote at the meeting. The notice of any meeting will 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

Bylaws, any budget changes and any proposal to remove a member of the Board. If mailed, the notice will be deemed to be delivered five business days after it is deposited in the United States mail, first-class postage prepaid, addressed to the Member at the mailing address for the Member appearing in the Association's records, or if the Member has not furnished a mailing address to the Association, then to the mailing address of the Member's Unit.

4.6 Proxies.

(a) A Member that is entitled to vote may vote in person or by proxy if the proxy is executed in writing by the Member and delivered to the secretary of the meeting prior to the time the proxy is exercised. A Member may appoint a proxy by signing an appointment form, either personally or by the Member's attorney-in-fact, or by transmitting or authorizing the transmission of an electronic transmission providing a written statement of the appointment to the proxy or other person duly authorized by the proxy to receive appointments as agent for the proxy or to the Association, except that the transmitted appointment will 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.

(b) A proxy may be revoked by a written revocation filed with the chairman of the meeting prior to the time the proxy is exercised or by voting in person. A proxy automatically ceases upon a change in the ownership of the Membership on the Association's books. No proxy is valid after 11 months from the date of its execution unless otherwise provided in the proxy appointment form. Any form of proxy or written ballot furnished or solicited by the Association will afford an opportunity for the Members to specify on the form a choice between approval and disapproval of each matter or group of related matters which is known, at the time the form of proxy or written ballot is prepared, may come before the meeting and will provide, subject to reasonably specified conditions, that if a Member specifies a choice with respect to any matter, the vote will be cast in accordance with the Member's choice.

4.7 Quorum at Members' Meeting. Except as may be otherwise provided in the Declaration, the Articles or these Bylaws, and except as hereinafter provided with respect to the calling of another meeting, the presence, in person or by proxy, of Members entitled to cast at least a majority of the votes in the Association will constitute a quorum at any meeting of such Members. The Members present in person or by proxy at a duly organized meeting may continue to transact business until adjournment, notwithstanding that some of the Members withdraw from the meeting, leaving less than a quorum.

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 is present in person or by proxy, without notice other than announcement at the meeting for a total period or periods of not to exceed 60 days after the date set for the original meeting. At any adjourned meeting held without notice other than announcement at the meeting, the quorum requirement may not be reduced or changed, but if the originally required quorum is present in person or by proxy, any business may be transacted which might have been transacted at the meeting as originally called. Notwithstanding the foregoing, if the adjourned meeting is set for a

date that is more than 70 days after the record date initially fixed for the meeting pursuant to Section 4.4 of these Bylaws, then notice of the adjourned meeting (pursuant to Section 4.5 of these Bylaws) must be given to the Members of record as of the new record date fixed for such adjourned meeting pursuant to Section 4.4 of these Bylaws.

4.9 Vote Required at Members' Meeting. At any meeting of the Members called and held in accordance with these Bylaws, if a quorum is present, the affirmative vote of Members entitled to cast a majority (*i.e.*, more than 50%) of the votes, present and voting either in person or by proxy, which may be cast on a matter are necessary to adopt the matter, unless a different percentage is required by law or by the Condominium Instruments, in which case the different requirement controls. There will be no cumulative voting for directors or for any other action considered by the Members.

4.10 Officers of Meetings. At any meeting of the Members, the President of the Association will act as chairman, and the Secretary of the Association will act as secretary of the meeting unless the President designates another person to act as secretary of the meeting.

4.11 Expenses of Meetings. The Association will bear the expenses of all meetings of the Members.

4.12 Waiver of Notice. A waiver of notice of any meeting of the Members, signed by a Member, whether before or after the meeting, will be equivalent to the giving of notice of the meeting to such Member. Attendance of a Member at a meeting, either in person or by proxy, will constitute waiver of notice of such meeting except when the Member attends for the express purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.

4.13 Action of Members Without a Meeting. Any action required to be taken or which may be taken at a meeting of the Members may be taken without a meeting if a written consent setting forth the action taken is signed by all of the Members, including any Multiple Owners, entitled to vote on the subject matter of the action. In order for any action taken without a meeting pursuant to this Section 4.13 to be effective, the written consent of all Members entitled to vote on the subject matter of the action must be received by the Association within 60 days after the earliest date upon which the Association received any such written consent. Action taken without a meeting pursuant to this Section 4.13 will be effective when the last written consent necessary to effect the action is received by the Association (the "Effective Date"), unless the written consents set forth a different Effective Date. Any Member submitting a written consent under this Section 4.13 may revoke such consent by a writing signed and dated by the Member describing the action and stating that the Member's prior consent thereto is revoked, provided that such writing is received by the Association before the Effective Date. The record date for determining Members entitled to take action without a meeting or to receive notice of such action will be the date that the first written consent concerning the action is received by the Association.

4.14 No Action of Members by Mail Ballot. No action may be taken by the Members through a mail ballot procedure as described in Section 7-127-109 of the Nonprofit

Act, or through any other mail-in or similar procedure now or in the future authorized by statute or otherwise.

4.15 Meetings by Telecommunication. 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.

ARTICLE V

BOARD OF DIRECTORS

5.1 General Powers and Duties of Board. The Board has the duty to manage and supervise the affairs of the Association and has all powers necessary or desirable to permit it to do so. Without limiting the generality of the previous sentence, the Board has the power to exercise or cause to be exercised for the Association, all of the powers, rights and authority of the Association not reserved to the Owners in the Condominium Instruments, the Nonprofit Act or CCIOA. The Board may delegate any portion of its authority to an officer or manager of the Association. In addition, except to the extent so provided in CCIOA, the Board may not act on behalf of the Association to amend the Declaration, to terminate the Office Condominium Project, or to elect members of the Board or determine the qualifications, powers and duties, or terms of office of Board members.

5.2 Special Powers and Duties of Board. Without limiting the general powers and duties set forth in Section 5.1 of these Bylaws, the Board has all the powers and duties set forth for it in the Declaration, including, without limitation, the specific powers and duties set forth in the Declaration.

5.3 Qualifications of Directors. Each person elected to sit on the Board as a director will be a natural person who is at least 18 years of age. A director may be reelected, and there will be no limit on the number of terms a director may serve on the Board. Except as required by CCIOA, no director will be required to be an Owner.

5.4 General Standards of Conduct for Directors and Officers. To the extent not otherwise inconsistent with Colorado law, any director and officer, in connection with the authority and powers granted to the Board and such officer by the Condominium Instruments or by any applicable law, including but not limited to, management, personnel, maintenance and operations, interpretation and enforcement of the Condominium Instruments, the development of rules and restrictions, insurance, contracts and finance, will act in good faith, with such care as an ordinarily prudent person in a like position would use under similar circumstances, and in a manner that such director or officer believes is in the best interests of the Association. In discharging his or her duties, a director or officer is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by: (i) one or more officers or employees of the Association whom the director or officer believes to be reliable and competent in the matters presented; or (ii) legal counsel, public accountants or other persons as to matters which the director or officer believes

to be within such person's professional or expert competence, so long as, in any such case, the director or officer acts in good faith, after reasonable inquiry when the need therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted. In addition to the limitations on liability set forth in Section 5.11 of these Bylaws, a director or officer will not be liable as such to the Association for any act or omission as such if, in connection with such act or omission, the director or officer performed the duties of his or her position in compliance with this Section 5.4. A director or officer will not be deemed to be a trustee with respect to the Association or with respect to any property held or administered by the Association.

5.5 Number, Election and Term of Office. The Board will be composed of not less than three directors and not more than seven directors. The number of directors may be decreased or increased by the affirmative vote of a majority of the directors then in office. The term of each director will be one year, except that the term of any director not elected at an annual meeting of the Members (e.g., the initial directors designated in the Articles) will run until the next annual meeting of the Members. Except as otherwise provided in these Bylaws, at each annual meeting of the Members the Members will elect the directors pursuant to these Bylaws. Each director so elected will serve until the earlier of the election and qualification of his or her successor, or his or her death, resignation or removal. The appointment, election and removal of directors will at all times comply with the provisions of Section 38-33.3-303 of CCIOA.

5.6 Removal of Directors. At any meeting of the Members called and held in accordance with these Bylaws at which a quorum is present, any director may be removed, with or without cause, by the affirmative vote of Members entitled to cast 100% of the votes in the Association. A successor may be then and there elected to fill the vacancy for the unexpired term of his or her predecessor in office.

5.7 Resignation of Directors. Any director may resign at any time by giving written notice to the President, the Secretary or the Board stating the effective date of such resignation. Acceptance of such resignation will not be necessary to make the resignation effective.

5.8 Vacancies in Directors. Any vacancy occurring in the Board, unless filled in accordance with Sections 5.1 and 5.6 or by election at a special meeting of the Members, will be filled by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board. A director elected or appointed to fill a vacancy will be elected or appointed for the unexpired term of his or her predecessor in office. A vacancy in the position of a director to be filled by reason of an increase in the number of directors will be filled only by vote of the Members.

5.9 Manager or Managing Agent.

(a) The Board, by resolution adopted by a majority of the Directors in office, may designate and appoint a manager, managing agent and/or other agent responsible for any of the affairs of the Association. The manager, managing agent

and/or other agent will have and exercise those powers and will fulfill those duties of the Board as specified in the resolution, and may be Declarant or an affiliate of Declarant

(b) If those duties specified in the resolution delegate to any manager, managing agent or other agent any power relating to the collection, deposit, transfer or disbursement of Association funds, then such manager, managing agent and/or other agent will (i) maintain fidelity insurance coverage or a bond in an amount not less than \$50,000, or such higher amount as the Board may require, (ii) maintain all Association funds and accounts separate from the funds and accounts of other associations managed by such manager, managing agent or other agent, and maintain all reserve accounts of such other associations separate from the operational accounts of the Association, and (iii) prepare and provide to the Association an annual accounting and financial statement for the Association funds, which accounting and financial statement may be prepared by the manager, managing agent or other agent, a public accountant or a certified public accountant.

5.10 Conflicting Interest Transactions.

(a) No loans will be made by the Association to the directors or officers.

(b) No contract, transaction, or other financial relationship between the Association and a director, 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 (a "Conflicting Interest Transaction") will 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 that authorizes, approves, or ratifies the Conflicting Interest Transaction or solely because the director's vote is counted for such purpose if: (i) 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 Board, and the Board 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 (ii) 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 (iii) the Conflicting Interest Transaction is fair as to the Association. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board which authorizes, approves, or ratifies the Conflicting Interest Transaction.

5.11 Limitations of Liability and Indemnification of Directors and Officers.

(a) Except as provided in CCIOA with respect to officers and directors appointed by Declarant, no director or officer will be liable for actions taken or omissions made in the performance of such director's or officer's duties as such, except for wanton and willful acts or omissions.

(b) Subject to any applicable provisions of CCIOA, and without limiting the generality of Section 5.11(a) of these Bylaws, no director will have any personal liability to the Association or its Members for monetary damages for breach of fiduciary duty as a director; except that the personal liability of such director will not be eliminated for: (i) any breach of the director's duty of loyalty to the Association or its Members; (ii) acts or omissions by the director not in good faith or that involve intentional misconduct or a knowing violation of the law; (iii) voting for or assenting to any unlawful distributions as defined under Section 7-128-403 of the Nonprofit Act, provided that the extent of liability for such vote or assent will be determined pursuant to Section 7-128-403 of the Nonprofit Act; (iv) consenting to or participating in the making of any loan by the Association to any director or officer, provided that the extent of liability for such consent or participation will be determined pursuant to Section 7-128-501 of the Nonprofit Act; or (v) any transaction from which the director directly or indirectly derived an improper personal benefit.

(c) No director or officer will be personally liable for any injury to person or property arising out of a tort committed by an employee of the Association unless such director or officer was personally involved in the situation giving rise to the injury or unless such director or officer committed a criminal offense in connection with such situation.

(d) Nothing contained in this Section 5.11 will be construed to deprive any director of his or her right to all defenses ordinarily available to a director nor will anything herein be construed to deprive any director of any right he or she may have for contribution from any other director or other person.

(e) The Association will indemnify, to the maximum extent permitted by law, any person made a party to a proceeding because such person is or was a director of the Association against liability incurred in the proceeding and against reasonable expenses incurred by the person in connection with the proceeding. The Association further may, to the maximum extent permitted by law, purchase and maintain insurance on behalf of a person who is or was 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 or incurred by the person in that capacity or arising from the person's status as a director, officer, employee, fiduciary, or agent.

ARTICLE VI

MEETINGS OF DIRECTORS

6.1 Place of Directors' Meetings. Meetings of the Board will be held at the principal office of the Association or at such other place, within or convenient to the Property, as may be fixed by the Board and specified in the notice of the meeting.

6.2 Annual Meeting of Directors. Annual meetings of the Board will be held on the same date as, or within 10 days following, the annual meeting of the Members. The business to be conducted at the annual meeting of the Board will consist of the appointment of officers of the Association and the transaction of such other business as may properly come before the meeting. No prior notice of the annual meeting of the Board will be necessary if the meeting is held on the same day and at the same place as the annual meeting of the Members at which the Board is elected or if the time and place of the annual meeting of the Board is announced at such annual meeting of the Members.

6.3 Special Meetings of Directors. Special meetings of the Board may be called by the President or a majority of the directors.

6.4 Notice of Directors' Meetings. When notice is required for any meeting of the Board, notice stating the place, day and hour of the meeting will be delivered not less than two nor more than 50 days before the date of the meeting, by mail, facsimile, telephone or personally, by or at the direction of the persons calling the meeting, to each director. If mailed, the notice will be deemed delivered five business days after it is deposited in the mail addressed to the director at his or her home or business address as either appears in the records of the Association, with its first-class postage prepaid. If by facsimile, the notice will be deemed delivered when facsimiled to the director at his or her home or business facsimile number as either appears on the records of the Association. If by telephone, the notice will be deemed delivered when given by telephone to the director or to any person answering the telephone who sounds competent and mature at the director's home or business phone number as either appears on the records of the Association. If given personally, the notice will be deemed delivered upon delivery of a copy of a written notice to, or upon verbally advising, the director or some person who appears competent and mature at the director's home or business address as either appears on the records of the Association. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting.

6.5 Proxies. For purposes of determining a quorum of directors 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.

6.6 Quorum of Directors. A majority of the number of directors fixed in these Bylaws will constitute a quorum for the transaction of business by the Board.

6.7 Adjournment of Director's Meetings. The directors present at any meeting of the Board may adjourn the meeting from time to time, whether or not a quorum is present, for a total period or periods not to exceed 30 days after the date set for the original meeting. Notice of an adjourned meeting will be given to all directors. At any adjourned meeting, the quorum requirement will not be reduced or changed, but if the originally required quorum is present, any business may be transacted which may have been transacted at the meeting as originally called.

6.8 Vote Required at Directors' Meeting. At any meeting of the Board, if a quorum is present either in person or by proxy, the affirmative vote of a majority of the directors present will be necessary for the adoption of the matter, unless a greater proportion is required by law or the Condominium Instruments.

6.9 Officers at Meetings. The President will act as chairman and the Board will designate a director to act as secretary at all meetings of directors.

6.10 Waiver of Notice. A waiver of notice of any meeting of the Board, signed by a director, whether before or after the meeting, will be equivalent to the giving of notice of the meeting to such director. Attendance of a director at a meeting in person will constitute waiver of notice of such meeting, except when the director attends for the express purpose of objecting to the transaction of business because the meeting is not lawfully called or conveyed.

6.11 Action of Directors Without a Meeting. Any action required to be taken or which may be taken at a meeting of the Board may be taken without a meeting if all of the directors in writing: (i) vote for such action by the unanimous affirmative vote of the directors then in office; or (ii) vote against such action or abstain from voting, and waive the right to demand that action not be taken without a meeting. Such action taken without a meeting will not be effective unless and until all such writings necessary to effect the action, which have not been revoked as provided herein below, are received by the Association; except that the writings may set forth a different effective date. Any director who has signed and submitted a writing pursuant to this Section 6.11 may revoke such writing by a subsequent 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.

6.12 Meeting Attendance; Open Meetings; Executive Sessions.

(a) The Board 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 persons 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.

(b) All regular and special meetings of the Board will be open to attendance by all Members of the Association or their representatives. Agendas for meetings of the Board will be made reasonably available for examination by all Members of the Association or their representatives.

(c) The Board may hold an executive or closed door session and may restrict attendance to directors 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 will be limited to: (i) matters pertaining to employees of the Association or the managing agent's contract or involving the employment, promotion, discipline, or dismissal of an officer, agent, or employee of the Association; (ii) 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; (iii) investigative proceedings concerning possible or actual criminal misconduct; (iv) matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosure; (v) any matter the disclosure of which would constitute an unwarranted invasion of individual privacy; or (vi) review of or discussion relating to any written or oral communication from legal counsel. No rule or regulation of the Board will be adopted during an executive session.

ARTICLE VII

OFFICERS

7.1 Officers, Employees and Agents. The officers of the Association will consist of a "President", one or more "Vice-Presidents", a "Secretary", a "Treasurer" and such other officers, assistant officers, employees and agents as may be deemed necessary by the Board. Any two or more offices may be held by the same person, except the offices of President and Secretary.

7.2 Appointment and Term of Office of Officers. The officers of the Association will be appointed by the Board at the annual meeting of the Board and will hold office, subject to the pleasure of the Board until the next annual meeting of the Board or until their successors are appointed, whichever is later, unless the officer resigns, or is earlier removed.

7.3 Removal of Officers. Any officer, employee or agent may be removed by the Board, with or without cause, whenever in the Board's judgment the best interests of the Association will be served thereby. The removal of an officer, employee or agent will be without prejudice to the contract rights, if any, of the officer, employee or agent so removed. Election or appointment of an officer, employee or agent will not of itself create contract rights.

7.4 Resignation of Officers. Any officer may resign at any time by giving written notice to the President, the Secretary or the Board stating the effective date of such resignation. Acceptance of such resignation will not be necessary to make the resignation effective.

7.5 Vacancies in Officers. Any vacancy occurring in any position as an officer may be filled by the Board. An officer appointed to fill a vacancy will be appointed for the unexpired term of his or her predecessor in office.

7.6 President. The President will be the principal executive officer of the Association and, subject to the control of the Board, will direct, supervise, coordinate and have general powers generally attributable to the chief executive officer of a corporation. The President will preside at all meetings of the Board and of the Members.

7.7 Vice-President. Any Vice-President may act in place of the President in case of his or her death, absence or inability to act, and will perform such other duties and have such authority as is from time to time delegated by the Board or by the President. There may be more than one Vice-President.

7.8 Secretary. The Secretary will be the custodian of the records and the seal (if any) of the Association and will affix the seal (if any) to all documents requiring the same; will prepare, execute, certify, and record amendments to the Declaration on behalf of the Association; will see that all notices are duly given in accordance with the provisions of these Bylaws and as required by law and that the books, reports and other documents and records of the Association are properly kept and filed; will take or cause to be taken and will keep minutes of the meetings of the Members, of the Board and of committees of the Board; will keep at the principal office of the Association a record of the names and addresses of the Members; and, in general, will perform all duties incident to the office of Secretary and such other duties as may, from time to time, be assigned to him by the Board or by the President. The Board may appoint one or more "Assistant Secretaries" who may act in place of the Secretary in case of his or her death, absence or inability to act.

7.9 Treasurer. The Treasurer will have charge and custody of, and be responsible for, all funds and securities of the Association in such depositories as will be designated by the Board; will keep correct and complete financial records and books of account and records of financial transactions and condition of the Association and will submit such reports thereof as the Board may, from time to time, require; will arrange for the annual report required under Section 8.4 of these Bylaws; and, in general, will perform all the duties incident to the office of Treasurer and such other duties as may from time to time be assigned to him by the Board or by the President. The Board may appoint one or more Assistant Treasurers who may act in place of the Treasurer in case of his or her death, absence or inability to act.

7.10 Amendments to the Declaration. The President and, in the President's absence or unavailability, any Vice President, may prepare, execute, certify, and record amendments to the Declaration on behalf of the Association.

ARTICLE VIII

MISCELLANEOUS

8.1 Amendment of Bylaws. Except as provided in the Nonprofit Act, the Board may alter, amend or repeal these Bylaws or adopt new Bylaws. The Bylaws may contain any provision for the regulation or management of the affairs of the Association not inconsistent with CCIOA, the Nonprofit Act, the Declaration or the Articles. The Members may also amend the Bylaws, subject to the same limitations on amendments set forth above in this Section 8.1 and any other limitations set forth in CCIOA or the Nonprofit Act.

8.2 Compensation of Officers, Directors and Members. No director or officer will have the right to receive any compensation from the Association for serving as a director or officer except for reimbursement of expenses as may be approved by resolution of the disinterested directors. Agents and employees will receive such reasonable compensation as may be approved by the Board. Appointment of a person as an agent or employee of the Association will not, of itself, create any right to compensation.

8.3 Books and Records. The Association will keep correct and complete books and records of account and will keep, at its principal office, a record of the names and addresses of its Members (including Declarant) and copies of the Declaration, the Articles, these Bylaws and any Rules which may be purchased by any Member at reasonable cost. All books and records of the Association, including the Articles and these Bylaws, as amended, and minutes of meetings of the Members and the Board, may be inspected by any Member, or such Member's agent or attorney, for any proper purpose. The right of inspection will be subject to any reasonable rules adopted by the Board requiring advance notice of inspection, specifying hours and days of the week during which inspection will be permitted and establishing reasonable fees for any copies to be made or furnished.

8.4 Annual Report. The Board will cause to be prepared and distributed to each Member, not later than 90 days after the close of each fiscal year of the Association, an annual report of the Association containing (a) an income statement reflecting income and expenditures of the Association for such fiscal year; (b) a balance sheet as of the end of such fiscal year; (c) a statement of changes in financial position for such fiscal year; and (d) a statement of the place of the principal office of the Association where the books and records of the Association, including a list of names and addresses of current Members, may be found. At the discretion of the Board, the financial statements of the Association may be reviewed by an independent public accountant and, if applicable, a report based upon such review will be included in the annual report.

8.5 Statement of Account. Upon payment of a reasonable fee to be determined by the Association and upon written request of an Owner or any person with any right, title or interest in a Unit or intending to acquire any right, title or interest in a Unit, the Association will furnish a written statement of account setting forth the amount of any unpaid Assessments, or other amounts, if any, due or accrued and then unpaid with respect to the Unit or the Owner of the Unit and the amount of the Assessments for the current fiscal period of the Association payable with respect to the Unit. Such statement will, with respect to the party to whom it is issued, be conclusive against the Association and all parties, for all purposes, that no greater or other amounts were then due or accrued and unpaid and that no other Assessments have then been levied.

8.6 Periodic Corporate Reports. The Association will file with the Secretary of State of Colorado, within the time prescribed by law, periodic corporate reports on the forms prescribed and furnished by the Secretary of State and containing the information required by law and will pay the fee for such filing as prescribed by law.

8.7 Fiscal Year. The fiscal year of the Association will be determined by the Board.

8.8 Seal. The Board may, but is not required to, adopt a seal which will have inscribed thereon the name of the Association and the words "SEAL" and "COLORADO."

8.9 Shares of Stock and Dividends Prohibited. The Association will not have or issue shares of stock and no dividend will be paid and no part of the income or profit of the Association will be distributed to its Members, directors or officers.

Notwithstanding the foregoing paragraph, the Association may issue certificates evidencing Membership therein, may confer benefits upon its Members in conformity with its purposes and, upon dissolution or final liquidation, may make distributions as permitted by law, and no such payment, benefit or distribution will be deemed to be a dividend or distribution of income or profit.

8.10 Minutes and Presumptions Thereunder. Minutes or any similar records or the meetings of the Members, or of the Board, when signed by the Secretary or acting secretary of the meeting, will be presumed to truthfully evidence the matters set forth therein. A recitation in any such minutes that notice of the meeting was properly given will be prima facie evidence that the notice was given.

8.11 Checks, Drafts and Documents. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the Association, will be signed or endorsed by such person or persons, and in such manner as, from time to time, will be determined by resolution of the Board.

8.12 Budget. The Board will cause a proposed budget for the Association to be prepared and adopted annually, not less than 30 days prior to the beginning of each fiscal year of the Association. Such budget will be prepared in accordance with Section 6.4(a) of the Declaration. Within 90 days after the Board adopts any proposed budget for the Association, the Board will mail, by ordinary first-class mail, or otherwise deliver a summary of the proposed budget to all Members and will set a date for a meeting of the Members to consider ratification of the proposed budget. Such meeting will occur within a reasonable time after mailing or other delivery of the summary. The Board will give notice to the Members of such meeting as provided for in Section 4.5. The budget proposed by the Board does not require approval of the Members and will be deemed approved by the Members in the absence of a veto at the noticed meeting by Members representing a majority of the Units, whether or not a quorum is present. In the event that the proposed budget is vetoed, the periodic budget last proposed by the Board and not vetoed by the Members will continue in effect until such time as a subsequent budget proposed by the Board is not vetoed by the Members. Notwithstanding the foregoing, for the first fiscal year of the Association, the Board may adopt Declarant's estimated budget for the Association if the Board submits such budget to the Members for ratification in accordance with this Section 8.12 within 60 days after adopting it.

ARTICLE IX

NOTICE AND HEARING PROCEDURE

9.1 Notice and Hearing. For the purposes of this Section 9.1, the term "Enforcement Action" will refer to any action or demand taken or made by the Association against any Owner or Permittee that, pursuant to the Declaration, the Rules of these Bylaws, may not be taken or made until such Owner or Permittee has been given notice and an opportunity to be heard as provided in these Bylaws. Before taking any Enforcement Action, the Association will determine that such Enforcement Action is permitted by and warranted pursuant to the following procedures:

(a) Notice. If the Association determines that an Enforcement Action may be warranted against an Owner or Permittee, it will prepare a written notice (an "Enforcement Notice") setting forth in ordinary and concise language: (i) the Enforcement Action the Association believes is warranted; (ii) the alleged act or omission by the Owner or the Permittee giving rise to the proposed Enforcement Action; (iii) the specific provisions of the Declaration, these Bylaws and/or the Rules under which such Enforcement Action allegedly is warranted; and (iv) a statement notifying the recipient of the Enforcement Notice (the "Respondent") that he, she or it will be entitled to a hearing before the Board on the merits of the matter addressed in the Enforcement Notice only if a written request for such a hearing is received by the Association within 10 days after receipt of the Enforcement Notice. An Enforcement Notice may be prepared and delivered by any director, officer or managing agent of the Association, and action by the Board will not be necessary to authorize the preparation or delivery of an Enforcement Notice. If the Association seeks to take any Enforcement Action against a Permittee, then an Enforcement Notice will be delivered to such Permittee's Owner, and such Owner will be considered a Respondent with respect to such Enforcement Notice.

(b) Hearing Request. Any Respondent who desires a hearing before the Board on the merits of the matter addressed in an Enforcement Notice will so notify the Association by written request received by the Association within 10 days after the Respondent received the Enforcement Notice. If a Respondent timely requests a hearing pursuant to this Section 9.1(b), the Association will set a date and time for the hearing and deliver notice of the hearing to the Respondent at least 10 days prior to the date of the hearing; provided that the hearing will be held no sooner than 14 days after the Association receives the Respondent's timely request for a hearing. Upon a showing of good cause, the Board may reschedule the date or time of a scheduled hearing at the request of a Respondent.

(c) The Hearing. The President of the Association will preside at the hearing and will ensure that the hearing is conducted in an orderly and civil manner. After calling the hearing to order, the President will designate another director or officer or the manager or managing agent of the Association to describe the Enforcement Action the Association believes is warranted and to present the reasons and evidence on which such belief is based. Once the reasons and evidence supporting the Enforcement Action have been presented, the Respondent or Respondents will have an opportunity to present

to the Board any reasons and evidence indicating why the Board should not take the proposed Enforcement Action. Any presentation to the Board under this Section 9.1(c) may be supported by documentary or testimonial evidence; provided, however, that formal rules of evidence will not apply to the presentation of such evidence to the Board. The Board may adopt rules governing hearings conducted under this Section 9.1(c) that are not inconsistent with this Section 9.1(c). A Respondent may be represented at a hearing by legal counsel.

(d) Decision. The Board will decide whether an Enforcement Action is permitted and warranted based on the evidence and information made available to it and the applicable provisions of the Declaration, these Bylaws and/or the Rules. If a Respondent fails to request a hearing in response to an Enforcement Notice pursuant to Section 9.1(b) or fails to appear at the hearing held pursuant to Section 9.1(c), the Board may reach its decision based on the evidence and information available to it without further notice to the Respondent. The Board will render its decision in writing and will explain its reasons for the decision it reaches. The Board's written decision will be delivered to the Respondent and will become effective and final upon the Respondent's receipt of it.