

BYLAWS  
OF  
SIMBA RUN CONDOMINIUM ASSOCIATION

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OF  
SIMBA RUN CONDOMINIUM ASSOCIATION

The name of this Association is Simba Run Condominium Association, and it is hereinafter referred to as the "Association".

ARTICLE 1  
OBJECT

1.1 Purpose. The purpose for which this non-profit Association is formed is to govern Simba Run Condominium which has been or will be submitted to the provisions of the Colorado Condominium Ownership Act by the recording of a Declaration and upon substantial completion, the recording of a Condominium Map bearing the name, Simba Run Condominium.

1.2 Ownership. All present or future owners, tenants, lenders and their licensees, customers, business invitees, servants, agents, employees or any other person or persons who might use in any manner or be upon the premises of the Project are subject to these Bylaws and the Rules and Regulations promulgated pursuant hereto. The mere acquisition or rental of any of the Condominiums or the mere act of occupancy of any of said Condominiums will signify that these Bylaws as they are amended from time to time are accepted, ratified and will be complied with.

1.3 Definitions. The following terms when used in these Bylaws shall have the meanings ascribed to them in Article 1 of the Condominium Declaration for the Project: "Declarant", "Declaration", "Project", "Condominium Map", "Unit", "Common Elements", "General Common Elements", "Limited Common Elements", "Condominium", "Owner", "Association", "Board of Directors", "Board", "Director", "Manager", "Mortgage", "Mortgagee", "Record", "Condominium Act", "County", and "Employee Housing Unit."

ARTICLE 2  
MEMBERSHIP, VOTING, QUORUM, PROXIES

2.1 Membership. Except as provided in Article 4 of these Bylaws, ownership of an interest in a Condominium is required in order to qualify for membership in this Association. Any person, entity or combination thereof, on becoming an Owner of an interest in a Condominium, shall automatically become a member of this Association and be subject to these Bylaws. Ownership of a Condominium shall

entitle the member, members of his family, guests and tenants, subject to the applicable rules and regulations, to the use of the amenities in the Project including but not limited to the swimming pool, the racquetball and tennis courts and jacuzzi. Such membership shall terminate without any formal Association action whenever such person ceases to own a Condominium, but such termination shall not relieve or release any such former Owner from any liability or obligation incurred under or in any way connected with the Association during the period of such ownership and membership in the Association, or impair any rights or remedies which the Board of Directors or Association or others may have against such former Owner and member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto.

2.2 Voting. The Owner or Owners shall be entitled to a vote, the size of which vote shall be based upon the percentage of responsibility interest in the Project set forth in Exhibit C to the Declaration, as amended. The aggregate of all of the percentage interests of responsibility submitted to and making up the total Project shall be considered one hundred percent for such voting purposes. Except as otherwise specifically provided, an affirmative vote of the members representing a majority of the total votes present, either in person or by proxy, shall be required to transact business.

2.3 Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of members holding one-fifth of the votes entitled to be cast shall constitute a quorum. An affirmative vote of a majority in interest of the members present, either in person or by proxy, shall be sufficient to transact the business of the meeting.

2.4 Proxies. Votes may be cast in person or by proxy.

### ARTICLE 3

#### ADMINISTRATION

3.1 Association Responsibilities. The Association shall administer the Project through a Board of Directors.

3.2 Place of Meetings. Meetings of the members of the Association shall be held at such place as the Board of Directors shall determine, such place, whenever practicable, to be on the premises of the Project.

3.3 Annual Meetings. The first meeting of the Association members shall be held upon the transfer of control of the Board of Directors to the Owners as provided in Paragraph 4.3 of the Declaration. Thereafter, the annual meetings of the Association shall be held during the month of December of each succeeding year. At such meetings there shall be elected by ballot of the members of the Association a Board of Directors in accordance with the requirements of Paragraph 4.4 of these Bylaws. The members may also transact such other business of the Association as may properly come before them.

3.4 Special Meetings. The President may call a special meeting of the members upon his own initiative or as directed by resolution of the Board of Directors or upon receipt of a petition signed by members controlling at least one-third of the vote. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business except as stated in the notice shall be transacted at a special meeting unless by consent of two-thirds of the members present, either in person or by proxy. Any such meetings shall be held at such place and time as the President shall determine within thirty (30) days after receipt by the President of such resolution or petition.

3.5 Notice. Any notice of any meeting of the members of the Association shall be sent in the manner set forth in Article 9.2 hereof to each member who is an Owner of record on a date not more than ten days prior to the date of sending of such notice. The date of any such meeting shall be not less than fifteen nor more than forty days after the date of sending such notice of such meeting. The mailing or delivery of notice in the manner hereinabove provided shall be deemed notice served, and the Certificate of the Secretary of the Association that notice was duly given shall be prima facie evidence thereof.

3.6 Adjourned Meetings. If any meeting of the members of the Association cannot be organized because a quorum has not attended, the members present, either in person or by proxy, may adjourn the meeting, from time to time, until a quorum is obtained.

3.7 Order of Business. The order of business at all meetings of the members of the Association shall be as follows:

- (a) Roll call and certification of proxies and determination of presence of quorum.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of last meeting or waiver thereof.
- (d) Reports of officers.

- (e) Reports of committees.
- (f) Election of directors, if applicable.
- (g) Unfinished business.
- (h) New business.
- (i) Adjournment.

3.8 Parliamentary Rules. Roberts Rules of Order (latest edition) shall govern the conduct of proceedings at Association meetings, unless said rules are suspended by vote of the Board of Directors.

#### ARTICLE 4

##### BOARD OF DIRECTORS

4.1 Number and Qualifications. Consistent with the relevant provisions of the Declaration, the Declarant shall exercise the rights, duties and functions of the Board of Directors as provided therein by and through the persons named in the Articles of Incorporation as the Directors until the first meeting of the members of the Association. At the first meeting, there shall be elected any five members of the Association to the Board of Directors who shall thereafter govern the affairs of this Association until their successors have been duly elected and qualified.

4.2 Powers and Duties. Subject to the reservation of the Declarant in the Declaration, the Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the Project as a first class residential condominium project. Such powers and duties shall include, but shall not be limited to, the following:

(a) To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Declaration submitting the property to the provisions of the Colorado Condominium Ownership Act and the Bylaws of the Association and supplements and amendments thereto.

(b) To establish, make and enforce compliance with such Rules and Regulations as may be necessary for the operation, use and occupancy of all of the Condominiums with the right to amend the same from time to time.

(c) To incur such costs and expenses as may be necessary to keep in good order, condition, and repair all of the Common Elements and all items of common personal property.

(d) To insure and keep insured all of the insurable Common Elements and Condominiums in an amount equal to the replacement value. To insure and keep insured all of the common fixtures, common equipment and common personal property for the benefit of the Owners. Further, to obtain and maintain insurance as provided in the Declaration.

(e) To prepare a budget for the Simba Run Condominium Association at least annually, in order to determine the amount of the common assessments payable by the Owners to meet the common expenses of the Project (including but not limited to expenses of maintaining the Limited Common Elements, to the extent the same are not maintained by the Owners, and the General Common Elements but without any division of any portion of the assessment between the Limited Common Elements and the General Common Elements), and allocate and assess such common charges among the Owners as are provided in Article 6 of the Declaration, and by vote of the Board of Directors to adjust, decrease or increase the amount of monthly assessments, and remit, return or credit to capital any excess of assessments over expenses, working capital sinking funds, reserve for deferred maintenance and for replacement to the Owners at the end of each operating year. To levy and collect special assessments, without the vote of the Owners, whenever in the opinion of the Board of Directors it is necessary to do so in order to meet increased operating or maintenance expenses or costs, or additional capital expenses, or because of emergencies.

(f) To collect delinquent assessments by suit or otherwise and to enjoin or seek damages from an Owner as is provided in the Declaration and these Bylaws. To set and enforce monthly late charges and to collect interest and set the annual rate thereof in connection with assessments remaining unpaid more than thirty (30) days from due date for payment thereof, together with all expenses, including attorneys' fees incurred.

(g) To protect and defend in the name of the Association any part or all of the Project from loss and damage by suit or otherwise.

(h) To borrow funds in order to pay for any expenditure or outlay required pursuant to the authority granted by the Declaration and these Bylaws, and to execute all such instruments evidencing such indebtedness the Board of Directors may deem necessary and give security therefor. Such indebtedness shall be the several obligation of all of the Owners in the same proportion as provided in Article 6 of the Declaration.

(i) To enter into contracts to carry out their duties and powers.

(j) To establish bank and savings accounts for the common treasury and for all separate funds which are required or may be deemed advisable.

(k) To make repairs, additions, alterations and improvements to the Common Elements consistent with the best interests of the Owners; provided, however, that there shall be no alterations, capital additions to, or capital improvements of the General Common Elements requiring an expenditure in excess of ten percent (10%) of the estimated annual budget for the Association without the prior approval of Owners owning a majority interest in the General Common Elements. Any such alteration, improvement or addition so approved shall not change the percentage ownership, voting power or Common Expense obligation of any Owner.

(l) To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof at any reasonable time on week days by any Owner, his representative, or mortgagee. The fiscal year of the Association shall be the calendar year unless the same is changed by the Board of Directors.

(m) To prepare and deliver annually to each Owner a consolidated statement showing receipts, expenses of disbursements since the last such statement and a statement of his individual account. A certificate from the Board of Directors stating the amount of any assessments, interest, late charges, and costs, if any, due and unpaid whether secured by the lien upon any condominium created hereunder or not, shall be conclusive upon the Board of Directors and the Owners as to the amount of such indebtedness as of the date specified in the certificate, in favor of all persons who rely thereon in good faith, and such certificate shall be furnished to any Owner upon ten days notice to the Board of Directors or Manager and payment of a reasonable fee.

(n) To meet at least semi-annually and, if a Manager is employed, to have a representative of the Manager in attendance, upon invitation of the Board of Directors.

(o) To operate, maintain, repair, replace and manage the use of all open spaces, Common Elements and other property in common use and to designate and remove the personnel necessary to accomplish the foregoing.

(p) To employ for the Association a Manager to exercise those duties and powers granted to it by the Board at a compensation established by the Board of Directors, but not those powers which the Board of Directors, by law, may not delegate. However, the Board of Directors shall not be relieved of its responsibility under the Declaration by the delegation of any of its powers and duties to any such Manager.

(q) As provided in the Declaration, to assign the right to use parking spaces to Owners, provided, however, that each Unit be assigned at least one parking space.

(r) In general, to carry on the administration of this Association and to do all things necessary and reasonable to carry out the government and the operation of the Project.

4.3 No Waiver of Rights. The omission or failure of the Board of Directors or any Owner to enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations or other provisions of the Declaration, the Bylaws, or the Rules and Regulations adopted pursuant thereto, shall not constitute or be deemed a waiver, modification or release thereof, and the Board of Directors or the Manager shall have the right to enforce the same thereafter.

4.4 Election and Term of Office. At the first election of Directors as provided in Paragraph 4.1, the term of office of one Director shall be fixed for three (3) years, the term of office of two Directors shall be fixed for two (2) years, and the term of office of two Directors shall be fixed for one (1) year. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of three (3) years. The Directors shall hold office until their successors have been elected and hold their first meeting. The Directors shall be elected by the votes of a majority in interest of the members of the Association present, casting their ballots in person or by proxy in the manner set forth in Article 2 hereof.

4.5 Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the members of the Association shall be filled by vote of the majority of 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 elected at the next annual meeting of the Association at which an election may be held under these Bylaws.

4.6 Removal of Directors. At any time after the first election of Directors provided for in Paragraph 4.1 of these Bylaws, at any regular meeting or at a special meeting of the Association duly called for such purpose, any one or more of the Directors may be removed with or without cause by votes of a majority interest of the members of the Association present, and a successor or successors shall then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by any group of members of the Association shall be given an opportunity to be heard at the meeting prior to the voting.



4.7 Organization Meeting. The first meeting of a newly elected Board of Directors shall be held within ten days of election at such place as shall be fixed by the Board of Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

4.8 Regular Meetings. Regular meetings of the Board of Directors may be called by the President or a majority of the Directors and 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 one such meeting shall be held during each calendar 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 days prior to the day named for such meeting.

4.9 Special Meetings. Special meetings of the Board of Directors may be called by the President on three days notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) 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 upon the written request of any two Directors.

4.10 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 of Directors 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 of Directors, no notice shall be required and any business may be transacted at such meeting.

4.11 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. At such adjourned meeting subsequently held, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

4.12 Fidelity Bonds. 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 any such bonds shall be paid by the Association.

## ARTICLE 5

### OFFICERS

5.1 Designation. The officers of the Association shall be a President, one or more Vice Presidents, a Secretary and a Treasurer all of whom shall be elected by and from the Board of Directors, and such assistant officers as the Board of Directors shall, from time to time, elect. Assistant officers need not be Directors.

5.2 Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at an organization meeting and shall hold office at the pleasure of the Board. One person may hold concurrently any two offices; provided, however, that the offices of President and Secretary shall not be held by the same person.

5.3 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 of Directors duly called for such purpose.

5.4 President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the chief executive of an association, including but not limited to the power to appoint committees from among the members from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association or as may be established by the Board of Directors at any regular or special meeting.

5.5 Vice President. A Vice President shall have all the powers and authority and perform all the functions and duties of the President in the absence of the President, or his inability for any reason to exercise such powers and functions or perform such duties.

5.6 Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association; he shall have charge of such books and papers as the Board of Directors may direct; and he 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 as their names appear on the instrument conveying title to their Condominium to such members and their last known addresses. Such list shall also show opposite each member's name the number or other appropriate designation of the Condominium owned in whole or in part by such member, the undivided interest in the General Common Elements appurtenant to such

Condominium, the percentage of responsibility interest in the Project, the number(s) of the parking space(s) assigned to such condominium, the name and address of any encumbrancer holding a first mortgage together with the original amount of the loan and the date of closing thereof, the date of conveyance to the member, and the home telephone number of the member. Such list shall be open to inspection by members, their agents and their encumbrancers at reasonable times during regular business hours.

5.7 Treasurer. The Treasurer shall have responsibility for the Association funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects 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. The day to day responsibility for bookkeeping and collection and disbursement of funds may be delegated to a paid employee of the Association, to a service organization, or to a Manager.

## ARTICLE 6

### INDEMNIFICATION OF OFFICERS AND DIRECTORS

6.1 Indemnification. The Association shall indemnify every Director or officer, including the Declarant, his heirs, executors and administrators, against all losses, cost and expenses (including counsel fees) reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Director or officer of the Association, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. 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 willful misconduct in the performance of his duties 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, cost and expense incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provision shall be treated and handled by the Association as common expenses; provided, however, that nothing contained in this Article 6 shall be deemed to obligate the Association to indemnify any member of the Association or Owner of a Condominium who is or has been a Director or officer of the Association with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of his being or having been, an Owner of a Condominium in the Project under and by virtue of the Declaration.

6.2 Board of Directors as Agent. Contracts or other commitments made by the Board of Directors or officers of the Association shall be made as agent for the Association. The liability of any Owner to the Association on any such contract or commitment shall be limited to such proportionate share of the total liability thereof as is provided for in Article 6 of the Declaration, except that any losses incurred because of an inability to collect such proportionate amount of the total liability owned by an Owner shall be shared proportionately by the remaining Owners.

## ARTICLE 7

### AMENDMENTS

7.1 Bylaws. These Bylaws may be amended by the members of the Association at a duly constituted meeting for such purpose, and no amendment shall take effect unless approved by members representing at least fifty percent (50%) of the aggregate percentage of responsibility interest in the Project; provided, however, that the rules and regulations promulgated pursuant to the provisions of Paragraph 10.9 may be amended by the Board of Directors as therein provided, and provided further, that no amendment may be made without the prior approval of the Board of Directors designated in Paragraph 4.1 until such time as the first elected Board of Directors assumes office.

7.2 Articles. The Articles of Incorporation may be amended in the manner provided by law.

## ARTICLE 8

### MORTGAGEES

8.1 Notice of Unpaid Assessments. The Association shall at the request of a Mortgagee of a Condominium report any unpaid common assessments due the Association from the Owner of such Condominium.

## ARTICLE 9

### EVIDENCE OF OWNERSHIP, REGISTRATION OF MAILING ADDRESS AND REQUIRED PROXIES

9.1 Proof of Ownership. Whenever a question as to who holds an interest to a Condominium arises, the Association may request that the individual or entity claiming an interest furnish to the Manager or the Board of Directors a photocopy or a certified copy of the recorded instrument vesting that person or entity with such interest, which instrument shall remain in the files of the Association. Until such time as this requirement is met the individual or

entity shall not be deemed to be a member of the Association in good standing nor shall he be entitled to vote at any annual or special meeting of the members of the Association until this requirement is first met.

9.2 Registration of Mailing Address. The Owners of each Condominium shall have one and the same registered mailing address to be used by the Association for mailing of monthly statements, notices, demands and all other communications, and such registered address shall be the only mailing address of a person or persons, firm, corporation, trust, partnership, association or other legal entity or any combination thereof to be used by the Association. Such registered address of an Owner or Owners shall be presumed to be the number of the Unit of such Owner or Owners at Simba Run Condominium, 1100 North Frontage Road, Vail, Colorado 81657, unless and until such Owner or Owners shall by a writing signed by all the Owners of such Condominium register a different address with the Association. The delivery of notice to the most recent registered address of any Owner, as shown in the records of the Association, shall constitute good delivery.

9.3 Required Proxies. If title to a Condominium is held by more than one person or by a firm, corporation, partnership, association, trust, or other legal entity, or any combination thereof (except for a Condominium held by a husband and wife in any real property tenancy relationship recognized under the laws of the State of Colorado), such Owners shall execute a proxy appointing and authorizing one person or alternate persons to attend all annual and special meetings of members and thereat to cast votes. Such proxy shall be effective and remain in force unless voluntarily revoked, amended or sooner terminated by operation of law; provided, however, that within thirty days after such revocation, amendment or termination, the Owners shall reappoint and authorize one person or alternate persons to attend all annual and special meetings as provided by this Paragraph 9.3. The requirements contained in this Article shall be first met before an Owner shall be deemed in good standing and entitled to vote at any annual or special meeting of the members of the Association.

## ARTICLE 10

### OBLIGATIONS OF MEMBERS

10.1 Assessments. All members shall be obligated to pay the monthly assessments imposed by the Association to meet the common expenses and to create or maintain reserves. Assessments shall be prorated among the members according to the percentage of responsibility interest in the Project as set forth in Exhibit C to the

Declaration. Assessments shall be due in advance. A member shall be deemed to be in good standing and entitled to vote at any annual or at a special meeting of members of the Association, provided he has paid in full all sums assessed or levied against him and his Condominium. If a member has not so paid, he may not vote at any membership meeting and may not serve as a Director or officer of the Association.

10.2 Maintenance and Repair. Every Owner must perform promptly at his own expense all maintenance and repair work within his own Unit which, if omitted, would adversely affect the Project in its entirety or in part. Every Owner shall be obligated to reimburse the Association promptly upon receipt of its statement for any expenditures incurred by it in repairing or replacing any Common Element damaged by his negligence or by the negligence of his tenants, guests or agents.

10.3 Mechanic's Lien. Each member agrees to indemnify and to hold each of the other members harmless from any and all claims of mechanic's lien filed against the Condominium of any other Owner for labor, materials, services or other products incorporated in such members's Condominium. In the event suit for foreclosure is commenced, then within ninety days thereafter such member may, at the option of the Board of Directors, be required to deposit with the Association cash or negotiable securities equal to the amount of such claim plus interest for one year together with the sum of Five Hundred Dollars. Such sum or securities shall be held by the Association pending final adjudication or settlement of the claim or litigation. Disbursement of such funds or proceeds shall be made by the Association to insure payment of or on account of such final judgment or settlement. Any deficiency shall be paid forthwith by the subject member, and his failure to so pay shall entitle the Association to make such payments, and the amount thereof shall be a debt of the member and a lien against his Condominium which may be foreclosed as provided in the Declaration.

10.4 Notice of Lien or Suit. A member shall give notice to the Association of every lien or encumbrance upon his Condominium, other than for taxes and special assessments, and notice of every suit or other proceeding which may affect the title to his Condominium, and such notice shall be given in writing within ten days after the member has knowledge thereof.

10.5 General. Each member shall comply strictly with the provisions of the Declaration and shall always endeavor to observe and promote the cooperative purposes for the accomplishment of which the Project was built.

10.6 Use of Condominiums - Internal Changes. All Condominiums shall be utilized only for the purposes set forth in the Declaration. A member shall not make structural modifications to his Unit or any other modifications which would alter or affect the electrical, mechanical or plumbing systems or which would interfere with any other Common Elements or would intrude beyond the member's Unit without the written approval of the Association. The Association shall be notified in writing of the intended modifications. The Association shall have the obligation to answer a member's request within thirty days after such notice, and failure to do so within such time shall mean that there is no objection to the proposed modifications or alterations.

10.7 Use of Common Elements. Subject to the provisions of Paragraphs 2.1 and 4.2 hereof and the Declaration, each member may use the Common Elements in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of other members.

10.8 Right of Entry. Each member shall and does grant the right of entry to the Association in case of any emergency originating in or threatening his Condominium, whether the member is present at the time or not. A member shall permit other members, or their representatives, when so required, to enter his Condominium for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, provided that requests for entry are made in advance and that such entry is at a time convenient to the member. In case of an emergency, such right of entry shall be immediate.

10.9 Rules and Regulations. The initial rules and regulations, which shall be effective until amended or supplemented by the Board of Directors, are annexed hereto and made a part hereof. The Board of Directors reserves the power to establish, make and enforce compliance with said rules and regulations and with such additional rules and regulations as may be necessary for the operation, use and occupancy of the Project with the right to amend the same from time to time. Copies of additional and amended rules and regulations shall be furnished to each member prior to the date when the same shall become effective.

10.10 Damage, Destruction and Obsolescence. Each member, by becoming an Owner of an interest in a Condominium, thereby grants his power of attorney in favor of the Association, irrevocably appointing the Association his attorney-in-fact to deal with his Condominium upon its damage, destruction or obsolescence as provided in the Declaration.

## ARTICLE 11

### ABATEMENT AND ENJOINMENT OF VIOLATIONS BY OWNERS

11.1 Abatement and Enjoinment. The violation of any rule or regulation adopted by the Board of Directors, or the breach of any Bylaws, or the breach of any provision of the Declaration, shall give the Board of Directors or the Manager the right, in addition to any other rights set forth therein, (i) to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Owner, any person, structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions thereof, and the Board of Directors or Manager shall not be deemed guilty in any manner of trespass; and to expel, remove and put out any person, animal or thing, using such force as may be necessary in so doing, without being liable to prosecution or in damages therefor; (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach.

## ARTICLE 12

### COMMITTEES

12.1 Designation. The President may, but shall not be required to, appoint an executive committee, and he may designate and create committees and appoint persons who shall be members of the Association to all such committees. Any executive committee shall include the President. The executive committee shall supervise the affairs of the Association and shall regulate its internal economy, approve expenditures and commitments, act and carry out the established policies of the Association and report to the Board of Directors. The executive committee may hold meetings at such times as it may in its discretion determine. Meetings may be called at any time by the chairman of the committee or by any of its members, either by telephone, telegraph, mail or personally, and meetings may be held by telephone.



12.2 Nominating Committee. Before each annual meeting of the members of the Association, the Board of Directors may appoint a committee of five members, who may include any or all of the members of the Board of Directors, who shall nominate candidates for the Board of Directors. The names of the candidates shall be submitted to the Board of Directors on or before thirty (30) days before the election. The Board of Directors shall instruct the Secretary to notify the members of the Association of the names of the said candidates within ten days of the receipt of said names from the nominating committee. Members may submit names of candidates other than those submitted by the nominating committee prior to or at the annual meeting of the members of the Association.

#### ARTICLE 13

##### ASSOCIATION - NOT FOR PROFIT

13.1 Association - Not for Profit. This Association is not organized for profit. No member, member of the Board of Directors, officer or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to 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 member of the Board of Directors, officer or member; provided, however, always (i) that reasonable compensation may be paid to any member, Director or officer while acting as an agent or employee of the Association, for services rendered in effecting one or more of the purposes of the Association, and (ii) that any member, 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. The provisions herein are not applicable to the Manager who shall perform his duties and functions according to a written agreement between himself and the Board of Directors for the compensation stated therein.

#### ARTICLE 14

##### MORTGAGEES AS PROXIES

14.1 Mortgagees as Proxies. Owners have the irrevocable right to constitute and appoint the beneficiary of a trust deed, mortgage or other instrument which encumbers the Owner's interest their true and lawful attorney to vote their membership in this Association at any and all meetings of the Association and to vest in such beneficiary or his nominee any and all rights, privileges and powers that they have as members and Owners under the Articles

of Incorporation and Bylaws of this Association or by virtue of the Declaration. Such proxy shall become effective upon the filing of a notice by the beneficiary with the Secretary of the Association at such time or times as the beneficiary shall deem its security in jeopardy by reason of the failure, neglect or refusal of the Association, the Manager or the Owners to carry out their duties as set forth in the Declaration. A release of the beneficiary's encumbrance shall operate to revoke such proxy. Nothing herein contained shall be construed to relieve Owners, as mortgagors, of their duties and obligations as Owners or to impose upon the beneficiary of the encumbrance the duties and obligations of an Owner.

ARTICLE 15

WAIVER OF NOTICE AND CONSENT

15.1 Waiver of Notice. Whenever any notice is required to any member or Director of the Association under the provisions of law, the Articles of Incorporation or the Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, or other duly authorized representative, whether before, at or after the time stated therein shall be equivalent to the giving of such notice.

15.2 Written Consent. Any action required to be taken at a meeting of the members or the Board of Directors of the Association or any action which may be taken at any such meeting, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of those members entitled to vote with respect to the subject matter thereof, or of the Directors, as the case may be.

ARTICLE 16

COMPLIANCE

16.1 Compliance with Statutes and Declaration. These Bylaws are set forth to comply with the requirements of the Condominium Ownership Act of the State of Colorado, as amended, and of the Declaration. If any of these Bylaws conflict with the provisions of said Statutes and Declaration, it is hereby agreed and accepted that the provisions of the Statute or Declaration, as the case may be, shall apply.

The undersigned Secretary of this Association does hereby certify that these Bylaws and Rules and Regulations were adopted by the Directors as the Bylaws and Rules and Regulations of said Association on this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

ATTEST:

\_\_\_\_\_  
Secretary

(SEAL)