

AMENDED AND RESTATED BYLAWS

OF

BUCK CREEK CONDOMINIUM ASSOCIATION, A COLORADO NONPROFIT CORPORATION

AS OF DECEMBER 1, 20 12

TABLE OF CONTENTS

ARTICLE I: PURPOSE AND APPLICABILITY OF BYLAWS

- 1.1 Purpose of Association
- 1.2 Applicability
- 1.3 Definitions
- 1.4 Conflicts
- 1.5 Association Managed by Board of Directors
- 1.6 Scope of Powers of the Association

ARTICLE II: MEMBERS OF THE ASSOCIATION

- 2.1 Membership
- 2.2 Meetings of the Association
- 2.3 Notice of Meetings
- 2.4 Conduct of Meetings
- 2.5 Majority Vote
- 2.6 Action without Meeting
- 2.7 Liability of Members

ARTICLE III: BOARD OF DIRECTORS

- 3.1 Election, Number, Tenure and Qualifications
- 3.2 Powers
- 3.3 Vacancies
- 3.4 Removal of Directors
- 3.5 Compensation of Directors
- 3.6 Delegation of Powers
- 3.7 Meetings of Directors
- 3.8 Notice of Meetings
- 3.9 Conduct of Meetings
- 3.10 Executive Sessions
- 3.11 Action without Meeting
- 3.12 Directors not Responsible for Loss
- 3.13 Limitation of Liability
- 3.14 Indemnification of Board and Others
- 3.15 Fidelity Bonds

ARTICLE IV: OFFICERS

- 4.1 Designation and Qualification
- 4.2 Appointment and Tenure
- 4.3 Removal and Resignation

- 4.4 Vacancies
- 4.5 President
- 4.6 Vice President
- 4.7 Secretary
- 4.8 Treasurer
- 4.9 Special Appointments
- 4.10 Delegation to Manager

ARTICLE V: DUTIES AND OBLIGATIONS OF BOARD OF DIRECTORS

- 5.1 Specific Duties
- 5.2 Prohibitions Contrary to Public Policy
- 5.3 Supplemental General Principles of Law
- 5.4 Obligation of Good Faith
- 5.5 Responsible Governance Policies
- 5.6 Architectural and Landscaping Standards and Procedures
- 5.7 Annual Disclosures
- 5.8 Changes in management or Location
- 5.9 Inspection of Books and Records
- 5.10 Board and Owner Education
- 5.11 Annual Budget
- 5.12 Audit
- 5.13 Conflicts of Interest of Board Members
- 5.14 Insurance
- 5.15 Assessments for Common Expenses
- 5.16 Enforcement
- 5.17 Association Records

ARTICLE VI: RULES AND REGULATIONS

- 6.1 Establishment of Rules and Regulations
- 6.2 Fines

ARTICLE VII: AMENDMENT OF THESE BYLAWS

- 7.1 Amendment of the Bylaws
- 7.2 Scope of Amendments

ARTICLE VIII: OBLIGATIONS OF THE OWNERS

- 8.1 Assessments
- 8.2 Maintenance and Repair
- 8.3 Compliance with Declaration, Articles, Bylaws and Rules

ARTICLE IX: MISCELLANEOUS PROVISIONS

- 9.1 Character of Association
- 9.2 Fiscal Policy
- 9.3 Corporate Seal
- 9.4 Captions
- 9.5 Numbers and Genders

ARTICLE I

PURPOSES, DEFINITIONS, APPLICABILITY OF BYLAWS

1.1 Purpose of Association. The Association is a nonprofit corporation formed to effectively and efficiently regulate, operate and manage the Buck Creek Condominium project in accordance with:

- a. the Colorado Common Interest Ownership Act, §§38-33.3-101 *et seq.*, C.R.S., as amended (the "Act"), and
- b. the Condominium Declaration for Buck Creek Condominiums (the "Declaration") recorded in the office of the Clerk and Recorder for Eagle County, Colorado at Book 298 at Page 264 as Reception No. 194655 on February 4, 1980, as amended, and
- c. the provisions of these Bylaws, as amended, and
- d. the applicable sections, if any, of the "Colorado Business Corporation Act", articles 101 to 117 of title 7, C.R.S., or the "Colorado Revised Nonprofit Corporation Act", articles 121 to 137 of title 7, C.R.S.

1.2 Applicability. The provisions of these Bylaws are applicable to the Condominium Project, its operation, occupancy, ownership, maintenance and use, and to all present and future Unit Owners and all persons in such Unit Owner's control group.

1.3 Definitions. Unless separately defined in these Bylaws, or unless the context otherwise requires, the capitalized names, words and phrases used in these Bylaws shall have the meanings set forth in the Act or Declaration.

1.4 Conflicts. In the case of a conflict between the Articles of Incorporation and these Bylaws, the Articles shall control. In the case of a conflict between the Declaration and these Bylaws, the Declaration shall control, except to the extent the Declaration is inconsistent with the Act.

1.5 Association Managed by Board of Directors. The affairs of the Association shall be managed and administered by the Board of Directors (the "Board") in accordance with these Bylaws, the Declaration and the Act.

1.6 Scope of Powers of the Association. The Association may take any action defined in and consistent with C.R.S. §38-33.3-302 or other applicable provisions of the Act.

ARTICLE II

MEMBERS OF ASSOCIATION

2.1 Membership. A Unit Owner shall automatically be a member of the Association and shall remain a member for the period of such owner's ownership of a Unit. If title to a Unit is held by more than one person, the membership in the Association for that Unit shall be shared by all such persons. A Unit Owner shall be entitled to one membership for each Unit owned. Each membership shall be appurtenant to the Unit and shall be transferred automatically by conveyance of the Unit. No person or entity other than a Unit Owner may be a member of the Association, but the rights of membership may be assigned to a mortgagee as

further security for loans secured by a mortgage or deed of trust on a Unit. The terms "member" and "owner" are synonymous.

2.1.1 Transfer or Assignment of Membership. Membership in the Association is appurtenant to and inseparable from the ownership of a Unit within the Condominium Project, and except as stated elsewhere in these Bylaws may not be transferred or assigned.

2.2 Meetings of the Association.

2.2.1 Annual Meetings. Annual meetings of the Association shall be held during the month of July, on a date set by the Board or at such other time and place as may be designated by the Board. Annual meetings shall be for the purpose of electing the Board, consideration of the annual budget for the Association, and of transacting any other business that may properly come before the members at such meeting.

2.2.2 Special Meetings. Special meetings of the Association shall be held whenever called by the Board or when requested by a petition of the owners entitled to vote and owning at least twenty-five percent (25%) of the interest in the Common Elements.

2.2.3 Place and Time. Annual and special meetings of the Association shall be held at the locations and times designated by the Board in the notice of such meetings.

2.3 Notice of Meetings. Written notice of any annual, regular or special meeting of the Association, stating the place, date and time of such meeting shall be provided to each Unit Owner not more than fifty (50) days before such meeting and not less than fifteen (15) days before such meeting. Any notice of a special meeting shall specify the nature of the business to be undertaken at such meeting. Any notice provided under this paragraph shall be deemed received by a Unit Owner:

- a. upon personal delivery to such Unit Owner,
- b. upon deposit in regular U.S. mail or courier service, addressed to such Unit Owner at such Unit Owner's address on file with the Association, whether or not ever received by such Unit Owner,
- c. upon receipt by the Association of a machine-generated acknowledgement of successful transmission by facsimile copy to such Unit Owner's facsimile telephone number on file with the Association, if any, whether or not ever received by such Unit Owner, and/or
- d. upon transmission by e-mail to such Unit Owner's e-mail address on file with the Association, provided that such form of e-mail communication has been approved in writing by such Unit Owner, whether or not ever received by such Unit Owner. The Association shall provide notice of all regular and special meetings of Unit Owners by e-mail to all Unit Owners who so request and who furnish the Association with their e-mail addresses.

2.3.1 Notice regarding multiple ownership. Where a Unit is owned by more than one party, notice to any Unit Owner of such Unit shall be deemed notice to all Unit Owners of such Unit. Each Unit Owner shall be responsible for providing the Association with such Unit Owner's mailing address, facsimile telephone number (if any) and e-mail address (if any), and

shall be responsible for keeping such address, facsimile telephone number (if any) and e-mail address (if any) current in the event of any change. If a Unit Owner has not provided the information required by this paragraph, any notice from the Association may be sent to the address for the Unit Owner contained in the records of the Assessor for Eagle County, Colorado, and such notice shall be deemed received by such Unit Owner upon mailing, whether or not ever received by such Unit Owner.

2.3.2 Posting of Notice. In addition to notice to Unit Owners as provided above, the notice of any meeting of the Unit Owners shall be physically posted in a conspicuous place, to the extent that such posting is feasible and practicable. If a website is maintained by the Association, all meeting notices and agendas shall be posted on the website, in addition to other notice requirements. The posted notice shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws, any budget changes, and any proposal to remove an officer or member of the Board.

2.3.3 Waiver of Notice. Any Unit Owner may waive notice in writing before or at any annual or special meeting of the Unit Owners, and any Unit Owner who attends an annual or special meeting of the Unit Owners, in person or by proxy, shall be deemed to have waived the requirement of notice and/or defective notice unless such Unit Owner objects to the meeting on the basis of improper or insufficient notice at the beginning of the meeting.

2.4 Conduct of Meetings.

2.4.1 Meetings Open to Members. All regular and special meetings of the Association are open to every Unit Owner, or to any person designated by a Unit Owner in writing as the Unit Owner's representative.

2.4.2 Quorum. The presence of Unit Owners entitled to vote holding in the aggregate more than one-third (33.33%) of the interests in the Common Elements shall constitute a quorum for the transaction of business at all meetings. If at any meeting of the Association a quorum is not present, a majority of the members present and entitled to vote, either in person or by proxy, may adjourn the meeting to a time not less than twenty-four (24) hours nor more than fifteen (15) days from the time for which the original meeting was called, and at the continuation of such adjourned meeting the presence of Unit Owners otherwise entitled to vote and holding in the aggregate at least a twenty-five percent (25%) of the interest in the Common Elements shall constitute a quorum. Notice of the date, time and location of the continuation of the adjourned meeting shall be provided to those Unit Owners not present at the meeting, provided, however, that no minimum or maximum notice period shall be required for the continuation of an adjourned meeting.

2.4.3 Voting Rights. All Unit Owners shall be entitled to one (1) vote for each Unit owned on any matter on which voting by the Unit Owners is permitted or required by the Declaration, the Articles of Incorporation of the Association or these Bylaws, except where the Declaration calls for voting to be based on ownership percentages. Cumulative voting shall not be permitted.

a. No votes allocated to a Unit Owner owned by the Association may be cast.

b. Any Unit Owner who is delinquent in the payment of any quarterly or special assessment shall not be entitled to vote upon any matter put to a vote at any annual or special meeting of the Association.

2.4.4 Voting Rights Regarding Multiple Ownerships. When more than one (1) person is a Unit Owner, the vote for such Unit shall be exercised as they among themselves determine, but in no event shall more than one (1) vote or the voting percentage for that Unit be cast with respect to any Unit. If multiple Unit Owners can not agree as to how the vote for that Unit should be cast on any particular matter, no vote shall be cast or counted in any balloting on such matter. If only one of the multiple Unit Owners is present at a meeting of the Association, such Unit Owner is entitled to cast all the votes allocated to that Unit. If more than one of the multiple Unit Owners is present, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the Unit Owners. There is majority agreement if any one of the multiple Unit Owners casts the votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other Unit Owners. Subject to the foregoing, if a Unit is owned by more than one person, each Unit Owner may vote or register protest to the casting of votes by the other Unit Owners through a duly executed proxy.

2.4.5 Proxies. At any meeting of the Association, each Unit Owner entitled to vote may vote in person or by proxy, provided that any such proxy shall be in writing, executed by the Unit Owner entitled to vote or by his/its duly authorized attorney-in-fact, and filed with the Secretary of the Association at or before any meeting at which a vote by such proxy may be cast. A Unit Owner may not revoke a valid proxy except by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy shall not be valid if obtained through fraud or misrepresentation. Any valid proxy shall:

a. not be valid for longer than eleven (11) months from the date of its execution unless otherwise provided in said proxy, provided, however, that in no case shall any proxy be valid for more than two (2) years from the date of its execution,

b. be revocable,

c. automatically cease to be valid upon the conveyance of the Unit owned by the Unit Owner executing or authorizing the execution of such proxy, and

d. be invalid during any period within which the voting rights of the member executing or authorizing the execution of such proxy are suspended.

2.4.6 Actions of the Association Based on Proxies.

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

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

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

2.4.7 Secret Ballots. Votes for contested positions on the Board shall be taken by secret ballot. At the discretion of the Board or upon the request of twenty percent (20%) of the Unit Owners who are present at the meeting or represented by proxy, if a quorum has been achieved, a vote on any matter affecting the Association on which all Unit Owners are entitled to vote shall be by secret ballot. Secret ballots shall be counted by a neutral third party or by a committee of volunteers. Such volunteers shall be Unit Owners who are selected or appointed at an open meeting, in a fair manner, by the chair of the Board or another person presiding during that portion of the meeting. The volunteers shall not be Board members and, in the case of a contested election for a Board position, shall not be candidates. The results of a vote taken by secret ballot shall be reported without reference to the names, addresses, or other identifying information of unit owners participating in such vote.

2.5 Majority Vote. Unless a different percentage is required by the Act, the Declaration or these Bylaws, the vote of a majority of the Unit Owners present in person or by proxy at any annual or special meeting of the Association at which a quorum is present, or at the continuation of any adjourned meeting where a quorum is present, shall be sufficient to approve any matter and/or decide any item of business conducted at such meeting.

2.6 Action without Meeting. Any action required by law to be taken at a meeting of the Association, or any action which may be taken at a meeting of the Association, may be taken without a meeting if a resolution setting forth the action so taken is signed by all of the Unit Owners entitled to vote. A unanimous consent resolution under this section may be executed in counterparts, and any signature supplied by facsimile copy shall in all respects be considered an original signature unless and until replaced with an original signature.

2.7 Liability of Members. No Unit Owner shall be personally liable for any of the debts, liabilities or obligations of the Association.

ARTICLE III BOARD OF DIRECTORS

3.1 Election, Number, Tenure and Qualifications. The Board shall consist of five (5) Unit Owners, but if there are not five Unit Owners willing to serve on the Board at any particular time, then the Board may consist of three (3) Unit Owners unless and until there are at least five Unit Owners willing to serve on the Board. Members of the Board whose terms are expiring shall be elected at the annual meeting of the Association. Each member of the Board shall serve for a term of two years. The terms shall be staggered on a two-year system so that an approximately equal number of the Director terms expire each year.

3.2 Powers. The affairs of the Association shall be managed and administered by the Board, and all of the powers and duties of the Association, except as specifically reserved to the members, shall be exercised by and through such Board, including without limitation all those powers and duties provided for in the Act and the governing documents, as amended from time to time.

3.2.1 Standards With Regard to the Investment of Reserve Funds. The actions of the officers and members of the Board shall be subject to the standards set forth in C.R.S. §7-128-401, as such standards apply to the Association.

3.2.2 Limitation of Powers. The Board may not act on behalf of the Association to:

- a. amend the declaration,
- b. to terminate the common interest community, or
- c. to elect members of the Board or determine the qualifications, powers and duties, or terms of office of Board members, except to fill vacancies as provided below.

3.3 Vacancies. Vacancies in the Board may be filled by a majority of the remaining Directors, even if less than a quorum, and each Director so elected shall hold office until his successor is elected at the next annual meeting of the Association or at the next special meeting of the Association called for such purpose. In the event the entire Board resigns or are otherwise disqualified or cease to be Directors, a special meeting of the Association shall be called to elect a new Board. A Board vacancy shall be deemed to exist:

- a. upon the death, resignation or removal of any Director, or
- b. in the event the Association increases the number of Directors without electing a Director to fulfill such increase, or
- c. in the event the Director is absent from three consecutive regular meetings of the Board, or
- d. in the event the Director ceases to be a Unit Owner.

3.3.1 Filling of Vacancies by Members. At any meeting of the Association, the Unit Owners may elect Directors to fill any vacancy not filled by the Board.

3.3.2 Reduction in Number of Directors. No reduction of the number of Directors shall have the effect of removing any Director prior to the expiration of such Director's term of office.

3.4 Removal of Directors. At any annual or special meeting of the Unit Owners at which a quorum is present, any Director may be removed with or without cause by a vote of two-thirds (66.67%) or more of the Unit Owners present in person or by proxy and entitled to vote at such meeting. Any Director whose removal is to be considered at a meeting of the Unit Owners shall be given an opportunity to be heard at the meeting. The term of any Director who is delinquent in the payment of any assessment shall be automatically terminated on the date such Unit Owner becomes delinquent on any assessment, and the remaining Director(s) shall appoint such Director's successor according to the paragraph regarding Vacancies above.

3.5 Compensation of Directors. The compensation, if any, for all officers and employees of the Association shall be fixed by the Board. No compensation shall be paid to Directors for their services as Directors and no remuneration of any kind shall be paid to a

Director for services performed by him for the Association in any other capacity unless a resolution authorizing such remuneration has been unanimously adopted by the Board, excluding the interested Director. Nothing in this paragraph shall be construed as preventing the Association from adopting a resolution reimbursing a Director for such Director's reasonable expenses incurred or expended performing such Director's duties pursuant to the governing documents.

3.5.1 Financial Incentives. No remuneration shall be accepted by the managing agent, any member of the Board or any officer from vendors, independent contractors or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts or otherwise. Anything of value received by any such person shall be turned over to the Association.

3.6 Delegation of Powers. The Board may, by contract, delegate the routine operation and management of the Association affairs to a managing agent or such other independent contractor as the Board deems necessary. The Board shall prescribe their duties and all such persons shall be responsible to the Board. The Board shall act in good faith with regard to all such contractual or employment arrangements.

3.6.1 Subject to the Act. Any managing agent, independent contractor or other person acting on behalf of the Association shall be subject to the Act to the same extent as the Association itself would be.

3.6.2 Termination of Contracts. Every management contract shall be for a one (1) year term, and may be renewed as negotiated by the Board and provided in the contract. The management contract shall be terminable for cause without penalty to the Association. Any such contract shall be subject to renegotiation.

3.6.3 Requirements Regarding Delegation of Financial Matters. If the Association delegates powers of the Board or officers relating to collection, deposit, transfer, or disbursement of Association funds to other persons or to a managing agent, the Association shall require the following:

a. That the other persons or managing agent maintain fidelity insurance coverage or a bond in an amount not less than fifty thousand dollars or such higher amount as the Board may require;

b. That the other persons or managing agent maintain all funds and accounts of the Association separate from the funds and accounts of other associations managed by the other persons or managing agent and maintain all reserve accounts of each association so managed separate from operational accounts of the Association;

c. That an annual accounting for Association funds and a financial statement be prepared and presented to the Association by the managing agent or a certified public accountant;

d. That any agreement with the managing agent, accountant or certified public accountant provide that all members of the Board be provided with complete and updated financial information and reports on a regular basis, not to exceed quarterly;

e. That all financial matters and proposed expenditures that are above the limits that may from time to time be delegated by the Board be approved in advance by the Board after the Board receives all relevant information regarding such financial matters and/or expenditures and before such financial matters or proposed expenditures are submitted to the accountant for payment;

f. That all financial functions of the Association be handled by an independent certified public accounting firm.

3.7 Meetings of Directors.

3.7.1 Place and Time. Annual and special meetings of the Board shall be held at the locations and times designated by the President in the notice of such meetings.

3.7.2 Annual Meeting. The annual meeting of the Board shall be immediately after the annual meetings of the Association or as soon thereafter as is reasonably practical. Annual meetings of the Board shall be for the purpose of electing officers and conducting any business that may come before such Board at such meeting.

3.7.3 Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined by a majority of the Directors. The Board shall hold at least one regular meeting prior to the annual meeting of the Association for the purposes of adopting a proposed annual budget and carrying out its responsibilities regarding the annual budget.

3.7.4 Special Meetings. Special meetings of the Board shall be held at any time upon notice from the President or upon the request of any two Directors. The notice of a special meeting, depending on the nature of the business to be conducted, may be given 24 hours before the meeting to both the Directors and all Unit Owners, and may be given in any reasonable manner.

3.8 Notice of Meetings. Written notice of any annual meeting of the Board, stating the place, date and time of such meeting, except as provided above regarding special meetings, shall be provided to each Director and each Unit Owner not more than fifty (50) days before such meeting and not less than fifteen (15) days before such meeting. Any notice of a special meeting shall specify the nature of the business to be undertaken at such meeting. Any notice sent under this paragraph shall be deemed received by a Director or a Unit Owner:

- a. upon personal delivery to such Director or Unit Owner,
- b. upon deposit in regular U.S. mail or courier service, addressed to such Director or Unit Owner at such Director's address on file with the Association, whether or not ever received by such Director or Unit Owner,
- c. upon receipt by the Association of a machine-generated acknowledgement of successful transmission by facsimile copy to such Director's or Unit Owner's facsimile telephone number on file with the Association, if any, whether or not ever received by such Director or Unit Owner, and/or
- d. upon transmission by e-mail to such Director's or Unit Owner's e-mail address on file with the Association, providing that such form of e-mail communication has been

approved in writing by such Director or Unit Owner, whether or not ever received by such Director or Unit Owner.

3.8.1 Information for Notices. Each Director shall be responsible for providing the Association with such Director's mailing address, facsimile telephone number (if any) and e-mail address (if any), and shall be responsible for keeping such address, facsimile telephone number (if any) and e-mail address (if any) current in the event of any change. If a Director has not provided the information required by this paragraph, any notice may be sent to the address for the Director contained in the records of the Assessor for Eagle County, Colorado, and such notice shall be deemed received by such Director upon mailing, whether or not ever received by such Director.

3.8.2 Waiver of Notice. Any Director may waive notice in writing before or at any annual or special meeting of the Board, and any Director who attends an annual or special meeting of the Board shall be deemed to have waived the requirement of notice and/or defective notice unless such Director objects to the meeting on the basis of improper or insufficient notice at the beginning of the meeting.

3.9 Conduct of Meetings.

3.9.1 Meetings Open to Members. All regular and special meetings of the Association's Board, or any committee thereof, shall be open to attendance by all Members of the Association or to any person designated by a Unit Owner in writing as the Unit Owner's representative.

3.9.2 Agendas. Agendas for meetings of the Board shall be made reasonably available in advance of the meeting for examination by all members of the Association or their representatives. In the case of special meetings, the agenda may be posted on the Association website and/or at the Property at least twenty-four (24) hours before any such meeting.

3.9.3 Quorum. A majority of the Directors shall constitute a quorum for the transaction of business at all meetings of the Board. If at any meeting of the Board a quorum is not present, any Director present at such meeting may adjourn the meeting to a time not less than twenty-four (24) hours nor more than fifteen (15) days from the time for which the original meeting was called, and at the continuation of such adjourned meeting the presence of at least a majority of Directors shall constitute a quorum. Notice of the date, time and location of the continuation of the adjourned meeting shall be provided to those Directors not present at the meeting, provided, however, that no minimum or maximum notice period shall be required for the continuation of an adjourned meeting.

3.9.4 Attendance by Telephone. Any Director may attend any regular or special meeting of the Board by speaker telephone or telephone conference call. The Director desiring to attend any meeting by telephone shall be responsible to ensure that the facilities for such communication exist. The Association shall be responsible for the cost, if any, of providing such facilities to enable such Director to so attend the meeting.

3.9.5 Member Participation. At an appropriate time determined by the Board, but before the Board votes on an issue under discussion, Unit Owners or their designated representatives shall be permitted to speak regarding that issue. The Board may place reasonable time restrictions on persons speaking during the meeting. If more than one person

desires to address an issue and there are opposing views, the Board shall provide for a reasonable number of persons to speak on each side of the issue.

3.9.6 Majority Vote. Unless a different percentage is required by the Act, the Declaration or these Bylaws, the vote of a majority of the Directors present at any annual or special meeting of the Board at which a quorum is present, or at the continuation of any adjourned meeting where a quorum is present, shall be sufficient to approve any matter and/or decide any item of business conducted at such meeting.

3.10 Executive Sessions. The members of the Board or any committee thereof may hold an executive or closed door session and may restrict attendance to executive board members and such other persons requested by the Board during a regular or specially announced meeting or a part thereof. The matters to be discussed at such an executive session are limited to:

- a. Matters pertaining to the managing agent's contract or involving the employment, promotion, discipline, or dismissal of an officer or agent of the Association;
- b. Consultation with legal counsel concerning disputes that are the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client;
- c. Investigative proceedings concerning possible or actual criminal misconduct;
- d. Matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosure;
- e. Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy;
- f. Review of or discussion relating to any written or oral communication from legal counsel.

3.10.1 Conduct of Executive Sessions.

a. Upon the final resolution of any matter for which the Board received legal advice or that concerned pending or contemplated litigation, the Board may elect to preserve the attorney-client privilege in any appropriate manner, or it may elect to disclose such information, as it deems appropriate, about such matter in an open meeting.

b. Prior to the time the members of the Board or any committee thereof convene in executive session, the chair of the body shall announce the general matter of discussion.

c. No rule or regulation of the Board or any committee thereof shall be adopted during an executive session. A rule or regulation may be validly adopted only during a regular or special meeting or after the body goes back into regular session following an executive session.

d. The minutes of all meetings at which an executive session was held shall indicate that an executive session was held and the general subject matter of the executive session.

3.11 Action without Meeting. Any action required by law to be taken at a meeting of the Board, or any action which may be taken at a meeting of the Board, may be taken without a meeting if a resolution setting forth the action so taken is signed by all of the Directors. A unanimous consent resolution under this section may be executed in counterparts, and any signature supplied by facsimile copy shall in all respects be considered an original signature unless and until replaced with an original signature.

3.12 Directors not Responsible for Loss. No Director or officer shall be responsible to any Unit Owner or any person in such Unit Owner's control group for loss of, damage to or theft of any article, vehicle, or other thing of value at or in the Condominium Project resulting from the act of any third person, or for any loss of rental income or other pecuniary loss of any Unit Owner or any person in such Unit Owner's control group resulting from the act of any third person or from the management, maintenance, repair or replacement of the Common Elements.

3.13 Limitation of Liability. The Association, its Board, its officers and any other person acting for the Association or at the request of the Association, or as a volunteer of the Association (other than a management contractor or other contractor who is under contract to the Association whose duties are determined according to such contract) shall not be liable to any Unit Owner or any of such Unit Owner's control group for any act, failure to act, error or omission unless such act, failure to act, error or omission was caused by the gross negligence or malicious act of such entity or person.

3.14 Indemnification of Board and Others. The Association shall indemnify and hold harmless each current and past member of the Board, each current and past officer of the Association and any other person acting or who acted for the Association or at the request of the Association, or as a volunteer of the Association (other than a management contractor or other contractor who is under contract to the Association) of and from all claims and liabilities of any kind or sort resulting from or arising out of their work for the Association, including without limitation the amount of any judgment rendered against such person or persons and the costs and reasonable attorneys' fees incurred or expended by such person or persons in responding or defending against any such claim or liability; provided, however, that the Association shall not be responsible for the indemnity contained in this paragraph in any such case where such person or persons is/are finally adjudged to be guilty of gross negligence or of having committed a malicious act.

3.15 Fidelity Bonds. The Board may require that some or all officers and employees of the Association handling or having any responsibility for any funds received or collected by the Association furnish adequate fidelity bonds. The premiums on said bonds shall be paid by the Association as a Common Expense.

ARTICLE IV OFFICERS

4.1 Designation and Qualification. The officers of the Association shall consist of members of the Board and shall consist of a President, a Vice President (if there are five or more members of the Board, a Secretary and a Treasurer, and such other officers as are

authorized and appointed by the Board. When the duties do not conflict, any two (2) offices, except those of President and Secretary, may be held by the same person.

4.2 Appointment and Tenure. The officers of the Association shall be appointed annually by the Board at the annual Board meeting, and any new offices may be created and appointed at any meeting of the Board. Each officer shall hold office until his or her successor has been appointed.

4.3 Removal and Resignation. Any officer appointed by the Board shall serve at the pleasure of the Board, and may be removed by a majority vote of the Board whenever in their judgment the best interests of the Association would be served. Any officer may resign at any time by giving written notice to the Board. Any such resignation shall not take place until a successor officer is appointed by the Board, who shall act promptly to appoint such a successor. The acceptance of a resignation shall not be necessary to make it effective.

4.4 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise shall be filled by the Board.

4.5 President. The President shall be the executive officer of the Association and, subject to the control of the Board, shall administer all of the business and affairs of the Association. The President shall preside at all meetings of Association and of the Board. The President or any other officer of the Association duly authorized by the Board may sign any deeds, mortgages, bonds, contracts, agreements, drafts, checks or other instruments that the Board have authorized to be executed, except in such case where such execution is expressly delegated to someone else by the Board, the governing documents or the Act. The President shall have all the general powers and shall perform all of the duties usually vested in the office of the president of a corporation, including without limitation the powers and duties prescribed by the Act, the Board and the governing documents.

4.6 Vice President. The Vice President shall perform such duties as assigned by the President, and shall perform the duties of the President if the President is reasonably unavailable or unable to perform the duties of President.

4.7 Secretary. The Secretary shall keep the minutes of all meetings of the Association and the Board in one or more books provided for that purpose. The Secretary shall provide for all notices required or permitted by the Act or the governing documents in accordance with the provisions of these Bylaws. The Secretary shall be the custodian of the Association's records and of the seal of the Association, and shall attest to and affix the image of the seal to documents requiring such seal. The Secretary shall keep a record of the mailing address, telephone number, facsimile telephone number (if any) and e-mail address (if any) of each Unit Owner and of the Board and officers of the Association. The Secretary shall perform all duties incident to the office of Secretary and such other duties as may be required by the Board, the President, the Act or the governing documents.

4.8 Treasurer. If required by the Board, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board shall determine is appropriate. The cost of such bond shall be a Common Expense of the Unit Owners. The Treasurer shall have charge and custody of, and be responsible for, all funds, securities and/or proceeds collected, owned and/or received by the Association. The Treasurer shall receive and give receipts for money due and payable to the Association from any source whatever, and shall deposit all such money in the name of the Association in such banks, trust

companies or other depositories as directed by the Board. The Treasurer shall keep and maintain the assessment rolls and the accounts of the Unit Owners, shall keep and maintain the Books of the Association in accordance with generally accepted accounting principles and shall perform all other duties incident to the office of Treasurer, and such other duties as may be assigned by the Board, the President, the Act or the governing documents.

4.9 Special Appointments. The Board may appoint such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

4.10 Delegation to Manager. In the event the Board hires a Manager in accordance with its authority contained in these Bylaws, the duties delegated to such Manager may include some or all of the duties assigned to Officers in these Bylaws.

ARTICLE V DUTIES AND OBLIGATIONS OF BOARD OF DIRECTORS

5.1 Specific Duties. In addition to other duties and obligations of the Board defined in the Declaration and the Act, the duties and obligations listed in this section shall be observed by the Association.

5.2 Prohibitions Contrary to Public Policy. Prohibitions contrary to public policy, including patriotic and political expression, emergency vehicles and fire prevention shall be managed in accordance with the provisions of C.R.S. §38-33.3-106.6 and other applicable provisions of the Act.

5.3 Supplemental General Principles of Law. The Association shall act in accordance with principles of law and equity, including, but not limited to, the law of corporations and unincorporated associations, the law of real property, and the law relative to capacity to contract, principal and agent, eminent domain, estoppel, fraud, misrepresentation, duress, coercion, mistake, receivership, substantial performance, or other validating or invalidating cause supplement to the provisions of the Act, except to the extent inconsistent with the Act.

5.4 Obligation of Good Faith. The Association shall act in good faith in the performance or enforcement of every contract or duty governed by the Act. Any claim that a contract or contract clause is or may be unconscionable shall be addressed in accordance with C.R.S. §38-33.3-112 and other applicable provisions of the Act.

5.5 Responsible Governance Policies. The Association shall adopt and act in accordance with responsible governance policies as defined by C.R.S. §38-33.3-209.5 and C.R.S. §38-33.3-124 and other applicable provisions of the Act, including but not limited to the following:

- a. Collection of unpaid assessments.
- b. Conflicts of interest of Board members.
- c. Conduct of meetings.
- d. Enforcement of covenants and rules.

- e. Inspection and copying of association records by Owners.
- f. Investment of reserve funds.
- g. Procedures for the adoption and amendment of policies, procedures, and rules.
- h. Procedures for addressing disputes arising between the Association and Unit Owners.

5.6 Architectural and Landscaping Standards and Procedures. Decisions concerning the approval or denial of a Unit Owner's application for architectural or landscaping changes shall be made in accordance with standards and procedures set forth in the Declaration, or in duly adopted rules and regulations or Bylaws of the Association or of the Buck Creek Design Review Board, and shall not be made arbitrarily or capriciously.

5.7 Annual Disclosures. Within ninety days after the end of each fiscal year, the Association shall make the following information available to Unit Owners upon reasonable notice, in accordance with the provisions of C.R.S. §38-33.3-209.4 and other applicable provisions of the Act.

- a. The date on which its fiscal year commences;
- b. Its operating budget for the current fiscal year;
- c. A list, by unit type, of the Association's current assessments, including both regular and special assessments;
- d. Its annual financial statements, including any amounts held in reserve for the fiscal year immediately preceding the current annual disclosure;
- e. The results of its most recent available financial audit or review;
- f. A list of all Association insurance policies, including, but not limited to, property, general liability, association director and officer professional liability, and fidelity policies. Such list shall include the company names, policy limits, policy deductibles, additional named insureds, and expiration dates of the policies listed.
- g. All the Association's bylaws, articles, and rules and regulations;
- h. The minutes of the Board and member meetings for the fiscal year immediately preceding the current annual disclosure; and
- i. The Association's responsible governance policies adopted under C.R.S. §38-33.3-209.5.

5.7.1 Allowed Methods. The annual disclosure requirement shall be accomplished by at least one of the following means:

- a. Posting on an internet web page with accompanying notice of the web address via first-class mail or e-mail;
- b. the maintenance of a literature table or binder at the Association's principal place of business; or
- c. mail or personal delivery.

The cost of such distribution shall be accounted for as a Common Expense.

5.8 Changes in Management or Location. In the event that the Association changes its address, designated agent, or managing company, the Association shall make updated information available to the members within ninety (90) days after the change.

5.9 Inspection of Books and Records. All Unit Owners, first mortgagees, insurers or guarantors of a first mortgage of a Unit shall, upon request, be entitled to:

- a. Inspect the books and records of the Association during normal business hours;
- b. Receive a copy of an un-audited financial statement of the Association for the preceding fiscal year at no charge; provided, however that if an audited financial statement is desired, then one may be prepared at the expense of the party so requesting and furnished within a reasonable time following such request; and
- c. Receive current copies of the Declaration, the Articles of Incorporation of the Association and these Bylaws, as well as any rules and regulations of the Association, provided that reasonable copying charges are advanced to the Association by the party requesting copies.

5.10 Board and Owner Education. The Board shall provide education for Board members and Unit Owners in accordance with the provisions of C.R.S. §38-33.3-209.6 and C.R.S. §38-33.3-209.7.

a. The Board may authorize, and account for as a common expense, reimbursement of Board members for their actual and necessary expenses incurred in attending educational meetings and seminars regarding responsible governance of the Association. The course content of such educational meetings and seminars shall be specific to Colorado, and shall make reference to applicable sections of the Act.

b. The Board shall provide, or cause to be provided, education to Unit Owners at no cost on at least an annual basis as to the general operations of the Association and the rights and responsibilities of owners, the Association, and its Board under Colorado law. The criteria for compliance with this section shall be determined by the Board.

5.11 Annual Budget. The Board shall adopt a proposed budget annually, prior to the annual meeting of the members. Within ninety days after adoption of any proposed budget for the Association, the Board shall mail, by ordinary first-class mail, or otherwise deliver a summary of the budget to all the Unit Owners and shall set a date, which may be the date of the annual meeting, for a meeting of the Unit Owners to consider the budget. Such meeting shall occur within a reasonable time after mailing or other delivery of the summary. The Board shall

give notice to the Unit Owners of the meeting as allowed for in the Bylaws. The budget proposed by the Board does not require approval from the Unit Owners and it will be deemed approved by the Unit Owners in the absence of a veto at the noticed meeting by the majority vote of all Unit Owners entitled to vote at the meeting. In the event that the proposed budget is vetoed, the periodic budget last proposed by the Board and not vetoed by the Unit Owners must be continued until a subsequent budget proposed by the Board is not vetoed by the Unit Owners.

5.12 Audit. The Association shall be subject to the provisions of C.R.S. §38-33.3-303 and other applicable provisions of the Act regarding audits and audit procedures.

5.13 Conflicts of Interest of Board Members. Conflicts of interest of Board members shall be addressed according to the Act and to the Board Member Conflict of Interest Policy.

5.14 Insurance. The Board shall obtain and maintain insurance policies in compliance with the provisions of C.R.S. §38-33.3-313 and other applicable provisions of the Act.

5.15 Assessments for Common Expenses. Assessments for Common Expenses shall be made in accordance with these Bylaws and shall be based on a budget adopted no less frequently than annually by the Association. All Assessments shall be administered in accordance with the provisions of C.R.S. §38-33.3-315 and other applicable provisions of the Act.

5.15.1 Statutory Liens Against Units. The Association has a statutory lien for assessments levied against the Units in accordance with the provisions of C.R.S. §38-33.3-316 and other applicable provisions of the Act, and the Association shall administer liens in a manner consistent with the Act.

5.15.2 Statement of Status of Assessment Payments. Upon payment of a reasonable fee as determined by the Board, which fee shall be waived for first mortgagees, and upon the written request of any Unit Owner, prospective owner, prospective mortgagee, title insurance company or representative of a Unit Owner, mortgagee or title insurance company, delivered to the Association by certified mail, postage prepaid, return receipt requested, the Association shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to any Unit, which statement shall be delivered to the inquiring party in accordance with the provisions of the Declaration.

5.16 Enforcement. Actions of the Association with regard to violations and reimbursement for collection costs shall be made in accordance with the provisions of C.R.S. §38-33.3-123 and other applicable provisions of the Act.

5.17 Association Records. The Association shall keep financial and other records in accordance with the provisions of C.R.S. §38-33.3-317.

ARTICLE VI RULES AND REGULATIONS

6.1 Establishment of Rules and Regulations. The Board may promulgate rules and regulations from time to time, which rules and regulations shall be binding upon all Unit

Owners and all persons in the Unit Owners' control groups. Any rules and regulations promulgated by the Board shall be uniform and nondiscriminatory as to the Unit Owners, shall not become effective or enforceable until published to the Owners by mail or at any annual or special meeting of the Unit Owners, and shall constitute a governing document. The Unit Owners may promulgate, revise, amend or eliminate a rule or regulation at any annual or special meeting of the Unit Owners upon the majority vote of the Unit Owners present at such meeting at which a quorum is present. Any rule or regulation that has been promulgated, revised, amended or eliminated by the Unit Owners pursuant to this paragraph may be further revised amended or reinstated only by the Unit Owners at any annual or special meeting as authorized in this section, and may not be further revised, amended or reinstated by the Board.

6.2 Fines. The Board may adopt a system of fines for infractions of the rules and regulations and for violations of the other obligations and duties of Unit Owners contained in the governing documents, or may institute legal proceedings against any Unit Owner to enforce compliance with such rules and regulations or other obligations and duties of Unit Owners contained in the governing documents. Any system of fines shall be published to the Unit Owners along with the rules and regulations, and shall provide an offending Unit Owner the opportunity for a hearing before the imposition of any fine. Any fines imposed upon a Unit Owner, and any judgments obtained against a Unit Owner by the Association, shall be charged to such Unit Owner as a special assessment against such Unit Owner and such Unit Owner's Unit, and until paid shall constitute a lien on such Unit Owner's Unit as provided in the Declaration for unpaid assessments.

ARTICLE VII AMENDMENT OF BYLAWS

7.1 Amendment of the Bylaws. These Bylaws may be amended, modified, supplemented, revised or revoked, in whole or any part, and any provision of these Bylaws may be amended, modified, supplemented, revised or revoked, or new provisions added, by the affirmative vote of a majority of the Unit Owners who are entitled to vote and who are present in person or by proxy at any annual or special meeting of the Association at which a quorum is present. However, notwithstanding the foregoing, any provision of these Bylaws that requires a higher percentage of Unit Owners to take action on any matter shall require the same percentage to amend such provision. Amendments may be proposed by the Board or by any Unit Owner. A statement of any proposed amendment shall accompany the notice of any annual or special meeting at which such proposed amendment will be considered by the Unit Owners, and no amendment shall be considered unless and until it has been provided to the Unit Owners in advance with the notice of the meeting. If any Unit Owner timely proposes an amendment and delivers it to the Board prior to a notice of a meeting being send out, the Board is obligated to include such amendment in its notice of the meeting.

7.2 Scope of Amendments. These Bylaws may not be amended in any manner that would render these Bylaws inconsistent with the Act, the Declaration or the Articles of Incorporation of the Association.

ARTICLE VIII OBLIGATIONS OF THE OWNERS

8.1 Assessments. All Unit Owners shall pay his/her/its share of all assessments imposed by the Association as provided in the Declaration. If a Unit is owned by two or more Owners, each of such co-owners shall be jointly and severally liable for the

assessment attributable to such Unit. Assessments shall be made monthly or quarterly in the discretion of the Board and shall be due and payable on the date specified in the assessment notice. All unpaid assessments shall bear interest as provided in the Declaration, and shall be secured by a lien on the Unit by the defaulting Owner in accordance with the provisions of the Act and of the Declaration.

8.2 Maintenance and Repair.

a. Every Owner shall perform or cause to be performed at his/her/its own expense all maintenance and repair work within his/her/its own Unit necessary to maintain the Unit in a good and habitable state of repair.

b. All repairs of or to internal installations in a Unit such as water, light, gas, power, sewage, telephones, air conditioners, sanitary installations, doors, windows, electrical fixtures and all other accessories, equipment, and fixtures within or belonging to such Unit shall be at the Unit Owner's expense.

c. Each Owner shall reimburse the Association promptly upon receipt of its statement for any expenditure incurred by it in repairing or replacing any General or Limited Common Element or any Common Area damaged by the negligence, accident or intentional acts of such Owner or his/her/its tenants, invitees or guests.

8.3 Compliance with Declaration, Articles Bylaws and Rules. Each Owner shall comply with all of the provisions of the Declaration, the Articles and Bylaws of the Association, and with any rules and regulations issued by the Board. If any Owner fails to so comply, the Association shall have the power during such non-compliance: (a) to revoke the Owner's right to use the General Common Elements designed for recreational purposes; (b) to cause utility service to the Owner's Unit to be suspended; (c) to suspend the Owner's voting privileges; and/or (d) to impose a fine or other sanction as may be provided for in the Declaration, the Articles, these Bylaws and/or the rules and regulations of the Association.

ARTICLE IX MISCELLANEOUS PROVISIONS

9.1 Character of Association. The Association is not organized for profit. No Unit Owner, member of the Board, officer or person for whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from its operation. In no event shall any part of the funds or assets of the Association be paid as salary or compensation to be distributed to, or inure to the benefit of, any member of the Board, officer or Unit Owner; provided, however:

a. that reasonable compensation may be paid to any Unit Owner, Director or officer while acting as an agent of the Association for services actually rendered in effecting one or more of the purposes of the Association, and

b. that any Unit Owner, Director or officer may, from time to time, be reimbursed for such person's actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

9.2 Fiscal Policy. In the absence of a resolution of the Board providing otherwise, the fiscal policies in this section shall be observed by the Association.

9.2.1 Fiscal Year. The fiscal year of the Association shall be from July 1 of any given year through June 30 of the following year.

9.2.2 Accrual Accounting. Accrual accounting, as defined by generally accepted accounting principles, shall be employed.

9.2.3 Accounting and Controls. Accounting and controls shall conform to generally accepted accounting principles.

9.2.4 Cash Accounts. Cash accounts of the Association shall not be commingled with any other accounts.

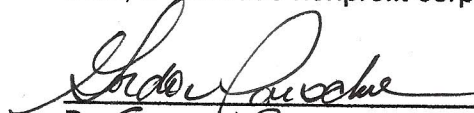
9.3 Corporate Seal. The Board shall provide for a suitable corporate seal containing the name of the Association, which seal shall be in the custody and control of the Secretary. The corporate seal shall be circular and shall have inscribed thereon the name of the Association and the word "Colorado" in the circle and the word "Seal", in the middle. If and when so directed by the Board, a duplicate seal may be kept and used by such officer or other person as the Board may determine.

9.4 Captions. The captions and headings in these Bylaws are for convenience only and shall not be considered in construing any provision of these Bylaws.

9.5 Numbers and Genders. Whenever used in these Bylaws, unless the context requires otherwise, the singular number shall include the plural and the plural shall include the singular, and the use of any gender shall include all genders.

KNOW ALL MEN BY THESE PRESENTS, that the undersigned Directors of the Board of the Buck Creek Condominium Association do hereby certify that the above and foregoing Amended and Restated Bylaws were duly adopted at the annual meeting of the Members held on the 1st day of DECEMBER, 2012, at which a quorum was present, by the affirmative vote of the Members owning representing no less than fifty-one percent (51%) of the ownership of the Common Elements, as a complete replacement for the Association's previous Bylaws, and that the above and foregoing Amended and Restated Bylaws now constitute the Bylaws of the Association.

BUCK CREEK CONDOMINIUM ASSOCIATION, INC., a Colorado nonprofit corporation



By: GORDON POESCHEL, President
and member of the Board of Directors

ATTEST:



By: KATHLEEN H. MOORE, Secretary
and member of the Board of Directors