

RECORD OF PROCEEDINGS

BY-LAWS

OF

CLEAR CREEK CONDOMINIUM ASSOCIATION

ARTICLE I

Membership and Voting Rights

Clear Creek Condominium Association is a non-profit corporation and membership of our said Association shall consist of the following:

Section 1. Owners-Members. Any person upon becoming an owner of a condominium unit in Clear Creek Condominium, shall automatically become a member of this Association and become subject to these By-Laws. Upon the sale or transfer of a condominium unit by an owner, his membership shall terminate and shall be automatically transferred to the new owner. If such condominium unit shall be owned by more than one person, all such persons shall be members. When the same person owns more than one condominium unit, the owner shall be limited to one membership in the Association. Holders of encumbrances shall not be eligible for membership nor become members of this Association.

Section 2. Directors-Members. Within 45 days of sale of the first condominium unit by the Declarant as defined in the Declaration of Condominium, a meeting of the owners will be held for the purpose of electing a Board of Directors of the Association to succeed the original Board of Directors appointed by Declarant. Each owner shall be entitled to one vote in the election of members to the Board of Directors of the Association and the Declarant shall have the number of votes represented by the unsold condominium units.

Section 3. Right to Vote. The right to vote upon Association matters shall be vested in the members of the Board of Directors, or their successors and assigns, and the owners of the condominium units. Where a unit is owned by more than one owner, such owners shall, by a written instrument, designate one of such owners to be the voting member. In the absence of such designation, the Board of Directors may designate one of the unit owners as the voting member. Only one vote shall be permitted for each condominium unit. When the same person owns more than one condominium unit, the owner shall be entitled to one vote on Association matters for each such condominium unit he owns.

Section 4. Proxies. Voting by proxy is hereby authorized provided that all proxies shall be filed with the Secretary of the Association at least 48 hours prior to the time of any meeting.

Section 5. Quorum. One-third (1/3) of the members entitled to vote shall constitute a quorum for the transaction of any business of the Association, including the election of Directors.

Section 6. Adoption of Resolutions. It shall require a vote of not less than the majority of the members present at a meeting in person or by proxy to adopt a resolution presented at a membership meeting for adoption.

ARTICLE II

Membership Meetings

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Section 1. Annual Meetings. The annual meetings of the Association shall be held on the Second Monday in the Month of August of each year, commencing with the year 1977, at such time and place as may be fixed by the Board of Directors.

Section 2. Special Meetings. Special meetings of members of the Association may be called by the President, or when directed to do so by resolution of the Board of Directors of the Association, or upon a petition signed by not less than 25% of the members entitled to vote, the same having been presented to the Secretary. A notice of any special meeting shall state the time and place of the meeting and the purpose thereof. No business shall be transacted at any special meeting except as stated in such notice, unless by agreement of more than 50% of the members present entitled to vote, either in person or by proxy.

Section 3. Place of Meeting. Meetings, both general and special, of the membership shall be held at Clear Creek Condominium, or at any other suitable place convenient to members as may be designated by the Board of Directors of the Association.

Section 4. Notice of Meeting. Notice of the annual meeting of members of the Association shall be mailed to members entitled to vote at least fifteen (15) days prior to the date fixed for such meeting. Notices of special meetings shall be given to members entitled to vote at least five (5) days before such meeting is to be held. All such notices shall be mailed by the Secretary of the Association, postage prepaid, and addressed to the member entitled to vote at his last known address shown on the records of the Association.

Section 5. Adjourned Meetings. If any meeting of the members cannot be proceeded with by reason of the fact that a quorum is not present at said meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than an announcement at the meeting, until a quorum as aforesaid shall be present or represented.

Section 6. Order of Business. The order of business at the annual meeting of the members shall be as follows:

- (a) Roll call of members present entitled to vote
- (b) Inspection and verification of proxies
- (c) Reading of minutes of the preceding annual meeting
- (d) Report of officers
- (e) President's report
- (f) Committee reports
- (g) Appointment of inspectors for canvass of ballots to be cast
- (h) Election of members of the Board of Directors
- (i) Unfinished business
- (j) New business

ARTICLE III

Board of Directors

Section 1. Number and Qualifications. The affairs and business of the Association shall be conducted by a Board of Directors consisting of not less than three nor more than nine members who shall be members of the Association and who shall be elected at the annual meeting of the Association by the members entitled to vote thereat.

Section 2. Election and Term of Office. At the first annual meeting, the members shall elect that number of directors which more nearly equals one-

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third of the authorized number of directors, such elected directors to serve for one year, and they shall elect a like number of directors to serve for two years, and they shall elect the balance of the necessary directors to serve for three years; and at each annual meeting thereafter, they shall elect the necessary number of directors to serve for three years, to replace those whose terms are expiring and to occupy any additional board memberships as authorized by the By-Laws.

Section 3. Vacancies. Vacancies in the membership of the Board of Directors caused for any reason shall each be filled by a vote of the members. A special meeting of the members to elect a new director shall be held within 45 days of the occurrence of the vacancy. Each person so elected shall serve for the unexpired term of the person replaced.

Section 4. Removal of Directors. A director may be removed as such at any regular or special meeting duly called, with or without cause, by a vote of a majority of the members entitled to vote, and a successor may then and there be elected to fill the vacancy thus created. The term of office of any Director shall be declared vacant when such Director ceases to be a member of the Association by reason of the transfer of his ownership of a condominium unit.

Section 5. Compensation. Directors shall not be paid any compensation for their services performed as such Directors. Directors may be reimbursed for actual expenses incurred in connection with their duty as such Directors.

Section 6. Organization Meeting. Within a period of ten (10) days following the election of a newly elected Board of Directors, an organization meeting shall be held at a time and place fixed by the Directors following which officers of the Association shall be elected as provided for in Article IV hereof.

Section 7. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place as shall be determined from time to time by the President of the Association or by a majority of its Board of Directors. Notice of regular meetings of the Board of Directors shall be given each Director personally or by mail, telephone or telegraph, at least three (3) days prior to the time named for such meeting.

Section 8. Special Meetings. Special meetings of the Board of Directors may be called by the President or Secretary on 48 hours notice to each Director given personally, by mail, telephone or telegraph, which notice shall state the time and place of the meeting and the purposes thereof.

Section 9. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at a meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 10. Quorum. A majority of the Board of Directors then in office shall constitute a quorum for the transaction of any business of the Association, and the acts of the majority of the Directors present at a meeting at which time a quorum was present shall be the act 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. At any adjourned meeting any business that might have been transacted at the meeting as originally called may be transacted without further notice.

Section 11. Powers and Duties. The Board of Directors of the Association shall carry on the duties and manage the affairs of the condominium known as "Clear Creek Condominium," pursuant to and in accordance with the Declaration of Condominium of Clear Creek Condominium, as filed of record with the County Clerk and Recorder of the County of Clear Creek, State of Colorado. In pursuance of the foregoing, the Board of Directors shall have the power to: adopt rules and regulations governing the use of the General Common Elements; suspend voting rights of members who are in default in the payment of assessments; and exercise all powers, duties and authority delegated to the Association. The Board of Directors shall have the duty to: keep a complete record of all acts and corporate affairs and to present a statement of same at the annual meeting; properly supervise all officers, employees and agents; fix, levy and collect assessments in accordance with the Declaration; procure and maintain adequate insurance coverages as required by the Declaration; and perform all other duties imposed by the Declaration. The Board of Directors may engage the services of a manager or managing agent, or both, to perform such duties and may delegate any or all of its powers to such manager or managing agent as it deems advisable; however, the Board of Directors when so delegating shall not be relieved of its responsibility under the Declaration of Condominium of Clear Creek Condominium. The Board of Directors may designate and remove personnel necessary for the operation, maintenance, repair, and replacement of the General Common Elements.

Section 12. Indemnification. The Association shall indemnify and hold harmless each of the members of the Board of Directors against all contractual liabilities to others arising out of contracts made by the Board of Directors upon behalf of the Association and its members, and in connection with any acts performed pursuant to the Declaration of Condominium hereinbefore referred to unless such Director or Directors are adjudged guilty of willful misconduct or malfeasance in the performance of their duties as Directors. The Association shall procure and maintain adequate officers and directors liability insurance to provide for indemnification in this Section and in Section 8 of Article IV and such indemnification in either Section shall be only to the extent covered by officers and directors liability insurance.

ARTICLE IV

Officers

Section 1. Designation. The principal officers of the Association shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by and from the Board of Directors. The officers of the Association may be combined, except that the President and Secretary shall not be the same person. Other officers may be appointed or elected by the Board of Directors from time to time.

Section 2. Election of Officers. The officers shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board of Directors.

Section 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 called for such purpose.

Section 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 President, including, but not limited to, the power to appoint committees from among the owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President shall be able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

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Section 6. Secretary. The Secretary shall have the responsibility for keeping the minutes of the meetings of the Board of Directors and the Association and such correspondence as shall be necessary and such other duties as shall from time to time be imposed on him by the Board of Directors.

Section 7. Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements of the Association, and deposit its funds in such depositories as may from time to time be designated by the Board of Directors.

Section 8. Indemnification. Officers of the Association shall be indemnified for any act they may perform upon behalf of the Association in the same manner herein provided for indemnification of members of the Board of Directors.

ARTICLE V

Rules and Regulations

The Board of Directors may, from time to time, promulgate rules and regulations governing the condominium units, the general common elements and the recreational facilities as a supplement to the conditions, covenants and provisions contained in the Declaration of Condominium of Clear Creek Condominium, of record with the County Clerk, County of Clear Creek, State of Colorado.

ARTICLE VI

Books and Records--Inspection

Section 1. Books and Records. The Board of Directors shall keep detailed, accurate records of the receipts and expenditures affecting the General Common Elements and Limited Common Elements.

Section 2. Inspection. Such books of account shall be open to inspection upon the demand of any member or his mortgagee and shall be exhibited to such owner or mortgagee at any time during the convenient weekday business hours upon reasonable request made to the Board of Directors. Such inspection by any owner may be made in person, or by agent or his attorney, and the right of inspection includes the right to make extracts or perform audits. All of the foregoing shall be at the expense of the owner. Requests for inspection shall be made in writing, directed to the President or Secretary or the Board of Directors. Upon ten (10) days' notice to the manager or Board of Directors and payment of a reasonable fee therefor, any owner shall be furnished a statement of his account setting forth the amount of unpaid assessments or other charges due and owing from such owner.

ARTICLE VII

Seal

The Board of Directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Association and the state of incorporation and the word, "Seal".

ARTICLE VIII

Amendments

These By-Laws may be amended at a regular or special meeting of the members,

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by a majority of a quorum of members present in person or by proxy. If the By-Laws are to be amended, the notice of the meeting to amend the By-Laws shall specify such. No By-Law shall be amended nor shall supplemental By-Laws be added hereto which shall be in conflict with the statutes of the State of Colorado, the Declaration of Condominium of Clear Creek Condominium, and the conditions, provisions and terms of said Declaration of Condominium of record as herein recited.

The foregoing By-Laws were duly adopted at a meeting of the Board of Directors held the day of , 1977.

Secretary