

**BYLAWS
OF
THE MEADOWS CONDOMINIUMS OWNERS' ASSOCIATION, INC.,
a Colorado nonprofit corporation**

**ARTICLE I
Purpose**

1.1 Purpose and Objective. The purpose for which this non-profit corporation is formed is to govern The Meadows Condominiums Owners' Association, Inc. (Association) in accordance with the terms and conditions of the Condominium Declaration for The Meadows Condominiums (Declaration).

1.2 Compliance. All present or future owners, tenants or future tenants, or any other person who may use the facilities of the Association are subject to the regulations set forth in these Bylaws. The mere acquisition or rental of any of the condominium units of The Meadows Condominiums or the mere act of occupancy of such condominium units shall signify that these Bylaws are accepted, ratified and will be complied with.

**ARTICLE II
Membership**

2.1 Automatic Membership. The owner (Owner) of a condominium unit (Unit) shall upon becoming such Owner be entitled and required to be a member of the Association and shall remain a member (Member) for the period of her ownership.

2.2 One Membership. There shall be one membership in the Association for each Unit. Such membership shall be appurtenant to the Unit and shall be transferred automatically by a conveyance of that Unit to any new Owner. Each membership shall be entitled to one vote, and in the event the membership is held by more than one Owner, the vote must be cast as only a single vote. Split or divided votes of membership shall not be allowed.

2.3 Number of Memberships. There shall be fifteen (15) memberships in the Association in the aggregate, being one membership for each Unit.

2.4 Transfer. No person other than an Owner of a Unit may be a Member of the Association; a membership may not be transferred except in connection with the conveyance or transfer of a Unit.

2.5 Person. The term "person" for the purpose of membership shall include a corporation, partnership, limited liability company, trust, joint venture or other legal entity that has valid title to the Unit. Any officer, director, shareholder, trustee or partner of any such entity may exercise the membership rights of the entity and shall further be entitled to serve on the Executive Board (Executive Board or Board) and as an officer of the Association.

2.6 Termination. Such membership shall terminate without any formal action whenever such person ceases to own a Unit, but such termination shall not relieve or release any such Owner from any liability or obligation incurred under or in any way connection with The Meadows Condominiums during the period of such ownership and membership in the Association, or impair any such remedies which the Executive Board of the Association or

others may have against such former Owner or Member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto.

ARTICLE III **Meetings**

3.1 Annual Meeting. The annual meeting of the Members shall be held in the month of July of each year, beginning in the year 2008, at a time and place set forth in the notice of said meeting. At the annual meeting, the Members shall elect the Executive Board and transact such other business as may properly come before it.

3.2 Special Meetings. Special meetings of the Members may be called at any time by the Executive Board or the president. Not less than ten (10) nor more than fifty (50) days in advance of any special meeting of the Members, the secretary shall cause notice to be hand delivered or sent prepaid by United States mail to the mailing address of each Member or to any other address specified in writing by the Member. The notice of any meeting of the Members shall be physically posted in a conspicuous place, provided such posting is feasible. The notice shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendments to these Bylaws or the Declaration, any budget changes, and any proposal to remove an officer or director of the Board.

3.3 Action by Written Ballot. Any action that may be taken at any annual, regular, or special meeting of Members may be taken without a meeting if the Association delivers a written ballot to every Member entitled to vote on the matter.

3.4 Electronic Notice. The Association is encouraged to provide electronic notice to Members for Member meetings. If electronic means are available, the Association must email meeting notices to Members who request it and who provide the Association with their email addresses.

3.5 Open Meetings. Special and annual meetings are open to all Members and their representatives.

3.6 Agendas. Agendas for annual meetings and special meetings shall be made available to all Members or their representatives for examination prior to the meeting.

3.7 Speaking. At an appropriate time determined by the Board, but prior to Board action on any issue under discussion, Members or their designated representatives shall be permitted to speak regarding that issue. The president of the Board may place reasonable time restrictions on persons speaking during the meeting. If more than one person wishes to address an issue and there are opposing views, the president shall provide for a reasonable number of persons to speak on each side of the issue.

3.8 Waiver of Notice. A Member may waive notice of any meeting. Such waiver shall be in writing and signed by the Member waiving said notice.

3.9 Quorum. A majority of Members of the Association in good standing and in actual attendance in person or by proxy at any annual or special meeting of the Association shall

constitute a quorum at such meeting for the purpose of transacting business. If a quorum is present, a majority vote of the Members present at such meeting in person or by proxy and entitled to vote on the subject matter shall be the act of the membership, except as otherwise required by law, the Articles of Incorporation or the Declaration.

3.10 Voting of Proxies. At all meetings of the Members, a Member may vote by proxy executed in writing by the Member or by her duly authorized attorney in fact. Such proxy shall be filed with the secretary of the Association before the meeting. No proxy shall be valid eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

3.11 Order of Business. The order of business at the annual meeting and as applicable to any special meeting shall be as follows:

- Roll call
- Proof of Notice
- Reading and approval of any unapproved minutes
- Reports of officers and committees, if any
- Election of directors
- Unfinished business
- New business
- Adjournment

3.12 Majority of Members. The term “majority of Members” shall mean the Owners of more than fifty percent of the Units.

ARTICLE IV **Executive Board**

4.1 Number of Directors. The number of directors shall be at least three, but no more than five. The number of directors may be increased or decreased by a majority vote of the Executive Board or Members.

4.2 Powers and Duties. The Executive Board shall have the powers and duties necessary for the administration of the affairs of the Association. Such powers and duties shall include but need not be limited to, the following:

4.2.1 Exercising all power, duty and authority vested in or delegated to the Executive Board or Directors under the Articles of Incorporation and Bylaws of the Association.

4.2.2 Adopting Rules and Regulations for the Association;

4.2.3 Exercising all power, duty and authority vested in or delegated to the Board under the Declaration.

4.2.4 Fixing, collecting and enforcing all assessments as provided for in the Declaration.

4.2.5 Care, upkeep and surveillance of the Condominium, including the common areas and facilities, both general and limited, if any.

4.2.6 Hiring and firing of personnel necessary for the management, maintenance and operation of the Condominium, the common areas and facilities, both general and limited, if any.

4.2.7 Exercising any and all powers granted to the Association by the Colorado Nonprofit Corporation Act and the Colorado Common Interest Ownership Act, as the same now exists or may hereafter be amended from time to time.

4.2.8 Exercising any other power permissible under applicable Colorado law.

4.2.9 Commencing and maintaining, in its own name, on its own behalf, or in the names and on behalf of The Meadows Condominiums Members who consent thereto, suits and actions to restrain and enjoin any breach or threatened breach of the Rules and Regulations of the Association.

4.3 Qualifications. All directors shall be Members of the Association.

4.4 Term of Office. Directors shall be elected at each annual meeting and shall serve for a term of one (1) year.

4.5 Elections. Elections for the Executive Board shall be by written ballot with the person receiving the highest number of ballots cast for such director vacancy being declared elected. Votes for contested positions on the Board shall be taken by secret ballot. 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.

4.6 Vacancies. The Executive Board is empowered to fill any vacancy that may occur in its own body, or among the officers of the Association, and the person so appointed to such office shall hold that office until the expiration of the term of the person she succeeds.

4.7 Compensation. No director shall be entitled to receive any compensation as a director of the Association; provided, however, that they may be reimbursed for any actual expenses incurred in the performance of her duties as a director.

4.8 Chairman and Other Roles. The president of the Association shall be the President of the Executive Board. The vice-president of the Association shall be the vice-president of the Board; the secretary of the Association shall be the secretary of the Board; and the treasurer of the Association shall be the treasurer of the Board.

4.9 Annual Meetings. The annual meeting of the Executive Board shall be held without other notice than this Bylaw immediately after and at the same place as the annual meeting of the Members of the Association.

4.10 Regular Meetings. Regular meetings shall be held at least twice a year and place to be designated in the notice of such meetings.

4.11 Special Meetings. The Board may call a special meeting by providing two (2) days written notice to the directors for emergency matters. For non-emergency matters, the Board shall provide seven (7) days notice to the directors. Such notice shall state the date, time and place of such meeting. The notice need not state the purpose of the meeting unless otherwise required by these Bylaws.

4.12 Telephonic Meetings. All members of the Executive Board may participate in a meeting of the Board by means of conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

4.13 Action Without Meeting. Any action required or permitted to be taken at any annual, regular, or special meeting of the Executive Board may be taken without a meeting if each and every member of the Board in writing either votes for such action, or votes against such action or abstains from voting AND waives the right to demand that action not be taken without a meeting.

4.14. Open Meetings. All meetings of the Board are open to every Unit Owner of the Association and their representatives as designated by a Unit Owner in writing.

4.15. Quorum. A majority of the Executive Board, as provided in Section 4.1, shall constitute a quorum for the transaction of business at any meeting of the Executive Board. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Executive Board, unless the act of a greater number of directors is required by the Articles of Incorporation, Colorado Revised Statutes, or the Declaration.

4.16 Notice. Except as otherwise stated, notice of any meeting of the Executive Board shall be given at least two (2) days prior thereto for emergency matters and seven (7) days prior thereto for non-emergency matters, by written notice delivered personally to a director or mailed to each director by United States mail or electronic mail at her address as shown on the membership roll of the Association. Any director may waive notice of any meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the expressed purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the Executive Board must be specified in a waiver of notice of such meeting.

4.17 Removal. Directors may only be removed at a meeting of the membership called in accordance with the requirements of Article III. The entire Executive Board or a lesser number may be removed, with or without cause, by a vote of sixty-seven percent (67%) of the Unit Owners in good standing present at such meeting at which a quorum is present.

ARTICLE V

Standards of Conduct and Discharging of Duties

5.1 Standards of Conduct. Each director shall discharge the director's duties as a director, including the director's duties as a member of a committee of the Board and as an

officer of the Association, and each officer with discretionary authority shall discharge the officer's duties under that authority:

5.1.1 in good faith;

5.1.2 with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and

5.1.3 in a manner the director or officer believes to be in the best interests of the Corporation.

5.2 Discharging of Duties.

5.2.1. In discharging duties, the director or officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:

- a. one or more officers or employees of the Association whom the director or officer reasonably believes to be reliable and competent in the matters presented; and
- b. legal counsel, a public accountant, or another person as to matters the director or officer reasonably believes are within such person's professional or expert competence.

5.2.2 A director or officer is not acting in good faith if the director or officer has knowledge concerning the matter in question that makes reliance otherwise permitted by subsection (a) above unwarranted.

5.2.3 A director or officer is not liable as such to the Association for any action taken or omitted to be taken as a director or officer, as the case may be, if, in connection with such action or omission, the director or officer performed the duties of the position in compliance with this section.

ARTICLE VI
Officers

6.1 Number. The officers of the Association shall be a president, vice-president, secretary and treasurer. Any two or more offices may be held by the same person.

6.2 Duties.

6.2.1 President. The president shall preside at all meetings of the Association and of the Executive Board; shall perform such other duties as may be prescribed in these Bylaws or assigned to them by the Executive Board; and shall coordinate the work of the other officers to promote the purposes of the Association. He shall perform such other duties as prescribed by law.

6.2.2. Vice-President. The vice president shall act as an aid to the president and shall perform the duties of the president in the absence or disability of that officer.

6.2.3 Treasurer. The treasurer shall have custody of all funds of the Association; shall keep a full and accurate account of receipts and expenditures; and shall make disbursements in accordance with the approved budget, as authorized by the Executive Board; shall prepare or assist in the preparation of a budget and present a financial statement at all times when requested by the Board of Directors. He shall make a full report at the annual meeting of the Association, which may be subject to audit at the direction of the Executive Board; and shall be responsible for the maintenance of such books of account and records as conform to the requirements of these Bylaws and applicable federal and state laws.

6.2.4 Secretary. The secretary shall take and preserve minutes of all meetings of the Executive Board and of the Association; shall notify Board members of all meetings; shall answer all correspondence and have custody of all files, records and other corporate documents and be responsible for their safe keeping; and shall perform all duties imposed by law for the secretary of a nonprofit corporation or imposed by the Executive Board.

6.3 Tenure. The officers set forth in this Article shall be elected at the annual meeting of the Executive Board of the Association, shall hold office until the next annual meeting of the Executive Board and until their successors have been elected and qualified.

6.4. Qualifications. The president, vice-president, secretary and treasurer shall be members of the Executive Board.

6.5 Election. The officers of the Association shall be elected by the Executive Board by ballot, oral or written, with the person receiving the majority of the ballots cast for such office being declared elected.

6.6 Vacancy. A vacancy in any office because of the death, resignation, removal, disqualification or inability to act shall be filled by the Executive Board for the unexpired portion of the term of that office. An officer may be removed by the Executive Board without cause.

ARTICLE VII

Contracts, Loans, Checks and Deposits

7.1 Contracts. The Executive Board by majority vote may authorize by resolution any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association. Such authority may be general or confined to specific instances.

7.2 Loans. No loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Executive Board. Such authority may be general or confined to specific instances.

7.3 Checks, Drafts, etc. All checks, drafts or other orders for payment of money, notes, or other evidences of indebtedness issued in the name of the Association shall be signed by the agent of the Association.

7.4 Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Executive Board may elect.

ARTICLE VIII **Association Records**

8.1 Permanent Records. The Association shall keep the following as a permanent record: 1) minutes of all Unit Owner, and Board meetings; a record of all actions taken by the Unit Owners or Board by written consent instead of holding a meeting; 3) a record of all actions taken by a committee of the Board: and 4) a record of all waivers of meeting notices of unit owners, Board members or any committee members.

8.2 List. The Association must maintain a record of all Unit Owners that allows preparation of a list of the names and addresses of all Unit Owners that shows the number of votes each Unit Owner is entitled to vote.

8.3 Written Form. Association records must be maintained on written form or in another form that can be converted into written form.

8.4 Inspection of Records. The Association must make all financial and other records available during normal business hours, on notice of five (5) business days, for examination and copying by any Unit Owner if the following conditions are met: 1) the request was made in good faith and for the proper purpose; 2) the request describes with reasonable detail the records sought and why; and 3) the records are relevant to the purpose of the request.

8.5 Governing Documents. In addition to those permanent records as set forth above that the Association is required to keep, the Association must keep a copy of each of the following records at its principal office: 1) the Articles of Incorporation or other applicable organizational documents; 2) the Bylaws; 3) the Declaration or Covenants; 4) resolutions adopted by the Board that affect Unit Owners; 5) the minutes of all Unit Owners' meetings and records of action taken by Unit Owners without a meeting for the past three (3) years, when applicable; 6) all written communications within the past 3 years to Unit Owners; 7) a list of the names and addresses, business and home, of its current directors and officers; 8) its most recent annual report, if any; and 9) all financial reviews and audits or reviews if any.

ARTICLE IX **Fiscal Year**

The fiscal year of the Association shall begin on the 1st day of August and terminate on the 31st day of July of each year.

ARTICLE X
Waiver of Notice

Whenever any notice is required to be given to any member or director of the Association under the provisions of these Bylaws or under the provisions of the laws of the State of Colorado, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XI
Indemnification

The Association shall indemnify every officer or director and their heirs, executors and administrators against all loss, costs and expense, including attorneys' fees, reasonably incurred by them in connection with any action, suit or proceeding to which they may be made a party by reason of their being or having been an officer or director of the Association, except as to matters as to which they 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 persons to be indemnified have not been guilty of gross negligence or willful misconduct in the performance of their duties as such officer or director in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such officer or director may be entitled. All liability, loss, damage, costs and expenses incurred or suffered by the Association by reason of or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expenses; provided, however, that nothing in this Article shall be deemed to obligate the Association to indemnify any Member who is or has been an officer or director of the Association with respect to any duties or obligations assumed or liabilities incurred by them under and by virtue of the Declaration as an individual Owner of a Unit covered hereby and not as a director of the Association.

ARTICLE XII.
Transactions with Interested Directors

A "transaction with interested directors" is one to which the Association is a party and in which one or more of the directors has a material financial interest. It shall be the obligation of the director or directors to inform the Association, as soon as the interest is known or suspected, when such a transaction exists. The Board shall not approve such a transaction except as follows: the Board may approve a transaction with an interested director(s) if the Board determines, with sufficient findings, that the transaction is undertaken for the Association's own benefit, and is fair and reasonable to the Association; and the Board determines after reasonable investigation that this Association could not have obtained a more advantageous arrangement with reasonable effort under the circumstances. Such determinations must be made by the Board, in good faith, with knowledge of material facts concerning the transaction and the interested director's(s') interest in the transaction. The interested director(s) may participate in the discussions but shall not vote on that issue.

ARTICLE XIII
Obligation of the Condominium Unit Owners

13.1 Assessments. Except as is otherwise provided in the Declaration, all Unit Owners shall be obligated to pay the regular and any special assessments imposed by the Association to meet the common expenses of the Association as set forth in the Declaration. A Member shall be deemed to be in good standing and entitled to vote at any annual meeting or at a special meeting of Members, within the meaning of these Bylaws if, and only if, such Members shall have fully paid all assessments made or levied against them and the Unit owned by them as of the date of such meeting. The Association shall have the authority to impose liens for nonpayment as set forth in the Declaration.

13.2 Rules and Regulations. The Executive Board shall have the power to establish, make and enforce compliance with such rules and regulations as may be necessary for the operation, use and occupancy of The Meadows Condominiums with the right to amend the same from time to time.

ARTICLE XIV
Lien for Non-Payment of Fees

All costs, charges and fees billed in the manner above set forth and not paid within thirty (30) days from the date of billing, together with interest thereon as set forth in the Declaration, shall constitute a lien on the Condominium Unit of the non-paying Unit Owner in favor of the Association. Such lien shall be superior to all other liens and encumbrances upon such Condominium Unit except only:

14.1 Tax and assessment liens on the condominium units, or any liens of any governmental authority; and

14.2 All sums unpaid on a first mortgage or Deed of Trust of record.

Provided further, the Association shall have all such powers granted to it as to the enforcement, lien priority, and rights of collection as are set forth in the Colorado Common Interest Ownership Act as now exists and as may be hereafter amended from time to time.

To evidence such lien, the Association may prepare a written notice of lien setting forth the amount of the unpaid bill, the name of the record Owner of the Units and a description thereof. Such notice may be recorded in the records of Gunnison County, Colorado. Such lien shall attach from the date of failure of payment of the bill, and will include the amount of the bill remaining unpaid, accrued interest thereon, and all fees and costs incurred by the Association in the preparation and recording of said notice of lien and a release thereof. Said lien may be enforced by foreclosure in the same manner as foreclosure of a mortgage. In such foreclosure, the Unit Owner shall be required to pay the costs and expenses for such proceedings, the costs and expenses for filing the notice of lien and all reasonable attorneys' fees incurred by the Association. The Unit Owner shall also be required to pay to the Association the monthly bills for the Unit during the period of foreclosure. The Association shall have the power to bid in the Units at foreclosure sale and to acquire, hold, lease, mortgage and convey the same.

ARTICLE XV
Amendments

These Bylaws may be altered, amended or repealed and new bylaws adopted by the Executive Board at any regular meeting upon an affirmative vote of not less than two-thirds of the entire membership of the Executive Board.

CERTIFICATE OF ADOPTION

I hereby certify that the foregoing Bylaws consisting of 11 pages, including this page, constitute the Bylaws of The Meadows Condominiums Owners' Association, Inc. as adopted by the Executive Board, on the 6th day of July 2008.

Frank Stern
, Secretary