

RESTATED BY-LAWS

OF THE

COUNTRY CLUB TOWNHOMES CORPORATION

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**Restated By-Laws of the
Country Club Townhomes Corporation**

**ARTICLE I
GENERAL**

1.1 Purpose. The purpose for which this nonprofit corporation, herein referred to as the "Association", is formed is to govern the condominium property located in Pitkin County, Colorado, which is otherwise known as the Country Club Townhomes. The applicable property has been submitted to the provisions of the Colorado Condominium Ownership Act by the Amended and Restated Condominium Declaration for the Country Club Townhomes dated January 12, 1981 and recorded February 8, 1981, in the office of the Clerk and Recorder, Pitkin County, Colorado, in Book 403 at Page 179 (the "Declaration"). Terms which are defined in the Declaration shall have the same meaning when used in these Restated By-Laws, unless the context clearly requires otherwise.

1.2 Binding Effect. All present and future Owners, lessees or any other person who might reside in a Unit or use the Common Elements in any manner are subject to the regulations set forth in these Restated By-Laws. The mere acquisition, rental or occupancy of any Condominium Unit will signify that these Restated By-Laws are accepted, ratified and will be complied with.

**ARTICLE II
MEMBERSHIP AND VOTING RIGHTS**

2.1 Membership. All Owners are automatically Members of the Association. Such membership shall automatically cease upon termination of an ownership interest in a Condominium Unit. Membership is appurtenant to a Condominium Unit and may not be separately conveyed, encumbered or abandoned.

2.2 Voting Rights. The Association shall have one class of voting membership. Each Owner shall be entitled to one vote for each Condominium Unit owned.

2.3 Cumulative Voting. Cumulative voting shall not be permitted in the election of Managers.

2.4 Majority Vote. Unless otherwise expressly provided in these Restated By-Laws or the Declaration, any action which may be taken by the Association shall be taken by a majority vote of a quorum of the Membership.

2.5 Quorum. Except as otherwise provided in these Restated By-Laws, the presence in person or by proxy of Members representing at least 25% of the total votes of the Association then entitled to be cast, shall constitute a quorum of the Membership. Members present at a duly called and held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

2.6 Proxies. Votes may be cast in person or by proxy. All proxies shall be in writing and must be filed with the Secretary before the appointed time of each meeting. Each proxy shall be revocable and shall automatically cease to be effective on the earlier of one year from the date of the proxy, or, if applicable, after completion of the particular meeting for which the proxy was filed, or upon conveyance by the Member of title to his Condominium Unit.

2.7 Secret Ballot.

The following voting scenarios shall be conducted by Secret Ballot:

(a) Contested elections of Board members (i.e. elections in which there are more candidates than open positions).

(b) Where twenty percent (20%) of the Owners who are present at the meeting or represented by proxy, and a quorum has been achieved, request a secret ballot on any matter affecting the common interest community on which all unit owners are entitled to vote.

Each owner entitled to vote pursuant to the Bylaws shall receive a ballot. The ballot shall contain no identifying information concerning the ballot holder, and ballots shall be counted by a neutral third party or a committee of volunteer Owners selected by the President in a fair and open manner (and shall not, in any event, be board members or, in the case of contested Board elections, candidates). The results shall omit names, addresses, or other identifying information of unit owners participating in the vote.

In the event an Owner holds a proxy for another Owner, upon presentation of such proxy to the Secretary of the Association or the Secretary's designee, the owner shall receive a secret ballot to cast the vote of the Owner who provided the proxy. The proxy shall be kept and retained by the Association.

ARTICLE III ADMINISTRATION

3.1 Place of Meetings. Meetings of the Members shall be held at such suitable place in Town of Snowmass Village, Pitkin County, Colorado as may be designated by the Board of Managers.

3.2 Regular Meetings. Regular meetings of the Association shall be held annually on a date selected by the Board of Managers between December 15 of a given year and January 15 of the following year.

3.3 Special Meetings. It shall be the duty of the President to call a special meeting of the Members, as directed by resolution of the Board of Managers, or upon a petition stating the purpose for the meeting signed by Members having 25% of the votes of the Association and presented to the Secretary.

3.4 Attendance. Each first priority Mortgagee of a Condominium Unit or of

Association Property which is real property may designate a representative to attend all special and regular meetings of Members. Meetings shall be open to attendance by all Members and any persons holding currently valid voting proxies of Members.

3.5 Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each regular or special meeting to each Member of record and to each first priority Mortgagee of a Condominium Unit if such Mortgagee has filed a written request for such notice with the Secretary at least ten days prior to any such meeting. The notice shall state the purpose of the proposed meeting or that it is a regular meeting, as well as the day, hour and place where it is to be held. Each notice must be sent by first class mail, postage prepaid, at least ten days prior to the date of the proposed meeting. If no other address has been furnished the Secretary, notice shall be deemed to have been given to a Member if mailed to his Unit. The notice may set forth time limits for speakers and nominating procedures for the meeting. No business shall be transacted at a special meeting except as stated in the notice, unless by consent of Members present, either by person or by proxy, representing at least 50% of the votes of the Association.

3.6 Adjournment. If any meeting cannot be organized because a quorum has not attended, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is obtained. Adjourned meetings may be reconvened only upon the giving of further notice as above provided.

3.7 Action Without Meeting.

3.7.1 Action By Written Instrument. Any action which, under the provisions of the Revised Colorado Non-Profit Corporation Act, may be taken at a meeting of the Members, may be taken without a meeting if such action is authorized by a writing signed by all of the Members who would be entitled to vote at a meeting and filed with the Secretary.

3.7.2 Action by Written Ballot. Any action that may be taken at any regular or special meeting of the Members may be taken without a meeting if the Secretary delivers a written ballot to every Member entitled to vote on the matter. The written ballot shall set forth the proposed action, the number of responses needed to meet the quorum requirements, the percentage of approvals needed to approve each matter, the time by which the ballot must be received by the Association to be counted, and shall provide an opportunity to vote for or against each proposed action. Approval by written ballot shall be valid only when the number of votes cast equals or exceeds a quorum and the action is approved by the number of votes that would be required for approval if the action were taken at a meeting.

3.8 Order of Business. The order of business at all regular meetings of the Members shall be as follows:

- (a) Roll call;
- (b) proof of notice of meeting or waiver of notice;
- (c) reading of minutes of the preceding meeting;
- (d) report of officers;
- (e) report of committees;
- (f) election of Managers;
- (g) unfinished business; and
- (h) new business.

All meetings of the Members shall be conducted by the officers of the Association.

3.9 Waiver. The transaction of business at any regular or special meeting of the Members, however called and noticed, shall be valid as though transacted at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if, either before or after the meeting, each of the Members not present in person or by proxy signs a written waiver of notice, a consent to the holding of such meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

3.10 Records.

3.10.1 Form of Records. The Association shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

3.10.2 Governing Documents. The Association shall maintain at its principal office, in addition to any other requirements herein, a copy of:

- (a) Articles of Incorporation;
- (b) Declaration/Covenants;
- (c) Bylaws;
- (d) All written communications directed generally to all owners within the last three years;
- (e) Names and addresses of the current officers and directors;
- (f) Most recent annual report, if any; and
- (g) All financial audits of reviews conducted during the preceding three years.

3.10.3 Meeting Minutes. The Association shall keep as permanent records minutes of all meetings of unit owners and the Board, a record of all actions taken by the owners or the Board by written ballot, resolution, or written consent in lieu of a meeting, a record of all actions taken by a committee of the Board on behalf of the Association, and a record of all waivers of notices of meetings of owners and of the Board or any committee of the Board.

3.10.4 Statement of Unpaid Assessments. The Association shall keep financial records sufficiently detailed to enable the Association to issue statements of unpaid assessments within fourteen days of a request by a unit owner or one holding a security interest. Upon

written request by any unit owner or holder of a security interest, the Association shall provide, to such unit owner or the owner's designee or the holder of a security interest or its designee, a written statement setting forth the amount of unpaid assessments currently levied against such owner's unit, if any. That statement shall be furnished within fourteen calendar days after receipt of the request, shall be delivered personally or by certified mail, return receipt requested, and is binding on the Association, the Board, and every owner.

3.10.5 Owner Information. The Association shall maintain a record of owners in a form that permits preparation of a list of the names and addresses of all owners, showing the number of votes each owner is entitled to vote.

3.10.6 Owner Inspection. An owner may inspect the records of the Association if the owner first makes written request describing with particularity the records sought and the purpose of the request, the records are relevant to the purpose of the request, and the request is made in good faith and for a proper purpose. Following a proper request, all records shall be made reasonably available for examination and copying by the owner and the owner's authorized agents. As used in this section, "reasonably available" means available during normal business hours upon five business days' notice, or at the next regularly scheduled meeting if such meeting is scheduled to occur sooner. THE FOREGOING NOTWITHSTANDING, A MEMBERSHIP LIST OR ANY PART THEREOF MAY NOT BE OBTAINED OR USED BY ANY PERSON FOR ANY PURPOSE UNRELATED TO AN OWNER'S INTEREST AS AN OWNER WITHOUT THE EXPRESS WRITTEN CONSENT OF THE BOARD. WITHOUT LIMITING THE BOARD'S DISCRETION, THE MEMBERSHIP LIST MAY NEVER BE USED TO SOLICIT MONEY OR PROPERTY (OTHER THAN TO SOLICIT OWNER VOTES IN AN ELECTION HELD BY THE ASSOCIATION), NOR FOR ANY COMMERCIAL PURPOSE, AND MAY NEVER BE SOLD OR PURCHASED BY ANY PERSON.

3.10.8 Fee. The Association may charge a fee, which may be collected in advance but which shall not exceed the Association's actual cost per page, for copies of Association records.

ARTICLE IV BOARD OF MANAGERS

4.1 Managers. The affairs of the Association shall be governed by a Board of Managers composed of seven persons, all of whom either must be Members or agents of a Member which is a corporation, a partnership, a trust, or other legal entity. The Board may increase or decrease, by resolution, the authorized number of Managers, but only Members shall have the right to elect the new Managers. Managers shall not receive any salary for their services as Managers, but any Manager may serve the Association in some other capacity and receive compensation therefor, and any Manager may be reimbursed for his actual expenses incurred in the performance of his duties as a Manager.

4.2 General Powers. The Board has the powers and duties necessary for the administration of the affairs of the Association and may do all acts which are not by law,

the Declaration or these Restated By-Laws directed to be exercised exclusively by the Members. The Board shall not enter into any service contract for a term exceeding four years without the approval of the Members, except for any contract with a public utility company which requires a term in excess of four years or any maintenance contract with the seller or entity related to the seller of an asset which the Association has purchased or leased.

4.3 Specific Powers. Without limitation on the general powers stated in Section 4.2, the Board is vested with, and responsible for, the following powers and duties:

(a) To select, appoint and remove all officers, agents and employees of the Association, to prescribe such powers and duties for them as may be consistent with law, the Articles of Incorporation, the Declaration and these Restated By-Laws, to fix their compensation and to require from them security for faithful service when and in the amount deemed advisable by the Board;

(b) to conduct, manage and control the affairs and business of the Association;

(c) to change the principal office for the transaction of the business of the Association from one location to another within Town of Snowmass Village, Colorado, to designate any place within Town of Snowmass Village, Colorado for the holding of any regular or special meeting of Members and to adopt and use a corporate seal and to alter the form of such seal from time to time, as the Board in its sole judgment may deem best and in compliance with the provisions of law;

(d) to borrow money and to incur indebtedness for the Association, but only upon approval of the Members if the debts outstanding at any one time exceed \$100,000 and to cause to be executed and delivered therefor, in the Association's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities therefor;

(e) to prepare the Association's annual budget for approval of the Members, to fix and levy from time to time assessments upon the Owners, as provided in the Declaration, to determine and fix the due date for the payment of installments of such assessments and the date upon which the same shall become delinquent and to hold all funds collected by reason of such assessments for the Owners and in accordance with the purpose for which the assessments were collected. The Board need not invest the reserves of the Association. If the Board does invest Association reserves, the Board shall make investment decisions in good faith, with the care an ordinary prudent person in a like position would exercise under similar circumstances, and in a manner the Board reasonably believes to be in the best interests of the Association. Investment decisions shall be weighted towards preservation of principal and protection against inflation, rather than growth;

(f) to enforce the provisions of the Declaration, these Restated By-Laws, its rules, deed restrictions and covenants or other agreements of the Association;

(g) to contract for and pay the premiums for insurance coverage in accordance with provisions of the Declaration and to review, not less frequently than annually, all insurance policies and bonds obtained by the Board;

(h) to contract for and pay maintenance, gardening, snow removal, utilities, materials and supplies and services relating to the Common Elements and Association Property and to employ personnel necessary for the operation of the Property, including legal and accounting services, to contract for and pay for alterations, improvements and maintenance;

(i) to delegate, subject to the approval of the Members, its powers according to law;

(j) to adopt and amend these Restated By-Laws;

(k) to grant, for the Association on behalf of itself and as attorney-in-fact for the Owners, easements to and over the Common Elements or Association Property;

(l) to take and hold by purchase, gift or otherwise real and personal property for the Association, to exercise all of the rights, powers and privileges of ownership to the same, and to use, manage, mortgage, sell, transfer, lease, license or otherwise dispose of any such property or any interest therein;

(m) to adopt such rules consistent with the Declaration, the Articles of Incorporation and these Restated By-Laws as the Board may deem necessary for the management and operation of the Property, which rules shall become effective and binding on the date a resolution of the Board is adopted relating to such action;

(n) to engage the services and set the compensation of a manager or managing agent to perform such duties and services as the Board shall authorize, including but not limited to the duties listed in Section 4.3 other than this subparagraph (n); and

(o) to establish orderly procedures for an impartial hearing upon notice to any Owner who is alleged to be in default in paying his assessments or the installments thereof or to have violated the Declaration, Articles of Incorporation, these Restated By-Laws or the Association's rules.

4.4 Election of Managers. Managers shall serve for a term of one year, or until their successors have duly been elected. All seven Managers, or such number of Managers as increased or decreased by the Board pursuant to Section 4.1 above, shall be elected by the

Owners each year at the regular meeting.

Any Member serving as Manager may be re-elected, and there shall be no limitation on the number of terms during which he or she may serve. Any person desiring to be a candidate for Manager shall submit a written statement to that effect to the Secretary, signed by the candidate, or be nominated orally by another Member at the meeting at which the voting is to occur, at any time prior to the election.

4.5 Vacancies. Vacancies on the Board caused by any reason other than the removal of a Manager by a vote of the Members shall be filled by a vote of the majority of the remaining Managers, even though they may constitute less than a quorum, and each person so elected shall be a Manager until a successor is elected at the next regular meeting of the Members or at a special meeting of the Members called for that purpose. A successor shall be elected for the unexpired term of his predecessor in office. A vacancy shall be deemed to exist in the case of death, resignation, an adjudication of the incompetence of any Manager, or in the case the Members fail to elect the full number of authorized Managers at any meeting at which such election is to take place.

4.6 Removal. At any regular or special meeting of the Members duly called and at which a quorum is present in person or by proxy, if the prior notice of the meeting states this as one of its purposes, any one or more of the Managers may be removed with or without cause, by a vote of the majority of the Members present in person or by proxy then entitled to vote at an election of Managers, and a successor may then and there be elected to fill the vacancy thus created. A successor shall be elected for the unexpired term of his predecessor in office. Any Manager whose removal has been proposed by any Member shall be given an opportunity to be heard at the meeting, if he or she is present. If any one or all of the Managers are removed, the new Managers may be elected at the same meeting.

4.7 Board Meetings. At least one meeting of the Board shall be held during each fiscal year. The first meeting of the newly elected Board shall be held as soon as, practicable following the meeting at which the Board is elected. Other regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by the Managers. Notice of regular meetings of the Board (other than the first meeting of the newly elected Board) shall be given by the Secretary to each Manager, personally or by mail, telephone or facsimile transmission, at least two days prior to the date set for such meeting.

4.8 Special Board Meetings. Special meetings of the Board may be called by the President or, if he or she is absent or refuses to act, by the Vice President or by any two Managers. At least two days' notice shall be given by the Secretary to each Manager, personally or by mail, telephone or facsimile transmission. Such notice shall state the time, place and purpose of the meeting. If service is by mail, each such notice shall be sent, postage prepaid, to the address reflected on the records of the Association and shall be deemed given, if not actually received earlier, at 5:00 p.m. of the second day after it is deposited in a regular depository of the United States mail. Whenever any Manager has been absent from any special meeting of the Board, an entry in the minutes to the effect that

notice has been duly given shall be conclusive evidence that due notice of such meeting was given to such Manager.

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

4.10 Quorum. At all meetings of the Board, a majority of the Managers shall constitute a quorum for the transaction of business, and the acts of the majority of the Managers present at a meeting at which a quorum is present shall be the acts of the Board. If at any meeting of the Board there is less than a quorum, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, which shall be reconvened only upon the giving of notice as above provided, any business which might have been transacted at the meeting as originally called may be transacted.

4.11 Proxies. Votes of the Managers may be cast in person or by proxy granted to another Manager who is present at a meeting of the Managers. All proxies shall be in writing and signed, authorizing the other Manager to cast the vote that is directed to be cast by the written proxy with respect to the particular proposal that is described with reasonable specificity in the proxy.

4.12 Action by Managers. The Managers shall have the right to take any action without a meeting which they could have taken at a meeting by obtaining the vote or written consent of all the Managers. Any action so approved shall have the same effect as though taken at a meeting of the Board.

4.13 Committees. The Board may, by resolution, from time to time designate such committees as it shall desire and may establish the purposes and powers of each such committee created. The resolution designating and establishing the committee shall provide for the appointment of its members, as well as a chairman, shall state the purposes of the committee and shall provide for reports, termination and other administrative matters as deemed appropriate by the Board.

4.14 Board Conflicts. Conflicts of Interest transactions involving the Board shall be handled in accordance with C.R.S. § 38-33.3-310.5 and § 7-128-501. These policies shall be periodically reviewed by the Board.

ARTICLE V OFFICERS

5.1 Officers. The Association shall have a President, one or more Vice Presidents, a Secretary and a Treasurer (who may be the secretary). All such officers shall be elected by the Board and hold office at its pleasure. Only the President need be a

Manager, although other officers may be Managers.

5.2 Removal. Upon an affirmative vote of a majority of the entire Board, any officer may be removed, either with or without cause, and his or her successor elected. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary, such resignation taking effect at the date of receipt of the notice or at any later time specified therein, and unless otherwise specified in the notice, acceptance of such resignation by the Board shall not be necessary to make it effective.

5.3 Compensation. Officers, agents and employees shall receive such reasonable compensation for their services as may be authorized or ratified by the Board. Appointment of any officer, agent or employee shall not of itself create contractual rights of compensation for services performed by such partner, officer, agent or employee.

5.4 President. The President shall be the chief executive officer of the Association. He or she shall preside at all meetings of the Association and of the Board. He or she shall have all of the general powers and duties which are usually vested in the office of the President of a corporation, including but not limited to the power to appoint committees from among the Members from time to time as he or she may deem appropriate to assist in the conduct of the affairs of the Association. The President shall be ~~an~~ officio a member of all standing committees and shall have such other powers and duties as may be prescribed by the Board or these Restated By-Laws.

5.5 Vice President. The Vice President in the order designated at the time of election, if more than one, shall take the place of the President and perform his or her duties whenever the President shall be absent, disabled, unwilling or unable to act. If neither the President nor any Vice President is able to act, the Board shall appoint some 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 or her by the Board or these Restated By-Laws.

5.6 Secretary. The Secretary shall keep the minutes of all meetings of the Board and the minutes of all meetings of the Association at the principal office of the Association or at such other place as the Board may order. The Secretary shall perform all other duties given to him or her by the Board or these Restated By-Laws. The Secretary shall keep the seal of the Association, shall have charge of such books and papers as the Board of Managers may direct, shall give or cause to be given notices of meetings of the Members and of the Board, shall maintain a book of record Members listing the names, addresses and telephone numbers of the Members as furnished to the Association and shall ascertain, certify and record the outcome of all votes taken by the Managers or the Members, as the case may be. The Secretary shall also be responsible for all filings required by law, except tax returns.

5.7 Treasurer. The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping, or causing to be kept, full and accurate

accounts, tax records and business transactions of the Association, including accounts of all assets, liabilities, receipts and disbursements and books belonging to the Association. The Treasurer's books and records shall be open to inspection by all Owners and first priority Mortgagees at convenient weekday business hours. The Treasurer shall make a report, at least once annually, to the Board containing the Association's balance sheet as of the end of the fiscal period covered by the report and a statement of the Association's income and expenses for the same period. The Board shall cause to be transmitted a summary of the Treasurer's Report to each Member. The Treasurer shall be responsible for keeping the assessment roll required in the fiscal management of the Association and for filing tax returns as required by law.

ARTICLE VI FISCAL MANAGEMENT

6.1 Assessment Roll. The Treasurer shall maintain an assessment roll which shall include a separate account for each Condominium Unit. Such account shall designate the name and address of the Owner, the amount of each assessment against the Owner, the due dates of all assessment installments, the amounts paid by the Owner and all unpaid assessments.

6.2 Statement of Assessments. Upon written request of any Owner, Mortgagee or prospective purchaser of any Condominium Unit to the Treasurer, and payment of a reasonable service fee established by the Association, the Treasurer shall issue a written statement of the unpaid assessment receivable or other charges due and owing from the Owner for the Condominium Unit involved, and such statement shall be conclusive upon the Association if the person to whom it is given relies upon it in good faith. If the statement is not given within three days of the making of an authorized request for it, the person making the request shall, as against the Association, be entitled to assume that no assessments or other charges are unpaid, unless the lien securing the same shall have been recorded in the land records in Pitkin County, Colorado or unless the person making the request has actual notice that assessments or other charges are unpaid.

6.3 Budget. It shall be the responsibility of the Board to see that an orderly budgeting procedure is maintained. Assessments shall be in an amount sufficient to pay for the Common Expenses, including a reasonable reserve for working capital, repairs and replacements. Regular assessments shall be in an amount at least sufficient to pay for the following services and expenses on a normal basis: grounds maintenance (including gardening and snow removal), upkeep of any facilities, insurance, trash removal, service and leasing contracts (including water, utilities and sewage) for the Association and the Common Elements, printing supplies and postage, employees' compensation and taxes paid by the Association.

6.4 Fiscal Year. The Board shall, by resolution, fix a suitable fiscal year, which shall be the Association's budgeting and accounting period. The assessments against Owners shall be prepared, levied and collected at such times and in such manner as to insure

that sufficient funds are available for budgeted expenditures and operations when needed.

6.5 Notice of Mortgage. Every Owner who mortgages his Condominium Unit shall notify the Association through the managing agent or the Secretary of the name and address of his Mortgage. The Secretary shall maintain such information in records established for that purpose. Any such Owner shall notify the Association in the same manner of the release or discharge of any such Mortgage.

ARTICLE VII MISCELLANEOUS

7.1 Indemnity.

(a) Each Manager, officer, committee member or employee of the Association (collectively the "Indemnitee") shall be indemnified and held harmless by the Association, to the fullest extent permitted under law, from and against any and all losses, liabilities, expenses, judgments, compromises, settlements and other amounts arising from claims, demands, investigations, actions, suits or proceedings, whether civil, criminal or administrative, in which the Indemnitee may be involved, as a party or is threatened to be made a party or otherwise, because the Indemnitee is or was a Manager, officer, committee member or employee of the Association, provided that such Indemnitee's conduct was in good faith and the Indemnitee reasonably believed that, in the case of conduct in an official capacity with the Association, the conduct was in the best interest of the Association, and in all other cases the conduct was at least not opposed to the Association's best interests. In the case of any criminal proceeding, the Indemnitee must have had no reasonable cause to believe the conduct was unlawful before he/she may be indemnified under the terms of this Section. The indemnification rights provided in this Section shall: (i) be in addition to any rights to which the Indemnitee may otherwise be entitled by contract or as a matter of law, (ii) extend to the Indemnitee's successors and assignees, (iii) apply to any action in the Association's right to procure a judgment in favor of the Association, and (iv) include indemnification against expenses, including legal, accounting and audit fees and expenses and cost of investigation reasonably incurred by the Indemnitee in connection with the defense of any action to which the Indemnitee may be made a party. However, if the Association indemnifies an Indemnitee under this Section in connection with a proceeding by or in the right of the Association, the Association shall give written notice of the indemnification to the Members with or before the notice of the next Members' meeting. If the next Member action is taken without a meeting at the instigation of the Board of Managers, such notice shall be given to the Members at or before the time the first Member signs a writing consenting to such action.

(b) Notwithstanding the foregoing, the Association may not indemnify any Manager, officer, committee member or employee of the Association: i) in connection with a proceeding by or in the right of the Association in which the Manager, officer, committee member or employee of the Association was adjudged

liable to the Association; or ii) in connection with any other proceeding charging that the Manager, officer, committee member or employee of the Association derived an improper personal benefit, whether or not involving action in an official capacity, in which proceeding the Manager, officer, committee member or employee of the Association was adjudged liable on the basis that the director derived an improper personal benefit.

(c) The Association shall advance to the Indemnitee payments for legal expenses and other related costs incurred as a result of any threatened or pending action, but only if: (i) the action relates to the Indemnitee's relationship to or involvement with the Association, (ii) the action is not threatened or initiated by or in the right of the Association, (iii) the Indemnitee furnishes to the Association a written affirmation of the Indemnitee's good faith belief that the Indemnitee has met the requirements for indemnification set forth in Subsection (a) of this Section, (iv) the Indemnity furnishes to the Association a written undertaking, executed personally or on the Indemnitee's behalf, to repay the advance if it is ultimately determined that the Indemnitee did not meet the requirements for indemnification, and (v) a determination is made that the facts then known to those making the determination would not preclude indemnification under this Section.

(d) The Association may not indemnify an Indemnitee under Subsection (a) of this Section unless authorized in the specific case after a determination has been made that indemnification is permissible in the circumstances because the Indemnitee has met the standard of conduct set forth in said Subsection (a). The Association shall not advance expenses to an Indemnitee under Subsection (c) of this Section unless authorized in the specific case after the written affirmation and undertaking required by said Subsection (c) are received and the determination required by said Subsection (c) has been made. The determinations required by this Subsection shall be made: (i) by the Board of Managers by a majority vote of those present at a meeting at which a quorum is present, and only those Managers not parties to the proceeding shall be counted in satisfying the quorum; or (ii) if a quorum cannot be obtained, by a majority vote of a committee of the Board of Managers designated by the Board of Managers, which committee shall consist of two or more Managers not parties to the proceeding; except that Managers who are parties to the proceeding may participate in the designation of Managers for the committee.

(e) The Association may, at the discretion of the Board of Managers, indemnify and/or advance expenses to any fiduciary or agent of the Association to the same extent as to a Manager, officer, committee member or employee of the Association pursuant to the requirements of this Section.

7.2 Conflicts Null and Void. In case any of these Restated By-Laws conflict with any provisions of the laws of the State of Colorado, the Articles of Incorporation or the Declaration, such conflicting Restated By-Laws shall be null and void, but all other Restated By-Laws shall remain in full force and effect.

7.3 Amendment. These Restated By-Laws may be amended by the Association in a duly constituted meeting of the Members for such purpose, or by the Board pursuant to Section 4.3(j), above.

7.4 Copy of Restated By-Laws. This Association shall keep in its office for the transaction of business the original or a copy of these Restated By-Laws, as amended from time to time, certified by the Secretary, which shall be open to inspection by the Members and first Mortgagees at reasonable times during office hours. The foregoing Restated By-Laws the Country Club Townhomes Corporation were discussed at a duly-called meeting of the Board of Managers on September 26, 2011, at which time the Managers were given an opportunity to review and approve or reject the proposed changes to the Bylaws. These Bylaws were approved on October 4, 2011, by the affirmative vote of all Managers.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify that:

1. I am the duly elected and acting Secretary of the Country Club Townhomes Corporation, a Colorado nonprofit corporation; and

2. The foregoing Restated By-Laws comprising 18 pages including the Table of Contents and this page constitute the Restated By-laws of the corporation presented and discussed at the meeting of the Board of Managers held September 26, 2011, and duly adopted by the affirmative vote of all Managers on October 4, 2011, without further meeting.

In Witness Whereof, I have hereunto subscribed my hand and affixed the seal of the corporation this ____ day of October, 2011.

Secretary