

BY-LAWS OF  
INDIAN PEAKS INTERVAL OWNERS ASSOCIATION  
A COLORADO NONPROFIT CORPORATION

**ARTICLE I: ELIGIBILITY FOR MEMBERSHIP**

Membership in the Association shall be limited to record Owners of Interval Estates in the following described premises, and subject to the Declarations of INDIAN PEAKS INTERVAL OWNERS ASSOCIATION. Said premises are located in the County of Grand, State of Colorado, and are described as follows:

Lots 3 and 4, Block 2, Re-plat of Winter Park Ranch, Second Filing according to the Map or Plat thereof filed for record in the official real estate records of Grand County, Colorado, also known as Indian Peaks Condominiums.

Every person who is a record Owner of an Interval Estate shall be a Member of the Association. One (1) Membership in the Association shall be issued to the record Owner of each Interval Estate, or in the event that there shall be more than one such Owner of an Interval Estate, the collective Owners shall have a joint and single Membership for each such Interval Estate, issued in the names of all the Owners, and such Owners shall designate to the Association, in writing, at the time of issuance, one (1) person who shall hold the Membership and have the power to vote such Membership. The record Owners of all Interval Estates collectively shall constitute all of the Members and no Membership shall be issued to any other person or persons except as they may be issued in substitution for outstanding Memberships assigned to new record Owners of Interval Estates.

The Association shall have one (1) class of voting Membership:

**CLASS A:** Class A Members shall be all of those Owners as defined within this Article, Class A Members shall be entitled to one (1) vote for each Interval Estate in which they hold an interest, as defined under this Article.

In the event of a deadlock on any matter coming before the Members for vote, such deadlock, if not broken within fifteen (15) days of its occurrence, shall be submitted to the Board of Directors of the Association for decision. If the Board of Directors is unable to make a decision with the affirmative vote of two-thirds (2/3) of the Board of Directors then such decision shall be submitted to arbitration under the rules of the American Arbitration Association. The results of such an arbitration shall be binding upon the Membership and, obtaining such an arbitrated decision shall be a condition precedent to the initiation of any Court action. Any such action shall be initiated and conducted solely in the State Courts of Colorado.

## ARTICLE II: MEMBERS

2. 1. ANNUAL MEETINGS. The first Annual Meeting of the Members of the Association shall be held within five (5) months of the close of the Association's first calendar year at a time and place designated by the Board of Directors in a written notice mailed to the Members not less than forty-five (45) days prior to such meeting date. Thereafter, the meeting of the Members shall be held annually in April, May or June of each year at a time and place as designated by the Board of Directors in a written notice of the Annual Meeting which notice shall be mailed to the Members not less than forty-five (45) days prior to such Annual Meeting date, or at such other time as the Members may, by majority vote, approve. At such meeting, there shall be elected a Board of Directors in accordance with the requirements of the Articles and these By-Laws. The Members may also transact such other business of the Association as may properly come before them.
2. 2. SPECIAL MEETINGS. Special Meetings of the Members for any purpose or purposes other than those regulated by statute may be called for by the President as directed by resolution of the Board of Directors or upon a petition signed by not less than fifty Members. Such petition shall state the purpose or purposes of such proposed meeting. No business shall be transacted at a special meeting except as stated in the notice unless by consent of all of the Members present, either in person or by proxy.
2. 3. NOTICE OF SPECIAL MEETING. The President or Secretary shall give or cause to be given notice of the time, place, and purpose of holding each special meeting by mailing or hand delivering such notice at least ten (10) days prior to such meeting to each Member at the respective addresses of said Members as they appear on the records of the Association.
2. 4. QUORUM. The presence, either in person or by proxy, of at least one tenth (10%) of the eligible vote of the Membership shall constitute a quorum of the Members for all purposes unless the representation of a larger group shall be required by law, the Articles or these By-Laws, and in that event, representation of the number so required shall constitute a quorum.
2. 5. VOTING RIGHTS. Each Interval Estate Owner, or if more than one, the designated voting Owner, shall be entitled to one (1) vote for each Interval Estate owned.
2. 6. ADJOURNMENT OF MEETINGS. If the number of Members necessary to constitute a quorum shall fail to attend in person or by proxy at the time and place of meeting, the Chairman of the meeting, or a majority interest of the Members present in person or by proxy, may adjourn the meeting, from time to time, without notice other than an

shall be in attendance. At any adjourned meeting at which a quorum shall be present, any businesses may be transacted which might have been transacted at the original meeting.

2. 7. PROXIES. A Member may appoint only his or her spouse, any Joint Owner of his Interval Estate, any other Member or the representative designated by and of the then current Management Company which is managing the affairs of the Association, as a proxy. Any proxy must be in writing, signed by the Member and must be filed with the Secretary at least three days before the appointed time of each meeting.
2. 8. WAIVER OF NOTICE. Any Member may at any time waive any notice required to be given under these By-Laws, or by statute or otherwise. The presence of a Member in person at any meeting of the Members shall be deemed such a waiver.
2. 9. RECORD DATE. The Board of Directors shall have the authority to fix in advance a date as a record date for purposes of determining Owners entitled to vote or entitled to receive notice of meetings.

#### ARTICLE III: DIRECTORS

3. 1. NUMBER AND QUALIFICATION. The business, property and affairs of the Association shall be managed, controlled, and conducted by a Board of Directors consisting of three (3) Members.
3. 2. POWERS AND DUTIES. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association, and may do all such acts and things as are not by law or by these By-Laws directed to be exercised and done by the Members. The powers of the Board of Directors shall include, but not be limited to, all of the rights and duties of the Board of Directors as set forth elsewhere in these By-Laws, the Articles of Incorporation and in the Declarations applicable to "the Property" described in the Declarations and in Article I above, and shall also include the power to promulgate such rules and regulations pertaining to such rights and duties as may be deemed proper and which are consistent with the foregoing. The Board of Directors may delegate such duties as appear in the best interests of the Association and to the extent permitted by law.
3. 3. ELECTION AND TERM OF OFFICE. The term of the Directors named in the Articles of Incorporation shall be until the first Annual Membership Meeting or until their successors are duly chosen and qualify. Their successors shall be elected at the first Annual Meeting of the Members. A new Board of Directors shall be elected by the Members at each regular Annual Meeting thereafter and shall hold office for a term of one (1) year or until a successor shall be elected and

of Directors may be altered from time to time by the action of the Board of Directors or a majority of the Members at any regular or special meetings called for such purpose. In the event of any increase in the number of Directors in advance of the Annual Meeting, each additional Director shall be elected by the then Board of Directors and hold office until his successor is elected and shall qualify.

3. 4. ELECTION OF DIRECTORS BY MAIL. When deemed advisable by the Board of Directors, the election of Directors may be conducted by mail. Provided however, that whenever such mail election procedure shall be used, at least a majority of the votes which Members are entitled to cast in such an election shall be required to elect each Director. Notice of such election of Directors by mail shall be in writing and shall be mailed to the Members at least forty-five (45) days prior to the cut-off date for receipt of written ballots.
3. 5. VACANCIES. Vacancies on the Board of Directors caused by any reason shall be filled by vote of the majority of the remaining Directors, even though they may consist of less than a quorum. Each person so elected shall be a Director until his successor is elected by the Members at the next Annual Meeting.
3. 6. REMOVAL OF DIRECTORS. At any regular or special meeting of the Members, any one or more of the Directors may be removed with or without cause at any time by the affirmative vote of a majority of those present and eligible to vote and a successor may then be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Members shall be given an opportunity to be heard at the meeting.
3. 7. COMPENSATION. No compensation in excess of a Member's Annual fees for a single Interval Unit shall be paid to Directors for their services as Directors unless such compensation is approved by the Members. No remuneration shall be paid to a Director for services performed by him for the Association in any other capacity, unless a resolution authorizing such remuneration shall have been unanimously adopted by the Board of Directors before the services are undertaken.
3. 8. ORGANIZATION MEETING. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such time and place as shall be fixed at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.
3. 9. REGULAR MEETINGS. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least two (2) such

meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for the meeting.

- 3.10. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by the President on three (3) days notice to each Director, given personally or by mail, telephone or telegraph; which notice shall state the time, place (as hereinabove provided), and purpose of the meeting.
- 3.11. 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 any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.
- 3.12. QUORUM. A majority of the Board of Directors shall constitute a quorum for the transaction of business, but if at any meeting of the Board there be less than a quorum present, a majority of those present may adjourn the meeting from time to time.
- 3.13. ADJOURNMENTS. The Board of Directors may adjourn any meeting from day to day or for such other time as may be prudent or necessary to the interests of the Association, provided that no meeting may be adjourned for a period longer than thirty (30) days.
- 3.14. FIDELITY BONDS. The Board of Directors may require that all Officers and employees of the Association handling or responsible for Association funds furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

#### ARTICLE IV: OFFICERS

4. 1. DESIGNATION. The principal Officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by and from the Board of Directors. The Directors may appoint an Assistant Secretary and an Assistant Treasurer, and such other Officers as in their judgment may be necessary. Such Assistants need not be Members or Directors.
4. 2. ELECTION OF OFFICERS. The Officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board.
4. 3. REMOVAL OF OFFICERS. Upon an affirmative vote 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.

4. 4. PRESIDENT. The President shall be the Chief Executive Officer of the Association. He shall preside at all meetings of the Members and of the Board of Directors. He shall have all of the general powers and duties which are normally vested in the office of the president of an association, including but not limited to the power to appoint committees from among the Members, from time to time, as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.
4. 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 is 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.
4. 6. SECRETARY. The Secretary shall keep the minutes of all meetings of the Members; he shall have the custody of the seal of the Association; he shall have charge of the Membership books and such other books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of Secretary.
4. 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 in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may, from time to time, be designated by the Board of Directors.
4. 8. COMPENSATION. No compensation shall be paid to Officers for their services as Officers. No remuneration shall be paid to any Officer for services performed by him for the Association in any other capacity, unless a resolution authorizing such remuneration shall have been unanimously adopted by the Board of Directors before the services are undertaken.

#### ARTICLE V: POWERS, RIGHTS AND DUTIES OF THE ASSOCIATION AND MEMBERS THEREOF

The Association and its Members shall have all the powers, rights, duties and obligations set forth in the Articles of Incorporation for the Association, these By-Laws, Rules and Regulations pursuant thereto the Condominium Declarations, and recorded restrictions of the Property, and as any of the same may be duly adopted or amended.

The Board of Directors may employ for the Interval Ownership Project a managing agent or manager at a compensation established by the Board of Directors, to perform such duties and services as the Board of Directors may lawfully authorize and the Board of Directors may delegate to the manager or managing agent, all of such delegable powers granted to the Board of

Directors by these By-Laws. Any such manager or managing agent shall be designated or removed upon a unanimous vote of the Board of Directors. Any agreement with an employed managing agent or manager for compensation or any contract providing for services must provide for termination by either the party providing such services or the Association, without cause or payment of a termination fee upon ninety (90) days or less written notice, with any such contract to have a term not in excess of three (3) years.

#### ARTICLE VI: CORPORATE SEAL

The Board of Directors shall provide 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 in circular form, 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 of Directors, a duplicate seal may be kept and used by such Officer or other person as the Board of Directors shall name.

#### ARTICLE VII: ASSESSMENTS

The Board of Directors shall, from time to time, and at least annually, prepare a budget for the Interval Ownership Project, determining the amount of the Assessments to be paid by the Interval Estate Owners to meet the Common Expenses of the Interval Estate Project and allocate and assess such Common Expenses and Assessments among the Interval Estate Owners according to their respective common interests. Common Expenses shall include, among other things, costs or obligations connected with the maintenance, repair, operation, addition, alteration and improvement of and to the Common Areas, which sum may include, but shall not be limited to, expenses of management, estimated taxes and special assessments until separately assessed, premiums for fire insurance with extended coverage and vandalism and malicious mischief with endorsements attached issued in the amount as more specifically set forth in the Declaration. The managing agent or Board of Directors shall prepare and deliver or mail to each Owner a statement for the estimated or actual Common Expenses. In the event of the Ownership of a Interval Estate, title of which is derived from Declarant, commencing on a day other than the first day of the assessment period, the Assessment for that period shall be prorated.

Upon payment to the managing agent, or if there is no managing agent, then to the Board of Directors of the Association, of a reasonable fee, and upon the written request of any Owner or Mortgagee or prospective Mortgagee of a Interval Estate, the Association shall issue a written statement setting forth the amount of the unpaid Common Expenses, if any, with respect to the subject Interval Estate, the amount of the current monthly Assessment and the date that such Assessment becomes due, and credit for any advance payments of Common Assessments, for prepaid items, such as insurance premiums, but not including accumulated amounts for reserves or sinking funds, if any, which statement shall be conclusive upon the Association in favor of all persons who rely thereon in good faith, except that any first

Mortgagee, upon request, shall be entitled to written notification from the Association concerning the default in the performance by any Interval Estate Owner who is the mortgagor of that same obligation, when said default is not cured within sixty (60) days from the time of required performance and such response to the Mortgagee's request shall be made without any charge to the Mortgagee. Such written statement shall be issued by the Association within ten (10) days following said written request. Any Owners and their mortgagees, if applicable, may inspect the books and records of the Association at convenient weekday business hours.

#### **ARTICLE VIII: RULES AND REGULATIONS**

Rules and Regulations concerning the use, restrictions and requirements respecting the use and maintenance of the Common Areas may be promulgated, modified, rescinded and amended by the Board of Directors and shall include the right to suspend a Member's voting rights for the non-payment of regular and/or special assessments. A majority vote of Interval Estate Owners at a meeting may overrule the Board of Directors. Copies of such Rules and Regulations shall be furnished by the Board of Directors to each Interval Estate Owner prior to the time when the same shall become effective.

#### **ARTICLE IX: MERGERS AND ADDITIONAL ACQUISITIONS**

The Association may, at any time, annex additional residential properties and Common Areas to the Properties hereinabove set forth, and so add to its Membership, provided that any such annexation shall have the assent of a sixty-six and two-thirds percent (66 2/3%) of the Membership entitled to vote. To the extent permitted by law, the Association may participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, provided that any such merger or consolidation shall have the assent of sixty-six and two thirds percent (66 2/3%) of the Membership. No annexation, merger or consolidation shall have the effect of reducing the vote of any Interval Estate Owner to less than one (1) vote for each Interval Estate owned nor restricting the use of any existing Common Areas from that existing prior to the time of any such annexation, merger, consolidation or dissolution. The affect on any Interval Estate Owner in reference to obligations for payment of Common Expenses and use of any newly acquired Common Areas shall be determined by sixty-six and two-thirds percent (66 2/3%) of the Membership. When deemed advisable by the Board of Directors, the voting on any amendment to the Articles of Incorporation, or proposed plan of annexation, merger, consolidation or dissolution may be conducted through the mail. Provided however that whenever such mail election procedure shall be used it shall require the affirmative note of at least two-thirds (2/3) of the votes which Members are entitled to vote on that question.

#### **ARTICLE X: ALTERATIONS AND IMPROVEMENTS BY INTERVAL ESTATE OWNERS**

No Interval Estate Owner shall make any structural additions, alterations or improvements in or to an Interval Estate, without the prior written consent thereto of the Board of Directors. Upon approval by the Board of Directors, any such additions, alterations or improvements shall be constructed in



accordance with the building code of the appropriate building authority and shall be completed in good and workmanlike manner. Further, the Interval Estate Owner agrees to indemnify and hold the Association and all other Interval Estate Owners, individually, harmless from any claims or liens based upon or arising from any such additions, alterations or improvements.

#### ARTICLE XI: RIGHT OF ACCESS

The Interval Estate Owner shall grant a right of access to his Interval Estate to the managing agent, or any person authorized by the Board of Directors for the purpose of making inspections or correcting any conditions originating in that Interval Estate, provided the requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Interval Estate Owner, save in case of an emergency when such right of entry shall be immediate, whether the Interval Estate Owner is present at that time or not.

#### ARTICLE XII: AMENDMENTS

These By-Laws may be modified:

- A) by the Board of Directors, and
- B) by the affirmative vote of the Owners representing a majority of those Interval Estate Owners present and entitled to vote at any annual or special meeting of the Members which has been properly noticed and has a quorum in attendance.

#### ARTICLE XIII: MISCELLANEOUS

- 13. 1. If any of the provisions in these By-Laws or any paragraph, sentence, clause, phrase or word, or the application thereon in any circumstance is invalidated, such invalidity shall not affect the validity of the remainder of these By-Laws, and the application of any such provision, paragraph, sentence, clause, phrase or word in any other circumstance shall not be affected thereby.
- 13. 2. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.
- 13. 3. No restriction, condition, obligation or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

The above By-Laws were adopted this 10th day of June, 1989 by the Board of Directors of INDIAN PEAKS INTERVAL OWNERS ASSOCIATION.

David Nunn 6/15/89  
DAVID NUNN, Secretary

David Nunn 6/15/89  
DAVID NUNN, Director date

William Chamlee 6/5/89  
WILLIAM CHAMLEE, Director date

Richard Lubinski 5/31/89  
RICHARD LUBINSKI, Director date