

**BYLAWS
OF
THE BAY CLUB AT FRISCO - CONDOMINIUMS**

**ARTICLE I
NAME AND LOCATION**

The name of the corporation is **THE BAY CLUB AT FRISCO - CONDOMINIUMS**, hereinafter referred to as the "Association." The principal office of the corporation shall be 44 Inverness Drive ~~East~~, Building E; Englewood, Colorado 80112, but meetings of members and directors may be held at such places within the State of Colorado as may ~~from~~ time to time be ~~designated~~ by the Board of Directors of the Association ("Board of Directors" or "Board").

**ARTICLE II
PURPOSE**

The purpose for which the Association is **formed** is to govern the Units, exercise the **rights**, power, and authority, and fulfill the duties of the Association, **as** provided in that certain Declaration of Covenants, Conditions, and Restrictions of The Bay Club at Frisco - Condominiums, and any amendments and supplements thereto, recorded or to be recorded in the office of the Clerk and Recorder of Summit County, Colorado ("Declaration") (**terms** which are defined in the Declaration shall have the same meanings herein unless otherwise defined), and those certain Articles of Incorporation of The Bay Club ~~at~~ Frisco - Condominiums, and any amendments thereto, filed in the office of the Secretary of State of the State of Colorado, as amended ("Articles of Incorporation"). All present and **future** Owners, tenants, occupants, and any other Person who may use the Units, the Common Elements, or any portion thereof, or any facilities or appurtenances thereto or thereon, in any manner, **shall** be subject in all respects to the covenants, conditions, restrictions, reservations, easements, **regulations**, and all other terms and provisions set forth in the Declaration, Articles of Incorporation, and these Bylaws. The mere acquisition, rental, or occupancy of any Unit, or any portion thereof shall signify that all terms and provisions of the Declaration, Articles of Incorporation, and these Bylaws are accepted, ratified, **and** shall be complied with.

**ARTICLE III
MEETINGS OF MEMBERS**

1. Annual Meetings. The **first** annual meeting of the Members shall be held within twelve (12) months **from** the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held in the same month of each year as the month in which the first annual meeting was held, the specific date and time thereof to be designated by the Board of Directors **from** time to time. At each annual meeting, the Members shall elect directors to fill vacancies and conduct such other business as may properly come before the meeting.

2. Special Meetings. Special meetings of the Members may be called at any time by the President or by a majority of the Board of Directors or by **Owners** having at least twenty percent (20%) of the votes of the Association.

3. Notice of Meetings. Written notice of each meeting of the Members shall be given by or at the direction of the secretary of the Association or Person authorized to call the meeting. Not less than ten (10) nor more than fifty (50) **days** in advance of such meeting, the Person **giving** such notice, as aforesaid, shall cause notice of the meeting to be hand-delivered or sent prepaid by United **States** mail to the mailing address of each Unit or to any other mailing address designated in writing by the **Owner**. The notice of any meeting must state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws, any budget changes, and any proposal to remove an officer or member of the Board of Directors.

4. Quorum

(a) A quorum is deemed present throughout any meeting of the Association if Persons entitled to cast twenty percent (20%) of the votes which may be cast for election of the Board of Directors are present, in person or by proxy, at the beginning of the meeting.

(b) Unless otherwise specifically provided by the Declaration, the Articles of Incorporation, these Bylaws, or by statute, all matters coming before a **meeting** of Members at which a proper quorum is in attendance, in person or by proxy, shall be decided by the vote of a majority of the votes validly cast at such meeting.

5. Proxies

(a) If **only** one of the multiple Owners of a Unit is present at a meeting of the Association, such Owner is entitled to cast the vote allocated to that Unit. If more than one of the multiple Owners are present, the vote allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the Owners, unless the declaration expressly provides otherwise. There is a majority agreement if any one of the multiple Owners casts the vote allocated to that Unit without protest being made promptly to the Person presiding over the meeting by any of the other Owners of the Unit

(b) The vote **allocated** to a Unit may be cast pursuant to a proxy duly executed by an Owner. If a Unit is owned by more than one Person, any Owner of such Unit may register protest to the casting of a vote by any other Owner of such Unit through a duly executed proxy; but each Unit shall only have one vote allocated to it as provided in the Declaration. An Owner may not revoke a proxy given pursuant to this Section except by actual notice of revocation to the Person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates eleven (11) months after its date **unless** it provides otherwise.

6. Security Interest Holders of First Security Interests. Each Security Interest Holder of a First Security Interest shall have the right to designate a representative to attend all meeting of Members.

ARTICLE IV

BOARD OF DIRECTORS - SELECTION - TERM OF OFFICE

1. Number. The affairs of this Association shall be managed by a Board of Directors of three directors. Directors shall be Members which, in the case of Declarant, **may** include any member of Declarant and any officer, director, employee, or authorized agent of Declarant or any member of Declarant and, in the case of corporate Members, may include the officers and directors of each such corporate Member.

2. Term of Office.

(a) No later than sixty (60) days **after** conveyance of twenty-five percent (25%) of the Units that May Be Created to Owners other than a Declarant, at least one (1) member and not less than twenty-five percent (25%) of the members of the Board of Directors must be elected by Owners other than the Declarant. Not later than sixty (60) days after conveyance of fifty percent (50%) of the **Units** that May Be Created to Owners other than a Declarant, not less than thirty-three and one-third percent (33-113%) of the members of the Board of Directors must be elected by Owners other than the Declarant .

(b) Except as otherwise provided in these Bylaws, during the Period of Declarant Control, the Declarant or Persons appointed by the Declarant may appoint all officers and directors and remove all officers and directors of the Board of Directors appointed by it. Not later **than** termination of the Period of Declarant Control, the Owners shall elect a Board of Directors, at least a majority of whom must be Owners other than the Declarant or designated representatives of Owners other than the Declarant. The members of the Board of Directors so elected shall take office upon election.

(c) Any member of the Board of Directors who is elected by the Members prior to **termination** of the Period of Declarant Control shall serve for one (1) year or until such director's duly elected successor take office on the Board of Directors, whichever occurs later. At the first annual meeting of the Association held subsequent to termination of the Period of Declarant Control, if the Board of Directors is to consist of three (3) directors, the Members shall elect one director for a term of one year and two directors for **terms** of two years. At each annual meeting thereafter, the Members shall elect the same number of directors as there are directors whose **terms** are expiring at the time of each election, for **terms** of two years.

3. Removal. The owners, by a vote of sixty-seven percent (67%) of the Association votes cast by Persons present and entitled to vote at **any** meeting of the **Owners** at which a quorum is present, may remove any member of the Board of Directors with or without cause, other than a member of the Board of Directors who was appointed by the **Declarant**. **Declarant** may at any time, remove and appoint the successor of, any member of the Board of Directors

who was appointed by the **Declarant**. In the event of death, resignation, or removal of a director, his or her successor shall be selected by a majority of the remaining members of the Board of Directors, whether or not such remaining members constitute a quorum, and shall serve for the unexpired **term** of the director being replaced; provided, however, that the Dedarant may appoint the successor of any director who served in such capacity as a **result** of being appointed by the **Declarant**.

4. Compensation. No director **shall** receive **compensation** for any **service** rendered to **the** Association. However, **any** director may be reimbursed for actual expenses incurred in the performance of the director's duties.

5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all of the directors. Any action so approved **shall** have the same effect as though taken at a meeting of the directors.

ARTICLE V **NOMINATION AND ELECTION OF DIRECTORS**

1. Nomination. Nomination for election to the Board of Directors may be made by the Board of Directors or by a nominating committee if such a committee is appointed, **from** time to time, by the Board of Directors. Nominations may also be **made from** the floor at any Member meeting.

2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI **POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the **Units**, the Common Elements, the Community, or any portion thereof, **and** any facilities thereon and the personal conduct of the Members, their guests, **and** other Persons thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights of a Member **during** any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a **period** not to exceed sixty (60) days, for **infraction** of these Bylaws or published Association rules **and** regulations;

(c) enter into, make, perform or enforce contracts, licenses, leases, and agreements of every kind and description; provided, however, that the foregoing rights with

respect to contracts and leases **shall** be subject to the express limitations, if any, contained in the Act;

(d) provide for direct payment of assessments to the Association ~~from~~ Owners' **checking**, credit, or other accounts;

(e) exercise for the Association **all** powers, duties, and authority vested in or delegated to the Association and not reserved to the membership by other provisions of ~~these~~ Bylaws, the Articles of Incorporation or the **Declaration**;

(f) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from **three (3)** regular meetings of the Board of Directors during any one year period; and

(g) employ a manager, an independent contractor, or such other employees as they deem necessary, and prescribe ~~the duties~~.

2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by Owners entitled to cast at least one-fourth (1/4) of the votes at such meeting;

(b) supervise all officers, agents, and employees of the Association, and see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) determine the amount of the annual assessment against each Unit, ~~from~~ time to time, in accordance with the Association budget, and revise the amount of the annual assessment if such budget is ~~rejected~~ by the Owners; and

(2) foreclose the lien against any Unit for which assessments are not paid **within** such time as may be determined by the Board of Directors ~~from~~ time to time, or bring an action at law against the Owner personally obligated to pay the same;

(d) issue, or cause an appropriate officer or authorized agent to issue, upon demand by any Person, a certificate setting forth whether or not any assessment has been paid. **A** reasonable charge may be made by the Board of the issuance of these certificates. If a **certificate** states that an assessment has been paid, such certificate shall be conclusive evidence of such payment as to all Persons who rely thereon in good **faith**;

(e) procure and maintain insurance, as more fully provided in the Declaration;

(f) provide for maintenance, repair, **and/or** reconstruction of the Common Elements, other property, and Improvements, **as** more fully provided in the Declaration; and

(g) keep **financial** records sufficiently detailed to enable the Association to **comply** with the requirement that it provide statements of unpaid assessments.

Any of the aforesaid duties may be delegated by the Board of Directors to any other **Person(s)** or to the Association's managing agent

3. Limitation on Powers. The Board of Directors may not act on behalf of the Association to amend the Declaration, to terminate this **Community**, or to elect members of the Board of Directors or determine the qualifications, powers and duties, or terms of office of members of the Board of Directors, but the Board may fill vacancies in its membership for the unexpired portion of any **term**.

ARTICLE VII

RIGHTS OF THE ASSOCIATION

The Association may exercise any and all rights or privileges given to it under the Declaration, the Articles of Incorporation or these Bylaws, or as may otherwise be given to it by law, and every other right or privilege reasonably to be implied therefrom or reasonably necessary to effectuate any such right or privilege.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

1. Enumeration of Offices. The officers of this Association may be a president and vice-president, a secretary, a treasurer, and such other offices as the Board may **from** time to time by resolution create.

2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

3. Term. The officers of this Association shall be elected annually by the Board of Directors, **and** each shall hold office for one (1) year unless the officer shall sooner resign, or shall be removed, or shall otherwise be disqualified to serve.

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

5. Resignation and Removal. Any officer may be removed **from** office, with or without cause, by the Board of Directors. Any officer may resign at any time by **giving** written notice to the Board of Directors, the president, or the secretary. Such resignation shall **take** effect on the date of receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation **shall** not be necessary to make it effective.

6. Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the **term** of the officer replaced.

7. Multiple Offices. The offices of president and secretary **may** not be held by the same person. However, any person **may** simultaneously hold two or more of any of the other offices subject to any applicable requirements or limitations contained in the Declaration, Articles of Incorporation, these Bylaws, or law.

8. Duties. the duties of the officers, which are **delegable** to other persons or the managing agent, are as follows:

(a) President: The president shall preside at all meetings of the Board of Directors and Members; shall see that orders and resolutions of the Board **are carried** out; shall sign all leases, mortgages, deeds, **and** other **written** instruments; **and shall** co-sign or authorize a designated agent to co-sign promissory notes and checks of the Association.

(b) Vice-President: The vice-president shall act in the place and stead of the president in the event of the president's absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of the vice-president by the Board of Directors.

(c) Secretary: The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; shall keep the corporate seal of the Association and **affix** it on all papers requiring said seal; **shall** serve notice of meetings of the Board and of the Members; shall keep appropriate current records showing the names of the Members together with their addresses; shall prepare, execute, certify, and record amendments to the Declaration on behalf of the Association; and shall **perform** such other duties as required by the Board.

(d) Treasurer: The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such **funds** as directed by resolution of the Board of Directors; shall sign or authorize a designated agent to sign promissory notes and checks of the Association; shall keep proper books of account; shall cause an **annual** compilation report of the Association books to be made by a Certified Public Accountant at the completion of each fiscal year or, at the option of the Board of Directors or as required by the Declaration, an **annual** review or audited **financial** statement may be required; and shall prepare an annual budget to be presented to the membership, and deliver a copy of each to the Members.

(e) Any officer of the Association ,may prepare, execute, certify, and record amendments to the Declaration on behalf of the Association.

ARTICLE IX
COMMITTEES

The Association shall appoint an **Architectural** Review Committee, subject' to the provisions of the Declaration, and may appoint a nominating committee. In addition, the Board of Directors may appoint other committees as it deems appropriate **from** time to time in **carrying** out its purposes.

ARTICLE X
BOOKS AND RECORDS

The Association shall make available to **Owners** current copies of the Declaration, Articles of **Incorporation**, these Bylaws, the rules and regulations, books, records, and financial statements of the Association. "Available" shall mean available for inspection, upon request, **during** normal weekday business hours or under other reasonable circumstances.

ARTICLE XI
CORPORATE SEAL

The Association shall have a seal in circular form and within its circumference the words: **THE BAY CLUB AT FRISCO - CONDOMINIUMS.**

ARTICLE XII
AMENDMENTS

These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of the votes of a quorum of Members present in person or by proxy; provided, however, that the written approval of HUD or VA shall be required for any amendments enacted during the Period of **Declarant** Control if, at the time such amendment is enacted, HUD has insurance or VA has a **guarantee(s)** on one or more First Security Interests.

ARTICLE XIII
CONFLICTS OF PROVISIONS

In the **case** of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; and in the case of any conflict between the Articles of Incorporation and the **Declaration**, the Declaration shall control.

ARTICLE XIV
FISCAL YEAR

The fiscal year of the Association shall begin on the **first** day of **January** and end on the last day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS **WHEREOF**, we, being all of the directors of THE BAY CLUB AT FRISCO - CONDOMINIUMS have hereunto set our hands this 19th day of JANUARY, 1998.

DIRECTORS:

Robert E. Long

Ronald S. Wedgell

James H. Long

I, the undersigned, do hereby **certify**:

That I am the **duly** elected and acting Secretary of THE BAY CLUB AT FRISCO - CONDOMINIUMS, a Colorado nonprofit limited **liability** company, and

That the foregoing Bylaws constitute the Bylaws of **said** Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 19th day of JANUARY, 1998.

In witness whereof, I have hereunto subscribed my name and **affixed** the seal of said Association this 19th day of JANUARY, 1998.

(SEAL)



James H. Long
Secretary