

**BYLAWS
OF
TENDERFOOT LODGE CONDOMINIUM ASSOCIATION, INC.**

**ARTICLE I
Object**

1. The purpose for which Tenderfoot Lodge Condominium Association, Inc., (the "Association"), is formed is to govern the Condominium Project which has been or will be submitted to the appropriate authorities of the State of Colorado by the recordation of the Declaration ("Declaration") and Map bearing the name Tenderfoot Lodge Condominium.

2. All present or future owners or tenants or any other person that might use in any manner any of the Condominium Units, or Common or Limited Common Elements appurtenant thereto, are subject to the provisions of these Bylaws. Acquisition, rental or occupancy of any of the Units shall constitute acceptance and ratification of these Bylaws and shall signify that they will be complied with.

3. Terms used in these Bylaws are defined by the Declaration for Tenderfoot Lodge Condominium, and any modifications thereto, to be recorded in the records of the Clerk and Recorder of the County of Summit, Colorado.

**ARTICLE II
Membership, Voting, Quorum, Proxies**

1. *Membership.* Any person, on becoming an Owner of a Unit, shall automatically become a member of this Association and shall be subject to these Bylaws. Such membership shall terminate without any formal Association action whenever such person ceases to own a Unit. Such termination shall not release any former Unit Owner from any liability arising under these Bylaws, or from membership in the Association, or by virtue of ownership of a Unit. The Declarant shall be a member as provided in the Declaration so long as Declarant owns a Unit.

2. *Quorum.* Except as otherwise provided in the Declaration, the Colorado Common Interest Ownership Act (the "Act") or these Bylaws, the presence in person or by proxy of members holding one-third of the votes entitled to be cast shall constitute a quorum. An affirmative vote of a majority of the members present, either in person or by proxy, shall be required to transact the business of the meeting.

3. *Voting.* All members shall be entitled to vote on all matters, with one vote per Unit. In the event of a tie vote on any matter, the Association's President shall cast a tie-breaking vote in addition to any vote to which he or she may be entitled as a Unit Owner.

Notwithstanding the foregoing, no Unit Owner shall be entitled to vote at any meeting of the Association if such Owner is delinquent in paying any Assessment of the Association as of the date of the meeting.

4. *Mortgagees as Proxies.* Unit Owners shall have the right to constitute irrevocably and to appoint the beneficiary of a trust deed their true and lawful attorney to cast their Unit vote in this Association at any and all meetings of the Association and to vest in such beneficiary or his nominee any and all rights, privileges and powers that they have as a Unit Owner under the Articles of Incorporation, Bylaws, and Declaration. Such proxy shall become effective upon filing of a notice by the beneficiary with the Secretary of the Association at such time or times as the beneficiary shall deem its security in jeopardy by reason of the failure, neglect or refusal of the Board of Managers, the Association, the Managing Agent or the Unit Owners to carry out their duties as set forth in the Declaration or Bylaws. A release of the beneficiary's deed of trust shall operate to revoke such proxy. Nothing herein contained shall be construed to relieve Unit Owners, as mortgagors, of their duties and obligations as Unit Owners or to impose upon the beneficiary of the deed of trust the duties and obligations of a Unit Owner.

ARTICLE III Administration

1. *Annual Meeting.* The first meeting of the Association members shall be held within ninety (90) days following the date that the Declaration is recorded. Thereafter, the annual meetings of the Association shall be held during the month of _____ of each succeeding year. At such meetings members of the Board of Managers shall be elected by ballot in accordance with the requirements of these Bylaws. The members may also transact such other business of the Association as may properly come before them.

2. *Special Meetings.* The President of the Board may call a special meeting of the members upon his or her own initiative, or shall call a special meeting upon resolution of the Board adopted at a previous meeting or upon receipt of a written request from members representing at least five (5) percent of the weighted vote of the Association. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business except as stated in the notice shall be transacted at a special meeting unless by consent of the members present, either in person or by proxy. Any such meetings shall be held at such place and time as the President determines, and if held at the instance of a member, then within sixty (60) days after receipt by the President of such written request.

3. *Place of Meeting.* The meetings of the Association shall be held at such place within or without the State of Colorado as the Board may determine.

4. *Notice of Meetings.* The Secretary shall cause to be mailed or delivered a notice of each annual or special meeting, stating the meeting's purpose, as well as the time and place it is to be held,

to each member of record, at the registered address of each member, at least fifteen (15) but not more than forty (40) days prior to such meeting. The mailing of a notice in the manner provided in this Section or the delivery of such notice shall be considered notice served, and the certificate of the Secretary that notice was duly given shall be prima facie evidence thereof.

5. *Adjourned Meetings.* If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting, to a time not less than forty-eight (48) hours from the time the original meeting was called.

6. *Order of Business.* The order of business at all meetings of the members shall be as follows:

- (a) Roll call and certifying proxies
- (b) Proof of notice of meeting or waiver thereof
- (c) Reading of Minutes of previous meeting
- (d) Reports of Officers
- (e) Reports of Committees
- (f) Election of Managers
- (g) Old business
- (h) New business
- (i) Adjournment.

7. *Performance of Functions by Declarant.* The rights, duties and functions of the Board shall, at the Declarant's option, be exercised by the Declarant by and through those persons named as Initial Managers in the Articles of Incorporation, until (a) sixty (60) days after conveyance of seventy-five percent (75%) of the Units that may be created to Unit Owners other than a Declarant; (b) two (2) years after Declarant's last conveyance of a Unit in the ordinary course of business; or (c) two (2) years after any right to add new Units was last exercised, whichever is sooner. Notwithstanding the foregoing, however, Section 8.7 of the Declaration regarding the required election of Unit Owners is incorporated herein and made a part hereof.

ARTICLE IV **Board of Managers**

1. *Number and Qualifications.* Consistent with the provisions of the Declaration, the Declarant may elect and exercise the rights, duties and functions of the Board as provided therein by and through the persons named in the Articles of Incorporation as the Initial Managers until the end of the Period of Declarant Control, subject to the provisions of Section 3.7 of the Declaration. At the first meeting of members following the end of the Period of Declarant Control, three (3) members of the Board shall be elected from among the Unit Owners who shall thereafter govern the affairs of this Association until their successors have been duly elected and qualified. The number of members of the Board may be changed from time to time by a resolution of the Board, but in no event shall there be fewer than three (3) members.

2. *Powers and Duties.* The Board shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the project as a first-class business property. Such powers and duties of the Board shall include, but shall not be limited to, the following, all of which shall be done for and on behalf of the Owners of the Units:

(a) To administer and to enforce, by suit or otherwise, the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Declaration and the Articles and Bylaws of the Association, and any amendments thereto.

(b) To establish, make and enforce compliance with such reasonable rules as may be necessary for the operation, rental, use and occupancy of the General Common elements and all of the Units, with right to amend such rules from time to time. A copy of the rules shall be delivered or mailed to each member upon adoption thereof.

(c) To designate and to remove personnel necessary for the operation, maintenance, repair, and replacement of the Common Elements and parking spaces and to incur such costs and expenses and take such actions as may be necessary to complete, add to, maintain, repair, replace and keep in good order, condition and repair all of the Common Elements and parking spaces,

(d) To insure and keep insured all of the insurable Common Elements in a reasonable amount for the benefit of the Owners of the Units and their first mortgagees as required by the Declaration. Further, to obtain and to maintain comprehensive liability insurance covering the entire premises.

(e) To prepare annually a budget for the Association in order to determine the amount of the common assessments necessary by the Unit Owners to meet the Common Expenses, to allocate and assess such common charges among the Unit Owners according to their respective common ownership in and to the General Common Elements or otherwise as permitted by the Declaration, and to adjust the amount of the periodic assessments and to remit or return any excess of assessments over expenses, working capital, sinking funds, reserves for deferred maintenance and replacement to the Owners at the end of each operating year. To levy and to collect special

assessments whenever it is necessary to do so in order to meet increased operating or maintenance expenses or costs, or additional capital expenses, or because of emergencies.

(f) To collect delinquent assessments by suit or otherwise and to enjoin or seek damages from a member as is provided in the Declaration and these Bylaws, impose a reasonable charge for late payment of assessments, recover reasonable attorney fees and other legal costs for collection of assessments and other actions to enforce the powers of the Association, regardless of whether or not suit was initiated and, after notice and hearing, levy reasonable fines for violations of the Declaration, these Bylaws and rules and regulations of the Association.

(g) To protect and defend, in the name of the Association, any part or all of the Condominium Project from loss and damage by suit or otherwise.

(h) To borrow funds in order to pay for any expenditure or outlay required pursuant to the authority granted by the provisions of the Declaration and these Bylaws, and to execute all such instruments evidencing such indebtedness as the Board may deem necessary to give security therefor. The persons who shall be authorized to execute promissory notes and security instruments shall be the President and Secretary/Treasurer, but in any case, no encumbrance may be placed on the Common Elements except in compliance with the Declaration and the Act.

(i) To enter into contracts to carry out their duties and powers.

(j) To establish a bank account or accounts for the common treasury and for all separate funds which are required or may be deemed advisable.

(k) To make repairs, additions, alterations and improvements to the General Common elements consistent with managing the project in a first-class manner and consistent with the best interests of the Unit Owners.

(l) To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof at reasonable times by each of the members under the conditions specified in Article X hereto, and to prepare or have prepared annually audited or unaudited financial statements.

(m) To prepare and deliver annually to each member a consolidated statement showing receipts, expenses or disbursements since the last such statement.

(n) To meet at least semi-annually.

(o) To control and manage the use of all open spaces and other common property.

(p) To employ for the Association a Managing Agent who shall have and

exercise those duties and powers granted to him by the Board, including those set forth above, but not those powers which the Board may not delegate. Any management contract so entered into shall be for a term not exceeding two (2) years and shall provide that it may be canceled upon sixty (60) days written notice without cause, and further, that no termination fee be provided for in such case.

(q) To employ such other agents, independent contractors or employees, including but not limited to attorneys and accountants, as may be necessary to discharge the duties of the Association and Board.

(r) Acquire, hold, encumber and convey in the Association's name any right, title or interest to real property or personal property.

(s) Grant easements, including permanent easements leases, licenses and concessions, through or over the Common Elements.

(t) Impose and receive a payment, fee or charge for the use, rental or operation of the Common Elements, other than Limited Common Elements, and for services provided to Unit Owners.

(u) Impose a reasonable charge for the preparation and recordation of amendments to the Declaration or for statement of unpaid Assessments.

(v) Provide for the indemnification of the Association's officers and Board of Managers and maintain Board of Managers' and officers' liability insurance.

(w) Assign the Association's right to future income, including the right to receive Assessments.

(x) Exercise any other powers conferred upon the Board or the Association by the Act, the Colorado Nonprofit Corporation Act, the Declaration or these Bylaws.

(y) Exercise any other power necessary and proper for the governance and operation of the Association.

(z) By resolution, establish committees of the Board of Managers and/or Unit Owners, permanent and standing, to perform any of the above functions under specifically delegated administrative standards, as designated in the resolution establishing the committee.

(aa) In general, to carry on the administration of the Association and to do all things necessary and reasonable in order to carry out the governing and the operation of this Condominium Project.

3. *Delegation of Powers.* Except as may be prohibited by the Act, the Declaration or the Articles, any power of the Board may be delegated to a Managing Agent pursuant to specifically designated administrative standards; provided, however, that no delegation of the Board's duties and powers shall relieve the Board of its responsibilities under the Declaration. If the Board delegates the powers of the Board or the officers of the Association relating to collect on, deposit, transfer or disbursement of Association funds to other persons or to a Managing Agent, then the person to whom such powers are delegated: (i) shall maintain fidelity insurance or a bond in an amount of not less than fifty thousand dollars (\$50,000.00) or such higher amount as the Board may require; (ii) shall maintain all funds and accounts of the association separate from the funds and accounts of other associations managed by it and shall maintain all reserve accounts of each association so managed separate from operational accounts of the Association; and (iii) present an accounting for association funds and a financial statement prepared by the Managing Agent, a public accountant or certified public accountant annually or more frequently as may be required by the Board.

4. *No Waiver of Rights.* The omission or failure of the Association or any Unit Owner to enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations or other provisions of the Declaration or Bylaws, or the rules adopted pursuant thereto, shall not constitute or be deemed a waiver, modification or release thereof, and the Association shall have the right to enforce the same thereafter.

5. *Election and Term of Office.* At the first meeting of the Association following the end of the Period of Declarant Control, the term of office of one Manager shall be fixed for one (1) year, the term of office of one Manager shall be fixed for two (2) years and the term of office of one Manager shall be fixed for three (3) years. At the expiration of the initial term of office of each Manager, his successor shall be elected to serve a term of three (3) years. If the number of directors is increased, the Board shall implement appropriate provisions so that, insofar as possible, the terms of one-third of the members of the Board of Managers expire each year. Except as is otherwise provided by these Bylaws, the Managers shall hold office until their successors have been elected and hold their first meeting.

6. *Vacancies.* Vacancies in the Board caused by any reason other than the removal of a Manager by a vote of the Association shall be filled by 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 his or her successor is elected.

7. *Removal of Managers.* At any regular or special meeting duly called, any one or more of the Managers may be removed with or without cause by a majority of the weighted votes of the Unit Owners, and a successor may then and there be elected to fill the vacancy thus created. Any Manager whose removal has been proposed by the members shall be given an opportunity to be heard at the meeting prior to the votes being taken.

8. *Organizational Meeting.* The first meeting following the election of one or more Board

members at an annual meeting of the Members shall be held within fifteen (15) days thereafter at such place as shall be fixed by the Managers at the meeting at which such Manager(s) were elected, and no notice shall be necessary to the newly elected Managers in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

9. *Regular Meetings.* Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Managers, but at least two such meetings (including the Organizational Meeting) shall be held during each calendar year. Notice of regular meetings for the Board shall be given to each Manager, personally or by mail, telephone or telegraph, at least fifteen (15) days prior to the day named for such meeting.

10. *Special Meetings.* Special meetings of the Board may be called by the President on three (3) days' notice to each Manager, given personally or by mail, telephone, facsimile, overnight courier or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice on the written request of one Manager.

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

12. *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 the meeting at which a quorum is present shall be the acts of the Board. If less than a quorum is present at any meeting of the Board, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

13. *Fidelity Bonds and Insurance.* The Board may require that all officers and employees of the Association who handle or are responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be a Common Expense.

14. *Participation by Telephone.* Any Manager may participate in a meeting of the Board by telephone, provided that such Manager and all of the other persons in attendance at such meeting can hear and communicate with each other.

15. *Informal Action by Managers.* Any action required or permitted to be taken at a meeting of the Managers may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Managers entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote of the Managers.

ARTICLE V Officers

1. *Designation.* The Officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by the Board, and such assistant officers as the Board shall, from time to time, elect. Such Officers shall each be a member of the Board and a Unit Owner in the Project. One person may hold more than one office at a time, except that no person may simultaneously hold the offices of President and Secretary. All Officers must be at least eighteen years old.

2. *Election of Officers; Vacancies.* The Officers of the Association shall be elected annually by the Board at the organizational meeting of each new Board and shall hold office at the pleasure of the Board. A vacancy in any office, however occurring, may be filled by an affirmative vote of a majority of the members of the Board of Managers for the unexpired portion of the term.

3. *Removal of Officers.* Upon an affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause, and his or her successor elected at any regular meeting of the Board, or any special meeting of the Board called for such purpose.

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 president of a corporation, including but not limited to the power to appoint committees from among the Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association or as may be established by the Board or by the members of the Association at any regular or special meetings.

5. *Vice-President.* The Vice-President shall have all powers and authority and perform all functions and duties of the President, in the absence of the President or his inability for any reason to exercise such powers and functions or to perform such duties.

6. *Secretary.* The Secretary shall keep all the minutes of the meetings of the Board and the minutes of all meetings of the Association; he or she shall have charge of such books and papers as the Board may direct; and he or she shall, in general, perform all the duties incident to the office of secretary.

The Secretary shall compile and keep up to date at the principal office of the Association a complete list of members and their registered addresses as shown on the records of the Association. Such list shall also show opposite each member's name the number or other appropriate designation of the Unit owned by such member and the undivided interest in the Common Elements. Such list together with all business records of the Association and the Board shall be open to inspection by the members and other persons lawfully entitled to inspect the same at reasonable times during

regular business hours under the conditions specified in Article X hereto. In addition, a list shall be maintained of all mortgagees of Units which have notified the Association of their names and addresses and have requested that they receive notices as provided in Article 20 of the Declaration.

7. *Treasurer.* The Treasurer shall (i) be the principal financial officer of the Association and have the care and custody of all its funds, securities, evidences of indebtedness and other personal property and deposit the same in accordance with the instructions of the Board of Managers; (ii) receive and give receipts and acquittances for moneys paid in on account of the Association, and pay out of the funds on hand all bills, payrolls and other just debts of the Association of whatever nature upon maturity; (iii) unless there is a controller, be the principal accounting officer of the Association and as such prescribe and maintain the methods and systems of accounting to be followed, keep complete books and records of account, prepare and file all local, state and federal tax returns and related documents, if so required by law, prescribe and maintain an adequate system of internal audit, prepare and furnish to the Members, the president and the Board of Managers statements of account showing the financial position of the Association and the results of its operations, and furnish statements of a Unit Owner's account in accordance with the Declaration; provided, however, that when a Managing Agent has been delegated the responsibility of collecting and disbursing funds, the Treasurer's responsibility shall be to review the accounts of the Managing Agent not less often than semi-annually; (iv) upon request of the Board, make such reports to it as may be required at any time; and (v) perform all other duties incident to the office of Treasurer and such other duties as from time to time may be assigned to the Treasurer by the president or the Board of Managers.

ARTICLE VI

Indemnification of Board Members, Officers, and the Managing Agent

The Association shall indemnify every Board Member, Officer or the Managing Agent, their respective successors, personal representatives and heirs, against all loss, costs and expenses, including attorneys' fees, reasonably incurred by him or her in connection with any action, suit or proceeding to which he or she may be made a party by reason of his or her being or having been a Board Member, Officer or the Managing Agent, except as to matters as to which he or she shall be finally adjudged in such action, suit or proceeding to be liable of negligence or 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 person to be indemnified has not been guilty of negligence or misconduct in the performance of his or her duty as a Board Member, Officer or the Managing Agent in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Board Member, Officer or Managing Agent may be entitled. All liability, loss, damage, cost and expense 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 a Common Expense. Notwithstanding the foregoing, unless a proceeding is finally adjudged to be substantially frivolous or groundless, the

Association shall not be required to indemnify any Board Member or Officer who was named as a defendant in a proceeding brought by the Association if the proceeding was duly authorized or ratified by the Board of Managers, even though the Officer or Board Member was the prevailing party in such action

ARTICLE VII Amendments

1. *Amendment of Articles.* The Articles of Incorporation may be amended in the manner provided by law.

2. *Amendment of Bylaws.* These Bylaws may be amended by the Members at a duly constituted meeting of the Members for such purpose; provided, however, that no amendment shall conflict with or minimize the intended effect of the provisions of the Articles of Incorporation, or the Declaration, nor omit any of the particulars required by Act or other applicable law.

3. *Vote Required.* These Bylaws may be modified or amended only with the approval of the Owners of at least 66.6% of the ownership interests as specified in Exhibit 3 of the Declaration.

ARTICLE VIII Evidence of Ownership, Registration of Mailing Address and Designation of Voting Representative

1. *Proof of Ownership.* Except for those members who initially purchase a Unit from Declarant, any person on becoming an Owner of a Unit shall furnish to the Board a copy of the recorded instrument vesting that person with an interest or ownership in the Unit, which copy shall remain in the files of the Association.

2. *Registration of Mailing Address.* The Owner or several Owners of an individual Unit shall have one and the same registered mailing address to be used by the Association for mailing of monthly statements, notices, demands and all other communications, and such registered address shall be the only mailing address of a person or persons, firm, corporation, partnership, association or other legal entity or any combination thereof to be used by the Association. Such registered address of a member or members shall be furnished by such Member(s) to the Board within fifteen (15) days after transfer of title or after a change of address, and such registration shall be in written form and signed by (all of) the Owner(s) of the Unit or by such persons as are authorized by law to represent the interest of (all of) the Owner(s) thereof.

3. *Designation of Voting Representative—Proxy.* If a Unit is owned by one person, his right to vote shall be established by the record title thereto. If title to a Unit is held by more than one individual, by a firm, corporation, partnership, association or other legal entity or any combination thereof, such individuals, entity, or entities shall by written instrument executed by all such parties

and delivered to the Association appoint and authorize one person or alternate persons to represent the Unit Owners of the Unit. Such representative shall be a natural person who is a Unit Owner, or a designated board member or officer of a corporate Unit Owner, or a general partner of a partnership Unit Owner, or a comparable representative of any other entity, and such representative shall have the power to cast votes on behalf of the Unit Owners as a member of the Association, and serve on the Board of Managers if elected. Notwithstanding the foregoing, if the Association has not received the written instrument required above and if only one of the multiple Unit Owners of a Unit is present at a meeting of the Association, such Unit Owner is entitled to cast all of the votes allocated to that Unit. If the Association has not received the written instrument required above and if more than one of the multiple Unit Owners are present, either in person or by proxy, the Association may assume that any Unit Owner who casts the vote allocated to that Unit is entitled to do so unless one or more of the other Unit Owners of the Unit or their proxy promptly protest to the person presiding over the meeting. If such protest is made, the vote allocated to the Unit may only be cast by written instrument executed by all Unit Owners who are present at the meeting.

The requirements herein contained in this Article VIII shall be first met before any Owner of a Condominium Unit shall be deemed in good standing and entitled to vote at any annual or special meeting of members.

ARTICLE IX

Right to Inspect Records, Statement of Account

1. *Right to Inspect.* All Owners, Mortgagees and other persons lawfully entitled to inspect the same shall have the right to inspect the Association's and the Board of Managers' business records at reasonable times during business hours.

2. *Statement of Account.* Upon fourteen (14) days notice to the Board, or to the Managing Agent if one is employed, and payment of a reasonable fee not to exceed \$20.00, any prospective grantee, Owner or Mortgagee of a Unit shall be furnished a statement of the Owner's account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner.

ARTICLE XI

Association Not-for-Profit

1. *Not for Profit.* This Association is not organized for profit. No member of the Board of Managers, Officer or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of any Manager, Officer or member; provided, however, that:


- (a) Only reasonable compensation be paid to any member, Manager or Officer while

acting as an agent or employee of the Association; and

(b) Any member, Manager or Officer may, from time to time, be reimbursed for his or her actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

The provisions herein are not applicable to the Manager who shall perform his or her duties and functions according to written agreement for the compensation stated therein.

ADOPTED this 24 day of July, 1997.



Secretary