

**AMENDED AND RESTATED BYLAWS OF THE
SHADOW MOUNTAIN CONDOMINIUM ASSOCIATION**

ARTICLE I

NAME

1. The name of the organization shall be the Shadow Mountain Condominium Association (the "Association").

ARTICLE II

PURPOSES

1. The purpose for which this non-profit Association is formed is to govern the condominium property which has been or will be submitted to the provisions of the Colorado Common Interest Ownership Act of the State of Colorado, C.R.S. § 38.33.3-101 et seq. ("CCIOA") by the recording of the amended and restated declaration and supplements thereto (the "Declaration") and maps and supplements thereto bearing the name associated with the Association.
2. All present or future owners, tenants, future tenants, or any other persons that might use or have an interest in any manner in the facilities of the project located on the property therein described are subject to the regulations set forth in these Bylaws. The mere acquisition or rental of any of the condominium units (hereinafter referred to as "Units") or the mere act of occupancy of any of said Units will signify that these Bylaws are accepted and ratified and that the owner, tenant or occupant will comply herewith.
3. Capitalized terms used but not defined in these Bylaws shall have the meanings ascribed thereto in the Declaration.

ARTICLE III

MEMBERSHIP, QUORUM, VOTING

1. Membership. Each owner of a Unit shall automatically be a regular member of the Association. If fee simple title to a Unit is held by more than one person or entity, the membership appurtenant to that unit shall be shared by all such persons or entities in the same proportionate interest as fee title to the unit is held. Membership shall terminate without any formal Association action whenever a person ceases to own a Unit; provided,

however, such termination shall not relieve or release any such former owner from any liability or obligation incurred under or in any way connected with this Association during the period of such ownership and membership in the Association. Termination shall not impair any rights or remedies which the Unit Owners have, either through the Executive Board or directly, against such former owner and member arising out of or in any way connected with ownership and membership and the covenants and obligations incident thereto.

2. Voting. Except as provided otherwise in the Declaration, voting shall be based upon the percentage of undivided interest owned by each Unit Owner in the General Common Elements. An owner of an undivided interest in and to a Unit shall be entitled to a vote equal to his ownership interest in such Unit, subject to the voting provisions set forth in Section 5.4 of the Declaration. Cumulative voting is prohibited.
3. Proxies. Votes may be cast in person or by proxy. Proxies must be in writing, signed, dated and filed with the Secretary of the Association before or at the appointed time of each meeting. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy.
4. Quorum. A quorum is deemed present throughout any meeting of the members of the Association if a Majority of Unit Owners entitled to vote for election of the Executive Board are present, in person or by proxy, at the beginning of the meeting.
5. Majority. A majority of votes cast on the matter or, in the case of elections to the Executive Board in which there are more than two candidates, a plurality of votes cast, shall decide the matter, unless a greater percentage is specified in the Declaration, these Bylaws or by any law, rule, regulation or order.

ARTICLE IV

OWNERS' MEETINGS; ORDER OF BUSINESS

1. Association Responsibilities. The Unit Owners will constitute the Association and will have the responsibility of administering the Project through an Executive Board.
2. Place of Meeting. Meetings of the Association shall be held at such place within the State of Colorado as the Executive Board may determine.
3. Annual Meetings. The annual meetings of the Association shall be held at a time designated by the Executive Board from time to time and in no event more than fifteen (15) months from the time of the previous meeting. At such meeting there shall be elected by ballot of the

Unit Owners an Executive Board in accordance with the requirements of Article V of these Bylaws. The Unit Owners may also transact such other business of the Association as may properly come before them.

4. Special Meetings. The President may call a special meeting of the Unit Owners as directed by either: a) the Executive Board; or b) resolution of the Executive Board upon receipt of a petition signed by Persons having at least fifty-one percent (51%) of the votes 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 Persons having at least seventy-five percent (75%) of the votes present, either in person or by proxy. Any such meeting shall be held at such place and time as the President determines within thirty (30) days after receipt by the President of such resolution or petition.
5. Notices. Each Unit Owner shall be entitled to notice of any meeting at which such Unit Owner has the right to vote. Notices of meetings shall be delivered in writing by e-mail to each Unit Owner's email address of record unless a Unit Owner notifies the Executive Board in writing that notice by e-mail is not acceptable, in which case notice to such Unit Owner shall be by First Class U.S. Mail or other mail delivery service. Notice of any meeting shall be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting. Any notice shall be deemed given and any budget or other information or material shall be deemed furnished or delivered to a party at the time a copy thereof is placed in the United States mail, postage prepaid, addressed to the party, or upon sending of electronic delivery by email, and in any event, when such party actually receives such notice, information or material. Any notice, information or material shall be deemed properly addressed if it is addressed to the name and address, or email address, shown on the most recent written notice of name and address, if any, furnished to the Association by such Unit Owner (as provided in Section 2 of Article IX hereof), or if a name and address is not so furnished, if it is addressed "To the Owner" at the address of the Unit of such Unit Owner. For purposes of determining members entitled to notice, the Executive Board may set a record date pursuant to the provisions of the Declaration and Colorado law.
6. Adjourned Meetings. If any meeting of Unit Owners cannot be organized because a quorum has not attended, the Unit Owners who are present, either in person or by proxy, may adjourn the meeting, from time to time, until a quorum is obtained.

7. Order of Business. The order of business at the annual meeting of the Unit Owners shall be as follows:

- a. Roll call and certifying proxies
- b. Proof of notice of meeting or waiver of notice
- c. Reading and/or disposal of unapproved minutes
- d. Reports of Officers
- e. Reports of Committees
- f. Election of Executive Board members
- g. Unfinished Business
- h. New Business
- i. Adjournment

8. Action without meeting.

(a) Any action required or permitted to be taken at a meeting of the members of the Association may be taken without a meeting if members entitled to vote thereon representing not less than the minimum number of votes necessary to approve such action at a meeting of the members agree and consent to such action in writing.

(b) No action taken pursuant to this Section shall be effective unless writings describing and consenting to the action, signed by members of the Association sufficient under Subsection (a) above to take such action and not revoked pursuant to Subsection (c) below, are received by the Association within sixty (60) days after the earliest dated writing describing and consenting to the action is received by the Association. Any such writing may be received by the Association by electronically transmitted facsimile or other form of wire or wireless communication providing the Association with a complete copy thereof, including a copy of the signature thereto. Action taken pursuant to this Section shall be effective when the last writing necessary to affect the action is received by the Association, unless the writings describing and consenting to the action set forth a different effective date.

(c) Any member of the Association who has signed a writing describing and consenting to any action taken pursuant to this section may revoke such consent by a writing signed and dated by the member describing the action and stating that the member's prior consent thereto is revoked, if such writing is received by the Association before the last writing necessary to effect the action is received by the Association.

(d) Subject to the District Court of Pitkin County Colorado's ability to specify a record date pursuant to C.R.S. §7-127-107(8), the record date for determining members of the Association entitled to take action without a meeting or entitled to be given notice under Subsection (f) below of action so taken is the date a writing upon which the action is taken pursuant to Subsection (a) above is first received by the Association.

(e) Action taken under this section has the same effect as action taken at a meeting and may be described as such in any document.

(f) In the event action is taken under Subsection (a) above with less than unanimous consent of all members of the Association entitled to vote upon the action, the Association or the members taking the action shall, promptly after all of the writings necessary to effect the action have been received by the Association, give notice of such action to all members who were entitled to vote upon the action. The notice shall contain or be accompanied by the same material, if any, that under Articles 121-137 of Title 7, C.R.S., would have been required to be given to members in or with notice of the meeting at which the action would have been submitted to the members for action.

9. Meetings By Telecommunication. Any or all of the members of the Association may participate in an annual, regular or special meeting of the members by, or the meeting may be conducted through the use of, any means of communication by which all persons participating in the meeting may hear each other during the meeting. A member of the Association participating in a meeting by such means of communication is deemed to be present in person at the meeting.

ARTICLE V

EXECUTIVE BOARD

1. Number and Qualification. Unless the number of Executive Board members has previously been amended otherwise pursuant to the provisions of this Article V of these Bylaws, at each annual meeting of the Association, there shall be elected an Executive Board consisting of five (5) Unit Owners, spouses of Unit Owners, adult children of Unit Owners (at least 21 years of age) or, solely with respect to any Unit Owner that is not a natural person, a designated representative of such Unit Owner, who shall thereafter govern the affairs of this Association until their successors have been duly elected and qualified. Election of Executive Board members shall be subject to Sections 5.2, 5.3, and 5.4 of the Declaration and to Article V, Section 5 and Article VI of these Bylaws. The current Executive Board shall consist of five (5) members. The number of members constituting the entire executive Board may, subject to the preceding provisions of this Section, be increased or decreased by unanimous approval of a duly considered resolution of the Executive Board, but in no event may the number of Executive Board members be less than three (3); provided also that no decrease in the number of Executive Board members shall shorten the term of any incumbent Executive Board Member.

2. Power and Duties. The Executive 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 residential condominium property. The Executive Board may do all such acts and things except as by law or by these Bylaws or by the Declaration may not be delegated to the Executive Board.

3. Other Powers and Duties. Such powers and duties of the Executive Board shall include, but shall not be limited to, the following, all of which shall be done for and on behalf of the Unit Owners:
 - a. To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Declaration submitting the Property to the provisions of the CCIOA, these Bylaws and supplements and amendments thereto.

 - b. To establish, make, amend and enforce compliance with such rules and regulations as may be necessary for the use and occupancy of all of the Units and the operation and use of the Common Elements, with the right to amend same from time to time. A copy of such rules and regulations may be delivered or mailed to each member of the Association upon the adoption thereof.

 - c. To incur such costs and expenses as may be necessary to keep in good order, condition and repair all of the Common Elements and all items of common personal property.

 - d. To procure any insurance required by the Declaration and these Bylaws and any and all other coverage thought desirable by the Executive Board for the Association.

 - e. To prepare a budget for the Association, at least annually, in order to determine the amount of the common assessments payable by the Unit Owners to meet the common expenses of the Project. At least sixty (60) days prior to the beginning of the Association's fiscal year, the Executive Board shall meet to adopt a proposed budget for the upcoming fiscal year. The proposed budget shall include but shall not be limited to an estimate of the costs of maintenance and repair of the Common Elements, the costs of utilities and other services to be provided by the Association, the costs of insurance required by the Declaration, and the proposed capital expenditures for the Association, including sinking funds or capital reserves as required by the Declaration. For the Association's first fiscal year, estimates of the costs for repair and maintenance of the Common Elements shall be based on a good faith estimate of those costs and may be based on the costs incurred by similar Associations in the general locale of the Project. Thereafter, the costs of maintenance and repair shall be estimated on the basis of the previous year's costs with such

adjustments as the Executive Board considers appropriate. The budget shall also include an estimate, based upon the budget estimates, of the annual assessment for each unit.

Within thirty (30) days after the adoption of any proposed budget, the Executive Board shall mail, by ordinary first class mail, or otherwise deliver, a summary of the budget to all Association members and shall set a date for a meeting of the members to consider ratification of the budget, which date shall be not less than fourteen (14) nor more than sixty (60) days after mailing or other delivery of the summary. Unless at that meeting the members reject the proposed budget by a majority vote, the proposed budget shall be ratified, whether or not a quorum is present. In the event that the proposed budget is rejected, the periodic budget last ratified by the members must be continued until such time as the members ratify a subsequent budget proposed by the Executive Board.

- f. To fix, determine, levy and collect periodic and special assessments to be paid by each of the Unit Owners to meet the Common Expenses and to create a contingency reserve therefor. All periodic or special assessments shall be in itemized statement form, and shall set forth in detail the various expenses for which the assessments are being made.
- g. To collect delinquent assessments by suit or otherwise and to enjoin or seek damages from a Unit Owner as is provided in the Declaration and these Bylaws.
- h. To protect and defend in the name of the Association any part or all of the Project from loss and damage by suit or otherwise.
- i. 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 Executive Board may deem necessary and give security therefore.
- j. To enter into contracts to carry out their duties and powers.
- k. To establish a bank account or accounts for the common treasury and for all separate funds which are required or may be deemed advisable.
- l. To make repairs, additions, alterations and improvements to the General Common Elements and the Limited Common Elements consistent with managing the Project in a first class manner and consistent with the best interests of the Unit Owners.

- m. To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to be able to provide complete audit of the books and accounts by a certified or public accountant upon request of Persons having at least one-third (1/3) of votes in the association, but in any case no more often than once in any calendar year.
- n. To prepare and deliver annually to each Unit Owner a statement showing receipts, expenses or disbursements of the Association since the last such statement.
- o. To designate the personnel necessary for the maintenance and operation of the Common Elements.
- p. In general, to carry on the administration of the Association and to do all of those things necessary and reasonable in order to carry out the governance and operation of the Property.
- q. To control and manage the use of all parking areas.
- r. To appoint or employ a managing agent to exercise any and all powers of the Executive Board. The Executive Board may employ a manager or managing agent for the Association at a compensation established by the Executive Board to perform such duties and services as the Executive Board shall authorize including, but not limited to, the duties listed above. Any such delegation, however, shall not relieve the Executive Board of its responsibilities under the Declaration and these Bylaws. If and to the extent that the Executive Board delegates its powers relating to the collection, deposit, transfer or disbursement of Association funds through a manager or managing agent, such manager or managing agent shall:

1) Maintain fidelity insurance coverage or a bond in an amount not less than \$50,000.00 or such higher amount as the Executive Board may require; and

2) Maintain all funds and accounts of the Association separate from the funds and accounts of any other associations or entities managed by the manager or managing agent, and maintain all reserve accounts of each association or entity so managed separate from operational accounts of the Association; and

3) Have prepared and present to the Association an annual accounting of Association funds and financial statements, which accounting and financial statements shall be prepared by the managing agent, a public accountant, or a certified public accountant.

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, these Bylaws or the rules and regulations adopted pursuant thereto, shall not constitute or be deemed a waiver, modification or release thereof, and the Executive Board or its management agent shall have the right to enforce the same thereafter.
5. Election and Term of Office. Election of Executive Board members shall take place at each annual meeting of the Members, and each Executive Board member will be elected for a term of one (1) year. At the expiration of the term of office of each respective Executive Board member, successors shall be elected to serve a term of one (1) year. An Executive Board member shall hold office until the next annual meeting and until his or her successor shall be elected, subject, however, to prior death, resignation, retirement, disqualification or removal.
6. Vacancies. Vacancies in the Executive Board caused by any reason other than the removal of an Executive Board member by a vote of the Association shall be filled by vote of the majority of the remaining Executive Board members, even though they may constitute less than a quorum; and each person so elected shall be an Executive Board member until a successor is elected at the next annual meeting of the Association. If a vacancy is not filled within thirty (30) days, the President shall call a special meeting of the members of the Association to fill the vacancy for the remainder of the unexpired term.
7. Removal of Executive Board Members. At any regular or special meeting duly called, any one or more of the Executive Board members may be removed with or without cause by a vote of a majority in interest of the Unit Owners present in person or by proxy. Thereupon a successor may then and there be elected by the members to fill the vacancy thus created. Any Executive Board member whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting.
8. Organizational Meeting. The first meeting of a newly elected Executive Board following the annual meeting of the Unit Owners shall, to the extent practicable, be held immediately following each annual meeting at such place as shall be fixed by the Executive Board members at the meeting at which such Executive Board members were elected or, in any event, within then (10) days following said annual meeting. If held immediately following the annual meeting, no notice shall be necessary to the newly elected Executive Board members in order legally to constitute such meeting, providing a majority of the whole Executive Board shall be present.
9. Regular Meetings. Regular meetings of the Executive Board may be held at such time and place as shall be determined, from time to time, by a majority of the Executive Board members. Notice of regular meetings of the Executive Board shall be given to each Executive Board member, personally or by mail, telephone or telegraph, at least three (3)

days prior to the day named for such meeting.

10. Special Meetings. Special meetings of the Executive Board may be called by the President on three (3) days' notice to each Executive Board member, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Executive Board shall be called by the President or Secretary in like manner and on like notice on the written request of two or more Executive Board members.
11. Waiver of Notice. Before or at any meeting of the Executive Board, any Executive Board member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by an Executive Board member at any meeting of the Executive Board shall be a waiver of notice by him of the time and place thereof. If all the Executive Board members are present at any meeting of the Executive Board, no notice shall be required and any business may be transacted at such meeting.
12. Executive Board Quorum. At all meetings of the Executive Board, a majority of the Executive Board members shall constitute a quorum for the transaction of business, and the acts of the majority of the Executive Board members present at a meeting at which a quorum is present shall be the acts of the Executive Board. If at any meeting of the Executive Board there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting as originally called may be transacted without further notice.
13. Fidelity Bonds. The Executive Board may require that all officers and employees of the Association and the managing agent handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be a Common Expense.
14. Compensation. No member of the Executive Board shall receive any compensation for acting as such, but shall be entitled to reimbursement for any actual out-of-pocket expenses incurred in the performance of his duties.

15. Action Without Meeting.

(a) Any action required or permitted to be taken at a meeting of the Executive Board may be taken without a meeting if each and every member of the Executive Board in writing either (i) votes for such action; or (ii) (A) votes against such action or abstains from voting, and (B) waives the right to demand that action not be taken without a meeting.

(b) Action is taken under this Section only if the affirmative vote for such action equals or exceeds the minimum number of votes that would be necessary to take such action at a meeting at which all of the Executive Board members then in office were present and voted.

(c) No action taken pursuant to this Section shall be effective unless writings describing the action taken and otherwise satisfying the requirements of Subsection (a) of this Section, signed by all Executive Board members and not revoked pursuant to Subsection (d) below, are received by the Association. Any such writing may be received by the Association by electronically transmitted facsimile or other form of wire or wireless communication providing the Association with a complete copy of the document, including a copy of the signature on the document. An Executive Board member's right to demand that action not be taken without a meeting shall be deemed to have been waived if the Association receives a writing satisfying the requirements of Subsection (a) that has been signed by the Executive Board member and not revoked pursuant to Section (d) below. Action taken pursuant to this Section shall be effective when the last writing necessary to effect the action is received by the Association unless the writings describing the action taken set forth a different effective date.

(d) Any Executive Board member who has signed a writing pursuant to this Section may revoke such a writing by a writing signed and dated by such Executive Board member describing the action and stating that such Executive Board member's prior vote with respect thereto is revoked, if such writing is received by the Association before the last writing necessary to effect the action is received by the Association.

(e) Action taken pursuant to this Section has the same effect as action taken at a meeting of Executive Board members and may be described as such in any document.

(f) All signed written instruments necessary for any action taken pursuant to this Section shall be filed with the minutes of the meetings of the Executive Board.

16. Meetings by Telecommunication. The Executive Board may permit any Executive Board member to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all Executive Board members participating may hear each other during the meeting. An Executive Board member participating in a meeting by this means is deemed to be present in person at the meeting.

ARTICLE VI

OFFICERS

1. Designation. The officers of the Association shall be a President, a Secretary and a Treasurer, all of whom shall be elected by the Executive Board. Such officers shall be members of the Executive Board, and each shall be a Unit Owner, a spouse of a Unit Owner, an adult child of a Unit Owner (at least 21 years of age) or, solely with respect to any Unit Owner that is not a natural person, a designated representative of such Unit Owner. The same person may not hold the offices of President and Secretary.
2. Election of Officers. The officers of the Association shall hold office for a term of one year, shall be elected annually by the Executive Board at each annual meeting of the Executive Board, and shall hold office at the pleasure of the Executive Board members.
3. Removal of Officers. Upon an affirmative vote of a majority of the Executive Board, any officer may be removed, either with or without cause. A removed officer's successor may be elected at the annual meeting of the Executive Board or at any special meeting of the Executive Board called for such purpose.
4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Executive Board. He shall have all of the general powers and duties which are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the Unit Owners or delegate appropriate duties to the Managing Agent 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 Executive Board or by the members of the Association at any regular or special meetings.
5. Vice President. Each Vice President, if any are appointed, shall have all the powers and authority and perform all the 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 perform such duties.

6. Secretary. The Secretary shall keep all the minutes of the meetings of the Executive Board and the minutes of all meetings of the Association; he shall have charge of such books and papers as the Executive Board may direct; and he shall, in general, perform all the duties incident to the office of Secretary and as is provided in the Declaration and these Bylaws. The Secretary shall compile and keep up to date a complete list of Association members and their last known addresses as shown on the records of the Association. Such list shall also show opposite each Association member's name the number or other appropriate designation of the Unit owned by such member, and such Unit Owner's undivided interest in the General Common Elements. Such list shall be open to inspection by Association members and other persons lawfully entitled to inspect the same at reasonable times.
7. Treasurer. The Treasurer shall have responsibility for Association funds 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 Executive Board. In the event a managing agent has the responsibility of collecting and disbursing funds, the Treasurer shall review the accounts of the managing agent not less often than twice each calendar year.

ARTICLE VII

INDEMNIFICATION OF OFFICERS, EXECUTIVE BOARD MEMBERS AND MANAGING AGENT

1. Indemnification. The Association shall have the following powers regarding indemnification:
 - a. To indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he or she is or was a member of the Executive Board or an officer, employee, fiduciary or agent of the Association or, while a member of the Executive Board or an officer, employee, fiduciary or agent of the Association, is or was serving at the request of the Association as a member of the executive board or a director, officer, employee, member, manager, fiduciary or agent of another association, corporation, partnership, joint venture, trust or other entity, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with that action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in the best interests of the Association and, regarding any criminal action or proceeding, had no reasonable cause to believe his or her conduct

was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement or conviction or upon a plea of *nolo contendere* or its equivalent will not of itself create a presumption that the person did not act in good faith and in the manner which he or she reasonably believed to be in the best interests of the Association and, regarding any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

- b. To indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by or in the right of the Association to procure a judgment in its favor by reason of the fact that he or she, while a member of the Executive Board or an officer, employee, fiduciary or agent of the Association, is or was a member of the executive board or an officer, employee, member, manager, director, fiduciary or agent of another association, corporation, partnership, joint venture, trust or other entity, against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of that action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in the best interests of the Association; but no indemnification shall be made regarding any claim, issue or matter as to which such person has been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Association unless and only to the extent that the court in which the action or suit was brought determines upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for those expenses which the court deems proper.
- c. To the extent that any person entitled to indemnification under subsections a or b has been successful on the merits in defense of any action, suit or proceeding referred to in subsections a and b or in defense of any claims, issue or matter therein, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith.
- d. Any indemnification under Subsection a or b (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the person is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Subsection a or b. That determination shall be made by the Executive Board by a majority vote of a quorum consisting of Executive Board members who were not parties to such action, suit or proceeding or, if a quorum is not obtainable or even if obtainable a quorum of disinterested members of the Executive Board so directs, by independent legal counsel in a written opinion.

- e. Expenses (including attorneys' fees) incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Association in advance of the final disposition of that action, suit or proceedings as authorized in Subsection d upon receipt of an undertaking by the indemnified person to repay such amount unless it is ultimately determined that he or she is entitled to be indemnified by the Association as authorized by this Section.
 - f. The indemnification provided by this Section shall not be deemed exclusive of any other rights to which those indemnified may be entitled under the Articles of Incorporation, these Bylaws, by agreement, by vote of Association members or disinterested members of the Executive Board or otherwise, and any procedures provided by any of the foregoing, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a member of the Executive Board or an officer, employee, fiduciary or agent of the Association and shall inure to the benefit of heirs, executors and administrators of that person.
 - g. The Association may purchase and maintain insurance on behalf of any person who is or was a member of the Executive Board or an officer, employee, fiduciary or agent of the Association or who, while a member of the Executive Board or an officer, employee, fiduciary or agent of the Association, is or was serving at the request of the Association as a member of the Executive Board or a director, officer, employee, member, manager, fiduciary or agent of another association, corporation, partnership, joint venture, trust or other entity, against any liability asserted against him or her and incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the Association would have the power to indemnify him or her against that liability under the provisions of this Section.
2. Other. Contracts or other commitments made by the Executive Board, officers or the managing agent of the Association shall be made as agent for the Unit Owners, and they shall have no personal responsibility on any such contract or commitment (except as Unit Owners), and the liability of any Unit Owner on any such contract or commitment shall be limited to such proportionate share of the total liability thereof as the common interest of each Unit Owner bears to the aggregate common interest of all of the Unit Owners, except that any losses incurred because of an inability to collect such proportionate amount of the total liability owned by a Unit Owner shall be shared proportionately by the other Unit Owners.

ARTICLE VIII

EVIDENCE OF OWNERSHIP, REGISTRATION OF MAILING ADDRESS AND DESIGNATION OF VOTING REPRESENTATIVE

1. Proof of Ownership. Any Person on becoming a Unit Owner shall furnish to the managing agent or Executive Board a machine or a certified 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. Any Unit Owner failing to provide a copy of such instrument to the Association shall be deemed not in good standing until the Association receives a copy thereof.
2. Registration of Mailing Address. The Unit Owners 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. Such registered address shall be the only mailing address of a Person to be used by the Association. Such registered address of each Unit Owner shall be furnished by such Unit Owner to the managing agent or Executive 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 owners of the Unit or by such persons as are authorized by law to represent the interest of the owner or owners thereof.
3. Delinquency. No Unit Owner who is delinquent in the payment of an assessment made against him shall have the right to vote in person or by proxy at an annual or special meeting of the members of the Association.
4. Good Standing to Vote. The requirements herein contained in this Article IX shall be first met before a Unit Owner shall be deemed in good standing and entitled to vote at any annual or special meeting of members.

ARTICLE IX

OBLIGATIONS OF THE OWNERS

1. Assessments. All Unit Owners shall be obligated to pay the assessments imposed by the Association to meet the Common Expenses. Unless otherwise set out in the Declaration, the assessments shall be made pro rata according to percentage or fractional interest in the General Common Elements and shall be paid in advance.

2. Notice of Lien or Suit. A Unit Owner shall give notice to the Association of every lien or encumbrance upon his Unit, other than for taxes and special assessments, and notice of every suit or other proceeding which may affect the title to his Unit, and such notice shall be given in writing within five (5) days after the Unit Owner has knowledge thereof. The Association shall maintain a book entitled "Mortgages of Units" containing a list of each mortgage or deed of trust holder affecting each Unit.

3. Maintenance and Repair.
 - a. Every Unit Owner must perform promptly, at his own expense, all maintenance and repair work within his own Unit and the Limited Common Elements appurtenant to his Unit for which he is responsible pursuant to the provisions of the Declaration which, if omitted, would affect the appearance of or the aesthetic integrity of part or all of the Project.
 - b. All the repairs of internal installations of a Unit, such as water, light, gas, power, sewage, telephone, sanitary installations, doors, windows, electrical fixtures and all other accessories, equipment and fixtures, shall be at the Unit Owner's expense.
 - c. A Unit Owner shall be obligated to reimburse the Association promptly upon receipt of its statement for any expenditures incurred by it in repairing or replacing any general or limited common element damages caused by such Unit Owner's, or his or her tenant's, agent's or guest's, negligence or willful misconduct.

4. General.
 - a. Each member shall comply with all the provisions of the Declaration, the Articles of Incorporation, these Bylaws and any rules and regulations issued by the Executive Board. If a member fails to comply, the Association shall have the power, during the period of such delinquency, (a) to revoke the delinquent member's right to use General Common Elements designed for recreational purposes, (b) to cause utility service to the delinquent member's Unit to be suspended, (c) to suspend the delinquent member's voting privileges, and (d) to impose appropriate fines, as determined by the Executive Board, against the delinquent member. In the event of the exercise of any such powers, the Association shall notify the delinquent member's first lienor of the delinquency and the action taken.
 - b. Each Unit Owner shall always endeavor to observe and promote the cooperative purposes for the accomplishment of which the Project was built.

5. Use of General Common Elements and Limited Common Elements. Each Unit Owner may use the General Common Elements, the Limited Common Elements associated with

his Unit, sidewalks, pathways, roads and streets and other Common Elements located within the entire Project in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other Unit Owners, and subject to the rules and regulations contained in these Bylaws and established by the Executive Board as herein provided.

6. Right of Entry.

- a. A Unit Owner shall and does grant the right of entry to the managing agent or to any other Person authorized by the Executive Board in case of any emergency originating in or threatening his Unit, whether the Unit Owner is present at any time or not.
- b. A Unit Owner shall permit other affected Unit Owners, or their representatives, to enter his Unit for the purpose of performing installations, alterations, or repairs to the mechanical, electrical, or utility services which, if not performed, would affect the use of any other Unit; provided that requests for entry are made in advance and that such entry is at a time convenient to the Unit Owner whose Unit is being entered. In case of emergency, such right of entry shall be immediate.

7. Rules and Regulations. The Executive Board reserves the power to establish, make and enforce compliance with such rules and regulations as may be necessary for the operation, use and occupancy of the Project with the right to amend same from time to time. Copies of such rules and regulations may, upon request, be furnished to each Unit Owner prior to the date when the same shall become effective.

8. Destruction and Obsolescence. Each Unit Owner, upon becoming an owner of a Unit, hereby grants his power of attorney in favor of the Association, irrevocably appointing the Association his attorney-in-fact to deal with the owner's Unit upon its damage, destruction or obsolescence, all as is provided in the Declaration.

ARTICLE X

ASSOCIATION - NOT FOR PROFIT

This Association is not organized for profit. No Association member, Executive Board member, 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 Executive Board member, officer or Association member; provided, however, that (1) reasonable compensation may be paid to any Association member, Executive Board member or officer while acting as an agent or employee of the Association

for services rendered in effecting one or more of the purposes of the Association; and (2) any Association member, Executive Board member or officer may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

ARTICLE XI

INSPECTION OF RECORDS; STATEMENT OF ACCOUNT

1. **Inspection of Records.** The Executive Board or managing agent, as the case may be, shall keep detailed accurate records of the receipts and expenditures of the Association. Such records shall be available for examination by the Unit Owners at convenient weekday business hours.
2. **Statement of Account.** Upon the payment of a reasonable fee as determined from time to time by the Association and upon written request of any Unit Owner or any person with any right, title or interest in a Unit or intending to acquire any right, title or interest in a Unit, the Executive Board or managing agent shall furnish a written statement of account setting forth the amount of any assessments, charges, fines or penalties, if any, due or accrued and then unpaid with respect to a Unit and the amount of the assessment for the current fiscal period of the Association payable with respect to the Unit, which statement shall, with respect to the party to whom it is issued, be conclusive against the Association and all parties, for all purposes, that no greater or other amounts were then due or accrued and unpaid.

ARTICLE XII

EXPANSION OF PROJECT

In the event that new or additional Common Elements are acquired or constructed, they shall become part of the Project and all Unit Owners shall own the same proportionate undivided interest in such Common Elements; shall assume the same proportionate share of the costs thereof; and enjoy the same voting rights with respect thereto as established in the Declaration and these Bylaws for existing Common Elements.

ARTICLE XIII

AMENDMENT OF BYLAWS

1. Amendment by Members of the Executive Board. Except as limited by law, the Articles of Incorporation, the Declaration or these Bylaws, or committed to action by the Association members, the Executive Board shall have the power to make, amend and repeal these Bylaws at any regular meeting of the Executive Board, or any special meeting called for that purpose, at which a quorum is represented. If, however, the Association members shall make, amend and repeal any Bylaw, the members of the Executive Board shall not thereafter amend the same in such a manner as to defeat or impair the object of the Association members in taking such action.
2. Amendment by Members. The Association members may, by the vote of Persons having at least seventy percent (70%) of the votes in the Association, unless a greater percentage is expressly required by law, the Articles of Incorporation, the Declaration or these Bylaws, make, alter, amend and repeal these Bylaws at any annual meeting or any special meeting called for that purpose at which a quorum shall be represented.
3. Limitation. Notwithstanding the foregoing, amendment of these Bylaws is specifically subject to the requirements of C.R.S. §38-33.3-306, as amended.

ARTICLE XIV

CONSTRUCTION AND VALIDITY OF BYLAWS

1. All provisions of these Bylaws are severable.
2. The rule against perpetuities does not apply to defect any provision of these Bylaws.
3. In the event of a conflict between the provisions of the Declaration and these Bylaws, the Declaration prevails, except to the extent the Declaration is inconsistent with the CCIOA.
4. These Amended and Restated Bylaws supercede all previous Bylaws adopted by the Association.

IN WITNESS WHEREOF, the undersigned Executive Board have hereunto set their hands
this 19 day of March, ~~2008~~
2009

EXECUTIVE BOARD:

Michael R Meyer - President
Name: Michael R Meyer

Alexander L Biel Vice President
Name: Alexander L Biel

Name: _____

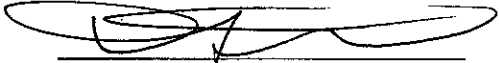
The undersigned Secretary of the Shadow Mountain Condominium Association does hereby
certify that the above and foregoing Bylaws were duly adopted by the Executive Board of said
Association on the 19 day of March, ~~2008~~
2009.

ATTEST:

Todd Klundworth
Name: Todd Klundworth
Secretary

IN WITNESS WHEREOF, the undersigned Executive Board have hereunto set their hands
this ____ day of _____, 2008.

EXECUTIVE BOARD:


Name: Donald C. Gilbert

Name: _____

Name: _____

The undersigned Secretary of the Shadow Mountain Condominium Association does hereby
certify that the above and foregoing Bylaws were duly adopted by the Executive Board of said
Association on the ____ day of _____, 2008.

ATTEST:

Name: _____
Secretary

IN WITNESS WHEREOF, the undersigned Executive Board have hereunto set their hands
this 19 day of March, 2008.

EXECUTIVE BOARD:

Christiane J. McNamee 3/19/09
Name: Christiane J. McNamee
SM#13

Name: _____

Name: _____

The undersigned Secretary of the Shadow Mountain Condominium Association does hereby
certify that the above and foregoing Bylaws were duly adopted by the Executive Board of said
Association on the ____ day of _____, 2008.

ATTEST:

Name: _____
Secretary