

**FIFTH AMENDED AND RESTATED  
BY-LAWS  
OF  
SNOWBRIDGE SQUARE CONDOMINIUM ASSOCIATION**

**ARTICLE 1 – DEFINITIONS**

- 1.1 Declaration. As used herein “Declaration” means the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Snowbridge Square, recorded on January 28, 2002, at Reception No. 674900, in the real property records of Summit County, Colorado.
- 1.2 Other Definitions. Unless otherwise defined herein, all capitalized terms used herein shall have the meanings given to them in the Declaration.
- 1.3 Member in Good Standing. As used herein, Member in Good Standing shall mean any member who is current in the payment of dues and assessments and is not in violation of any provisions of the By-Laws, Declarations, and/or rules and regulations of the Snowbridge Square Condominium Association.

**ARTICLE 2 – OFFICES**

The Association is a Colorado non-profit corporation, with its principal office at 760 Copper Road, PO Box 3349, Copper Mountain, Colorado, 80443. The Association may also have offices and may carry on its purposes, at such other places within and outside the State of Colorado, as the Executive Board may from time-to-time deem necessary or appropriate.

**ARTICLE 3 – MEMBERSHIP, VOTING RIGHTS,  
QUORUM, PROXIES AND MAJORITY VOTE**

- 3.1 Membership. The members of the Association shall be those persons that hold Membership as set forth in the Articles of Incorporation. Any person becoming an owner of a condominium unit in Snowbridge Square shall become a member and subject to these By-Laws. Such membership shall automatically terminate whenever such person ceases to own any interest in a condominium unit, but such termination shall not relieve or release any former owner from any liability or obligation incurred to, under or in any way connected with the Association during the period of ownership, or impair any rights or remedies which the Board of Directors, or the Association, or others may have against such former owner.
- 3.2 Voting Rights. The total of votes to which a member is entitled shall be determined in accordance with the Articles of Incorporation. Any member shall be entitled to vote provided the condominium unit which the member owns and the member is in Good Standing. Each condominium unit shall be voted as a unit. If a condominium unit is owned by more than one person, and the owners cannot agree as to how the condominium unit should be voted, then the condominium unit shall lose its right to vote on the issue.
- 3.3 Quorum. Except as otherwise required by law or the Articles, the presence in person or by proxy of members entitled to vote of at least twenty-five percent (25%) of the total votes allocated to

all Memberships which are entitled to vote with respect to a matter shall constitute a quorum for purposes of voting on that matter.

- 3.4 Proxies. Votes at any meeting of the Association may be cast in person or by proxy. Every proxy must be executed in writing by a member or their duly authorized attorney-in-fact. Such proxy shall be filed with the secretary of the Association before or at the time of the meeting. No proxy shall be valid after the expiration of eleven months from the date of its execution unless otherwise provided in the proxy. If a condominium unit is owned or leased by more than one Owner, any such Owner may execute a proxy on behalf of all such Owners, and it will be conclusively presumed for all purposes that such owner acted with the authority and consent of all Owners with whom such Owner shares the Membership, unless objection thereto is made to the chairperson of the meeting at the time of the vote to which the proxy relates. If more than one proxy is executed for any particular Membership and such proxies contain contrary instructions regarding any vote, no such proxy shall be counted and all such proxies shall be deemed null and void for purpose of the vote to which such proxies conflict. Proxies may be forwarded electronically.
- 3.5 Majority Vote. At any meeting of the members, if a quorum is present, the affirmative vote of a majority of the votes allocated to all Memberships represented at the meeting, in person, or by proxy, shall be the act of the members, unless the vote of a greater number is required by law, the Articles, the Declaration of these By-Laws.
- 3.6 Use of Secret Ballot.
- A. Members of the Executive Board shall be elected by the use of secret ballot at the annual meeting of the Owners. The votes shall be counted by either a neutral third party, or by a committee of volunteers who are Owners selected or appointed at an open meeting in a fair manner by the chair of the Executive Board or another person presiding during that portion of the meeting. The volunteers shall not be members of the Executive Board and, in the case of a contested election for a board position, shall not be candidates. The Executive Board may amend this procedure in its sole discretion at any time to conform with applicable Colorado statutes, without needing to amend these Bylaws.
  - B. At the discretion of the Executive Board or upon the request of twenty percent of the Owners who are present at the meeting or represented by a proxy, if a quorum has been achieved, a vote on any matter affecting the common interest community on which all Owners are entitled to vote shall be by secret ballot.
  - C. The results of a vote taken by secret ballot shall be reported without reference to the names, addresses, or other identifying information of Owners participating in such vote.
- 3.7 Power of Executive Board to Reject Votes. The Executive Board is entitled to reject a vote, consent, written ballot, waiver, proxy appointment, or proxy revocation if the secretary or other officer or agent authorized to tabulate the votes, acting in good faith, has a reasonable basis for doubt about the validity of the signature on it, or about the signatory's authority to sign for the Owner. The Association, and its officer or agent, and the Executive Board, who accept or reject a vote, consent, written ballot, waiver, proxy appointment, or proxy revocation in good faith are not liable in damages for the consequences of the acceptance or rejection.

#### **ARTICLE 4 – ADMINISTRATION**

- 4.1 Annual Meeting. The annual meeting of the members shall be held each year during the month of August or September (i) at a convenient location to be selected by the Executive Board, at any

place within or outside the State of Colorado, and (ii) at a date and time designated by the Executive Board or at such other date and time designated by the Executive Board (not later than forty (40) days prior to the designated date of such meeting) for the purpose of electing directors and for the transaction of such other business as may come before the meeting.

- 4.2 Special Meeting. Special meetings of the Owners, for any purpose, unless otherwise prescribed by statute, may be called by the President or by a majority of the Executive Board, or by the Owners having twenty percent (20%) of the membership interests then outstanding, and shall be held at a convenient location to be selected by the Executive Board at any place within or without the State of Colorado.
- 4.3 Notice of Meeting
- A. Written notice of any meeting of the Owners, stating the place, day and hour of the meeting, 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 Executive Board shall be delivered personally, by mail, or by overnight courier, by or at the direction of the President, or the Secretary, or the Persons calling the meeting, and shall be given to each member entitled to vote at such meeting not less than ten (10) days nor more than fifty (50) days before the date of the meeting. If mailed or delivered by overnight courier, such notice shall be deemed to be delivered when deposited in the United States mail or with the overnight courier, postage prepaid, and addressed to the member at the members registered address provided to the Association.
- B. Written waiver of notice signed by or on behalf of the Person or Persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.
- C. If electronic means are available, the Association shall provide all notices and agendas in electronic form, by posting on a website or otherwise, in addition to printed form, and including, without limitation, notices of all regular and special meetings to Owners via electronic mail to all Owners who so requested and who furnish the Association with their electronic mail addresses. Electronic notice of a special meeting shall be given as soon as possible but at least 24 hours before the meeting. If the Executive Board determines that it is feasible and practicable, the notice of any meeting of Owners shall be physically posted in a conspicuous place in or around the Project.
- 4.4 Informal Action by Members. Any action required or permitted to be taken at a meeting of the members may be taken without a meeting if a written consent, setting forth the action so taken, shall be signed by all of the members 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 members.
- 4.5 Record Retention and Disclosure
- A. The Association shall keep the following as permanent records:
- i. The meeting minutes from all Owner and Board meetings;
  - ii. all actions taken by Owners or Board by written ballot;
  - iii. all actions taken by communities instead of Executive Board on behalf of the Association;
  - iv. a record of all waivers of notices for Owner, Board, or committee meetings.
- B. In addition, the Association shall keep copies of the following records at its principal office:
- i. Financial records detailed enough to show unpaid assessments;

- ii. A record of Owners so that the Association can make a list of names, addresses and votes;
  - iii. The Association's governing documents including: Articles, Bylaws, the Declaration, any amendments hereto, rules and regulations, and responsible governance policies;
  - iv. Board resolutions;
  - v. Minutes of Owner's meetings for the past three years;
  - vi. Records of actions taken by the Owners without a meeting for the past three years;
  - vii. All written communications sent to all Owners in the past three years;
  - viii. A list of the members of the Executive Board and Officers names and addresses, and the Association's most recent annual report as filed with the Secretary of State;
  - ix. A list, by unit, of the Association's current assessments, including both special and regular assessments;
  - x. The results of any financial audit or review for the fiscal year immediately preceding, if such audit or review exists;
  - xi. A list of all Association insurance policies, including the company names, policy limits, policy deductibles, additional named insureds, and expiration dates of the policies; and
  - xii. The date on which the fiscal year for the Association begins.
- C. The principal place of business of the Association shall be deemed to be the office of the Association. The Association's records shall be stored at Snowbridge Square Condominium Association, 760 Copper Road, Copper Mountain, CO 80443.
- D. The Association shall ensure disclosure of this information in one or more of the following methods: posting on an internet web page with accompanying notice via first-class mail or e-mail; the maintenance of a literature table or binder at the Association's principal place of business; or mail or personal delivery. The Association may account for the cost of such distribution as a common expense.
- E. The Association shall provide to all Owners, within ninety (90) days of the Association's change of address, change of designated agent, or change of Management company, written notice stating the name of the association, the name of the management company, the physical address of the Association or management company. Such notice shall also include the name of the common interest community, the initial recording date of the Declaration, including the recording information for the Declaration. The Association may account for the cost of such disclosure as a common expense.
- F. Within ninety (90) days after the end of each fiscal year, the Association shall make the following information available to Owners upon reasonable notice in accordance with Paragraph 4.5(d) herein:
- i. The date on which the fiscal year commences;
  - ii. Its operating budget for the fiscal year;
  - iii. A list of the Association's current assessments, both regular and special;
  - iv. Its annual financial statements; including amounts held in reserve for the preceding fiscal year;
  - v. The results of its most recent available financial audit or review;
  - vi. A list of all Association insurance policies, which shall include the company names, policy limits, policy deductibles, additional named insureds, and the expiration dates of the policies;
  - vii. All of the Association's bylaws, articles, and rules and regulations;
  - viii. The minutes of the Executive Board and Owner meetings for the preceding fiscal year; and
  - ix. The Association's responsible governance policies, as contained in the Bylaws.

4.6 Record Inspection.

The Association shall keep financial and other records according to its Record Retention Policy. These records shall be made available to Owners for inspection and copying according to the provisions described herein.

Association records shall be available for inspection through the Managing Agent by appointment, and at the offices of the Managing Agent.

- A. To schedule record inspection at the Association's office, an Owner, or the Owner's designated representative, must provide the Association with a Notice of Intent to Inspect. So that the Association can have the desired books, records and personnel available, a written Notice of Intent to Inspect must be submitted to the Association not later than five (5) business days prior to the planned inspection. Said Notice must describe with reasonable particularity which records are to be inspected and the purpose of the inspection. Such Notice may be sent to the Association by mail at the following address: Snowbridge Square Condominium Association, PO Box 3349, Copper Mountain, CO 80443. The Association may provide the requested records at the next regularly scheduled meeting if such meeting occurs within thirty (30) after the request.
- B. No records may be removed from the Association's possession without the express written consent of the Executive Board. If an Owner requests to inspect records, the Association may photocopy and provide the requested records to the Owner in lieu of the Owner's inspection of the records. The Executive Board may, at its sole discretion, identify certain records that may only be inspected in the presence of a Board member or other person designated by the Executive Board.
- C. The Association may charge a fee for copies, not to exceed the Association's actual cost for copies of records provided by the Association office, and which fee may be collected before the copying begins. Copying requests shall be reviewed on a case by case basis.
- D. Certain records may only be disclosed with the express written consent of the Executive Board, which records include:
  - i. Confidential personnel records;
  - ii. Confidential communications with legal counsel concerning litigation, disputes that are subject to pending or imminent court proceedings or of privileged or confidential between attorney and client;
  - iii. Records or files dealing with investigative proceedings concerning possible or actual criminal misconduct;
  - iv. Any matter, the disclosure of which would constitute an unwarranted invasion of individual privacy;
  - v. Preliminary records, work papers, drafts or other general information which has not been formally approved by the Executive Board;
  - vi. The phone numbers and email addresses of Owners.
- E. The Executive Board may, in its discretion, limit the availability of the Association's records and in doing so may consider in the following factors:
  - i. Whether the request is made in good faith and for a proper purpose. A proper purpose means a purpose reasonably related to the Owner's interest as an Owner.
  - ii. Whether the records requested are relevant to the purpose of the request;
  - iii. Whether disclosure is for an illegal or improper purpose or would violate a constitutional or statutory provision or public policy; and
  - iv. Whether disclosure may result in an invasion of personal privacy, breach of confidence or privileged information.

- F. An Owner may not request a membership list for any purpose unrelated to an Owner's Interest as a Unit Owner. Unrelated purposes for the use of a membership list include, but are not limited to:
  - i. The solicitation of money or property;
  - ii. Any commercial purpose; and
  - iii. To be sold to or purchased by any person.

- 4.7 Insurance Claims by Owners. Subject to the provisions of C.R.S. 10-4-110.8(5), as may be amended, an Owner shall have the right to file a claim against the policy of the Association. The Association's insurer, when determining premiums to be charged to the Association, shall not take into account any request by an Owner for clarification of coverage. In making such claim against any insurance policy of the Association, the Owner must follow this procedure:
- A. The Owner must first contact the Executive Board in writing regarding the subject matter of the claim;
  - B. The Owner must give the Association at least fifteen (15) days to respond in writing, and give the Association a reasonable opportunity to inspect the damage.
  - C. The Owner will only be allowed to make a claim if the subject matter of such claim falls within the responsibility of an insurance policy of the Association.

## **ARTICLE 5 – EXECUTIVE BOARD**

### 5.1 Number, Tenure and Qualifications.

- A. The business, property, and affairs of the Association shall be managed and controlled by the Executive Board (Board of Directors) and may exercise all powers and perform all such lawful acts that are not prohibited by statute, the Association's Articles of Incorporation or by these By-Laws. The Executive Board shall consist of five (5) members who shall be nominated and elected by the members at the annual meeting of the members. Two (2) of the members shall be elected by the commercial class, two (2) members by the residential non-employee class, and one (1) member of the residential employee class. Each member shall be elected by a majority vote of the class such member is to represent provided at least one-fifth (1/5) of such class shall vote. Each member of the Executive Board shall be: (i) a member of the class the member is to represent; and (ii) in Good Standing with the Association and be current in all assessments due to the Association.
- B. In the event that a class of members fails to elect a member to the Executive board, then such vacancy shall be filled by the election of an "at large" member by the vote of the holders of a majority of the votes of all Memberships. Each director shall be elected for a one (1) year term and shall be elected annually at the annual meeting. Each director shall hold office until the election and qualification of the member's successor, or the member's earlier death, resignation, removal, or if the member ceases to be a member of the Association in Good Standing.
- C. The number of directors may be increased or decreased by an amendment to these By-Laws in the manner set forth herein. No decrease in the number of directors shall have the effect of shortening the term of any incumbent director.

- 5.2 Removal, Resignations, Vacancies. At any meeting of members, the notice of which indicates such purpose, directors may be removed with or without cause, by a vote of the holders of at least two thirds (2/3) of the Memberships then entitled to vote at an election of directors. Any director may resign at any time by giving written notice to the Executive Board. Such resignation shall take effect on receipt of written notice by the Executive Board, unless an effective time is set forth in such notice, in which event, such resignation shall take effect at the

time specified in such notice. Unless otherwise specified in a resignation notice, the acceptance of such resignation shall not be necessary to make it effective. Any vacancy occurring on the Executive Board or any newly created directorship, resulting from any increase in the authorized number of directors, may be filled by the affirmative vote of a majority of the directors then in office though less than a quorum, on the condition that such vacancy shall be filled by the class of members whose position has become vacant. A director elected to fill a vacancy on the Executive Board shall hold office for the unexpired term of their predecessor in office. A director selected to fill a newly created directorship shall hold office until the next annual meeting of the members. If a candidate cannot be found who is a member of the class whose position has become vacant, then the position may be filled by the election of an “at large” member. If a majority of the board is unable to elect a replacement, then the President may appoint a replacement to fill the vacancy on the Board.

5.3 Powers.

- A. Except as provided in the Declaration, the Article and these By-Laws, the executive Board may action on behalf of the Association in all instances.
- B. The Executive Board may not act on behalf of the Association to:
  - i. amend the Declaration;
  - ii. amend the Articles;
  - iii. terminate the Project;
  - iv. elect members of the Executive Board, other than to fill a vacancy for the unexpired portion of the term of a Director; or
  - v. determine the qualifications, powers, and duties, or terms of office of Directors.

5.4 Managing Agent. The Executive Board may employ a manager or managing agent, or both, for

the Association at a compensation established by the Executive Board to perform such duties and services as the Executive Board shall authorize. If, and to the extent that, the Executive Board delegates its powers relating to the collection, deposit, transfer or disbursement of Association funds to a manager or managing agent, or both, such manager or managing agent, or both shall:

- A. Maintain fidelity insurance coverage or a bond in an amount not less than fifty thousand dollars (\$50,000) or such higher amount as the Executive Board may require.
- B. Maintain all funds and accounts of the Association separate from the funds and accounts of any other associations managed by the manager or managing agent, and maintain all reserve accounts of each association so managed separate from operational accounts of the Association.
- C. Have prepared and present to the Association a periodic, but no less frequent than annual, accounting for Association funds and a financial statement prepared in accordance with generally accepted accounting principles and including, at a minimum, balance sheets, statements of income and expense, statements of cash flow and changes in fund balances, which accounting and financial statements shall be prepared by the managing agent, a public accountant, or a certified public accountant.

5.5 Regular Meetings. Regular Meetings of the Executive Board for the election of officers and for

such other business as may come before the meeting shall be held without call or formal notice immediately after, and at the same place as, the annual meeting of members, or any special meeting of members. The Executive Board shall provide the date and time for the holding of two additional regular meetings. Both such meetings shall be held at Snowbridge Square unless otherwise agreed by a majority of the Executive Board. One of the meetings shall be in the month of September, November, December, or January, and the other meeting shall be in the month of February, March, or April. Any business may be transacted at a regular meeting.

- 5.6 Special Meetings. Special meetings of the Executive Board may be held at any place within or outside the State of Colorado, at any time when called by the President, or by two or more Directors, upon the giving of at least three (3) days prior notice of the time and place thereof to each Director by leaving such notice with the Director or at the Directors' residence or usual place of business, or by delivering the notice by U.S. mail or overnight courier, postage prepaid, and addressed to the Director at the Directors' post office address as it appears on the books of the Association, or by facsimile or telephone. Notices need not state the purposes of the meeting. No notice of any adjourned meeting of the Executive Board shall be required.
- 5.7 Quorum. A majority of the number of Directors fixed by these By-Laws, as amended from time-to-time, shall constitute a quorum for the transaction of business, but a lesser number may adjourn any meeting. The Executive Board may permit any Director to participate in a meeting, or may conduct a meeting, by any means of communication by which all Directors participating may hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting. When a quorum is present at any meeting, a majority of the Directors in attendance shall, except where a larger number is required by law, the Declaration, the Articles or these By-Laws, decide any question brought before such meeting.
- 5.8 Waiver of Notice. Before, at, or after any meeting of the Executive Board, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director, at a meeting of the Executive Board, shall be a waiver of notice by the Director except when such Director attends the meeting for the express purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.
- 5.9 Informal Action by Directors. Any action required or permitted to be taken at a meeting of the Directors may be taken without a meeting if a written consent, setting forth the action so taken, shall be signed by all of the Directors 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 Directors.
- 5.10 Open Meetings. All regular and special meetings of the Executive Board and all meetings of any committee of the Executive Board must be open to attendance by all members of the Association and their representatives in accordance with the Act, as amended from time-to-time.
- 5.11 Delinquencies. A member of the Executive Board may not vote upon any matter at any regular or special meeting of the Executive Board, if such member has not fully paid all dues and/or assessments owing or levied on or against said member or the condominium unit or units which said member owns or represents. In the event a member is delinquent in such dues and/or assessment for two (2) quarters, said member shall automatically be removed from the Executive Board without notice, and the remaining members shall elect a replacement to fill such vacancy. If a majority of the remaining Board Members cannot elect a replacement for the removed Director, then the President may appoint a replacement for the removed Director.
- 5.12 Committees. The Executive Board may create or dissolve such standing, special and/or advisory committees as it deems necessary.
- 5.13 No Waiver of Rights. The omission or failure of the Association to enforce the covenants, restrictions, easements, uses, limitations, obligations, or other provisions of the Declaration, By-laws, or the Rules and Regulations shall not constitute or be deemed a waiver, modification or release thereof, and the Executive Board or Managing Agent shall have the right to enforce the same.

- 5.14 Conflict of Interest. With regard to any conflict of interest for the Executive Board;
- A. If any contract, decision, or any other action (hereinafter collectively referred to as “Action”), taken by or on behalf of the Association would financially benefit any member of the Executive Board (or any person who is a parent, grandparent, spouse, child, or sibling of a member of the Board), then that interested member of the Executive Board shall declare that a conflict of interest exists. The interested member of the Executive Board shall declare the conflict of interest as soon as is reasonably practicable upon the introduction of a motion or discussion regarding the action, and shall describe in detail all of the particular facts of the conflict of interest. The declaration of a conflict of interest may be set forth in writing by the interested member, in which case the written description of the conflict shall be read aloud into the record by a disinterested member, or may be presented verbally.
  - B. After the interested member of the Executive Board makes such a declaration, the interested member may participate in a discussion of the matter giving rise to the conflict of interest. After having made the disclosure required in Paragraph 5.14(a) above, the interested member of the Executive Board may vote on the Action, pursuant to C.R.S. 7-128-501, as amended.
  - C. No conflicting interest transaction, as defined by C.R.S. 7-128-501(1), as amended, shall be void or voidable if any of the following conditions have been met:
    - i. The interested member of the Executive Board disclosed the material facts relating to the conflict of interest or the Executive Board is aware of them and the Executive Board authorizes the transaction by a majority vote;
    - ii. The interested member of the Executive Board disclosed the material facts to the membership or the membership is aware of them and the membership votes to authorize the transaction; or
    - iii. The conflicting interest transaction is fair to the Association.
- 5.15 Conduct of Meetings. With regard to meetings for the Executive Board:
- A. Notwithstanding any provision of the Declaration, Bylaws, or other documents to the contrary, all meetings of the Association and Executive Board are open to every Owner, or to any person designated by an Owner, in writing, as such Owner’s representative. Agendas for meetings of the Executive Board shall be made reasonably available for reexamination by all members.
  - B. At an appropriate time determined by the Executive Board, but before the Executive Board votes on an issue under discussion, Owners or their designated representatives shall be permitted to speak regarding that issue. The Executive Board may place reasonable time restrictions on those persons speaking during the meeting. If more than one person desires to address an issue and there are opposing views, the Executive Board shall provide for a reasonable number of persons to speak on each side of the issue.
  - C. The members of the Executive Board, or any committee thereof, may hold an executive or close door session and may restrict attendance to board members and such other persons requested by the Executive Board during a regular or specially announced meeting or a part thereof. The matters to be discussed at such an executive session shall include only matters enumerated below:
    - i. Matters pertaining to employees of the Association or the managing agent’s contract or involving the employment, promotion, discipline, or dismissal of an officer, agent, or employee of the Association;
    - ii. Consultation with legal counsel concerning disputes that are the subject of pending or eminent court proceedings or matters that are privileged or confidential between attorney and client;
    - iii. Investigative proceedings concerning possible or actual criminal conduct;

- iv. Matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosures;
  - v. Any matter, the disclosure of which would constitute an unwanted invasion of individual privacy; and
  - vi. Review of or discussion relating to any written or oral communication from legal counsel.
- D. Upon the final resolution of any matter for which the Executive Board receives legal advice or concerns pending or contemplated litigation, the Executive Board may elect to preserve the attorney-client privileged in any appropriate manner, or may elect to disclose such information, as it deems appropriate, about such matter in an open meetings.
- E. Prior to the time the members of the Executive Board, or any committee thereof, convene in an executive session, the chair of the body shall announce the general matter of the discussion as enumerated above. No rule or regulation of the Executive Board, or any committee thereof, shall be adopted during an executive session. A rule or regulation may be validly adopted during a regular or special meeting or after the body goes back into session following an executive session. Minutes of all meetings of which an executive session was held shall indicate that an executive session was held and the general subject matter of the executive session.
- 5.16 Notice of Budget Adoption. Within ninety days after adoption of any proposed budget for the common interest community, the Executive Board shall mail by ordinary first-class mail, or otherwise deliver a summary of the budget to all the members and shall set a date for a meeting of the Owners to consider the budget. Such meeting shall occur within a reasonable time after mailing or other delivery of the summary, or as allowed for in these Bylaws. The Executive Board shall give notice to the Owners of the meeting as allowed for in these Bylaws.
- 5.17 Executive Board Education. The Executive Board may authorize, and account for as a common expense, reimbursement of Executive Board members for their actual and necessary expenses incurred in attending educational meetings and seminars on responsible governance of the Association, as long as the content of such course is specific to the state of Colorado. A board member may only attend a maximum of one such educational meeting or seminar per year.

## **ARTICLE 6 – OFFICERS AND AGENTS**

- 6.1 General. The officers of the Association shall be a president (who shall be chosen from among the members of the Executive Board), one or more vice presidents, a secretary and a treasurer, each of whom shall be appointed from among the Executive Board. The Executive Board may appoint such other officers, assistant officers, committees and agents, including assistant secretaries and assistant treasurers, as they may consider necessary or advisable, which other officers and/or assistant officers shall be chose in such a manner and hold their offices for such terms and have such authority and duties as from time-to-time may be determined by the Executive Board. One person may hold any two offices, except that no person may simultaneously hold the offices of president and secretary. The office of assistant secretary, if any, need not be held by a member or Director. In all cases where the duties of any officer, agent, or employee are not prescribed by the By-Laws or by the Executive Board, such officer, agent, or employee shall follow the orders and instructions of the president.
- 6.2 Removal of Officers. The Executive Board may remove any officer, either with or without cause, and elect a successor at any regular meeting of the Executive Board, or at any special meeting of the Executive Board called for such purpose.

- 6.3 Vacancies. A vacancy in any office, however occurring, shall be filled by the Executive Board for the unexpired portion of the term.
- 6.4 President. The president shall be the chief executive officer of the Association. The president shall preside at all meetings of the Association and of the Executive Board, and shall have the general and active control of the affairs and business of the Association and general supervision of its officers, agents, and employees. The president is designated as an officer with the power to prepare, execute, certify, and record amendments to the Declaration on behalf of the Association.
- 6.5 Vice Presidents. The vice presidents shall assist the president and shall perform such duties as may be assigned to them by the president or by the Executive Board. In the absence of the president, the vice president designated by the Executive Board or (if there be no such designation) designated in writing by the president shall have the powers and perform the duties of the president. If no such designation shall be made, all vice presidents may exercise such powers and perform such duties of the president.
- 6.6 Secretary. The secretary shall:
- A. Keep the minutes of the proceedings of the members of the Executive Board.
  - B. See that all notices are duly given in accordance with the provisions of these By-Laws, the Declaration and as required by law.
  - C. Be custodian of the corporate records and of the seal of the Association and affix the seal to all documents when authorized by the Executive Board.
  - D. Keep at the Association's principal offices a record containing the names and registered addresses of all Owners and Lessees, the designation of the condominium unit owned or leased by each Owner or Lessee, and, if such condominium unit is mortgaged, the name and address of all mortgagees.
  - E. In general, perform all duties incident to the office of secretary and such other duties as from time-to-time may be assigned to the secretary by the president or by the Executive Board. Assistant secretaries, if any, shall have the same duties and powers, in the event of the secretary's death, absence, inability, or failure to act.
- 6.7 Treasurer. The treasurer shall be the principal financial officer of the Association and shall have the care and custody of all funds, securities, evidence of indebtedness and other personal property of the Association and shall deposit the same in accordance with the instructions of the Executive Board. The treasurer shall receive and give receipts and acquittances for moneys paid in on account of the Association, and shall pay out of the funds on hand all bills, payrolls and other just debts of the Association of whatever nature upon maturity. The treasurer shall perform all other duties incident to the office of the treasurer and, upon request of the Executive Board, shall make such reports to it as may be required at any time. The Treasurer shall, if required by the Executive Board, give the Association a bond in such sums and with such sureties as shall be satisfactory to the Executive Board, conditioned upon the faithful performance of the treasurers' duties and for the restoration to the Association of all books, papers, vouchers, money and other property of whatever kind in the treasurers' possession or under the treasurers' control belonging to the Association. The treasurer shall have such other powers and perform such other duties as may be from time-to-time prescribed by the Executive Board or the president. The assistant treasurers, if any, shall have the same powers and duties, in case of the treasurers' death, absence, inability, or failure to act.

## ARTICLE 7 – RIGHTS AND OBLIGATIONS OF THE OWNERS

- 7.1 Assessments. All owners shall be obligated to pay the dues and assessments imposed by the Association to meet all of the expenses incurred by the Association, and payment thereof shall be made not later than on the tenth (10<sup>th</sup>) day following the mailing of the statement to the registered mailing address of the owner. The assessments shall be made pro rata. Assessments shall be due in advance monthly or quarterly, as the Board may direct. A member may not vote upon any matter at any annual or special meeting of the members, if such member has not fully paid all dues and/or assessments owing or levied on or against said member and/or the condominium unit owed by said member.
- 7.2 Notice of Lien or Suit. An owner shall give notice to the Association of every lien or encumbrance upon such owner's condominium unit, other than for taxes and special assessments, and notice of every suit or other proceeding which may affect the title to their condominium unit, and such notice shall be given within five days after the owner has knowledge thereof.
- 7.3 Maintenance and Repair.
- A. Every owner shall be obligated for the expense of all maintenance and repair work within such owners' unit, which, if omitted, would affect the value of the unit. The Association, or its managing agent, shall cause necessary work to be accomplished in order to maintain the unit in a first class condition, if the owner fails to do the required work.
  - B. All maintenance and repairs of doors, windows and internal installations within a unit such as water, gas, power, sewage, telephones, sanitary installations, electrical fixtures, all other accessories, equipment and fixtures including furniture and other items of personal property, shall be at the unit owners' expense. Original telephone installation expense shall be at the unit owners' expense.
  - C. An owner shall be obligated to reimburse the Association or another condominium owner promptly upon receipt of a statement for any expenditures incurred by the Association or other owner or both in repairing, replacing or restoring any common element or the interior or any part of a unit damaged as a result of such owners' negligence and/or neglect, or the negligence and/or neglect of such owners' tenants or agents or failure to keep the unit in repair.
- 7.4 Mechanics Lien. Each owner agrees to indemnify and to hold each of the other owners harmless from any and all claims of mechanics lien filed against other units and the appurtenant common elements for labor, materials, services, or other products incorporated in the owners' unit. In the event such a lien is filed or a suit for foreclosure of mechanics lien is commenced, then within twenty (20) days thereafter such owner shall be required to deposit, with the Association, cash or negotiable securities equal to one and one half (1 ½) times the amount of the claim together with the sum of five hundred dollars (\$500.00), which later sum may be used by the Association for any costs and expenses incurred, including attorney's fees. Except as otherwise provided, such sum or securities shall be held by the Association pending final adjudication or settlement of the claim or litigation.

Disbursement of such funds or proceeds shall be made by the Association to insure payment of or on account of such final judgment or settlement. Any deficiency shall be paid forthwith by the subject owner, and failure to so pay shall entitle the Association to make such payment, and the amount thereof shall be a debt of the owner and a lien against the owners' condominium unit, which may be foreclosed on. All costs shall be paid forthwith by the subject owner, and failure

to so pay shall entitle the Association to make such payment, and the amount thereof shall be a debt of the owner and a lien against the owners' condominium unit, which may be foreclosed on. All costs and expenses incurred by the Association shall be forthwith reimbursed to it by such owner(s).

7.5 General

- A. Each owner shall comply strictly with the provisions of all legal and other documents affecting the unit and the common elements, including these By-Laws.
- B. Each owner shall always endeavor to observe and promote the cooperative purposes for which the condominium improvements were built.

7.6 Uses of Units – Internal Changes

- A. All residents shall be utilized only for residential occupancy by the owner, their family and guests, and by persons renting the units.
- B. An owner shall not make structural modifications or alterations to the unit or installations located therein without first obtaining approval of the Association and Copper Mountain, Inc., based upon an adequate set of plans or architects drawing which shall be submitted to the managing agent or President. The Association shall have the obligation to answer within thirty (30) days after the receipt of the request to modify, and failure to do so within such time shall mean that there is no objection to the proposed modification or alteration by the Association.

7.7 Uses of General Common Elements and Limited Common Elements. Each owner may use the general common elements and the limited common elements of the completed condominium project in accordance with the purposes for which they were intended and the provisions of the Declaration without hindering or encroaching upon the lawful rights of the other owners.

Each owner shall be entitled to the use of those parts of the general common elements such as walks, and other such facilities, all of which are intended to enhance the utility and value of each of the condominium units in the condominium project subject, however, to the rules and regulations established or to be made with the right to amend same from time-to-time.

7.8 Right of Entry

- A. An owner shall grant the right of entry to the building manager or to any person authorized by the Executive Board in case of any emergency originating in or threatening such owners' unit, whether the owner is present at the time or not.
- B. An owner shall permit other owners, or their representatives, when so required, to enter such owners' unit for the purpose of performing installations, alterations, or repairs to the mechanical or electrical services, provided that requests for entry are made in advance and that such entry is at a time convenient to the owner. In case of an emergency, such right of entry shall be immediate.

7.9 Rules and Regulations.

- A. No person shall post any advertisement or posters of any kind in or on the condominium project except as authorized by the Association.
- B. Owners and occupants of units or commercial units shall not make or permit to be made loud or objectionable noises. Owners and occupants of units shall not play or permit to be played any amplified musical instrument, percussion instrument, radio, phonograph, television set, amplifier, or any other instrument or device in such manner as may disturb or intend to disturb another owner or occupant of a condominium unit.

- C. It is prohibited to hang garments, rugs, and other materials outside from the windows, balconies, or from any of the facades of the condominium project.
  - D. It is prohibited to dust rugs or other materials from the windows or to clean rugs by beating on the exterior part of the condominium project.
  - E. It is prohibited to throw or place garbage or trash other than in the disposal installations provided for such purposes.
  - F. No owner, resident or other person shall install wiring for electrical or telephone installations, television antenna, machines or air conditioning units on the exterior of the project or that protrude through the walls or the roof of the project except as expressly authorized by the Association.
  - G. The building manager, or if there is no building manager then the Executive Board, shall retain a passkey to each unit. No owner shall alter any lock or install a new lock on any door leading into a unit without giving a key to such new lock to the building manager or the Executive Board.
  - H. The Executive Board reserves the power to establish, make and enforce compliance with such additional house rules that may be necessary for the operation, use and occupancy of the condominium project, with the right to amend same from time-to-time.
- 7.10 Dues and Assessments from Commercial Units. The tenant or lessee of any commercial space in the condominium property is entitled, at its option, to pay that portion of Association dues and assessments (including special assessments) attributable to the space leased by such tenant or lessee directly to the Association, and shall receive credit therefore against any rental or other charges owed to the owner of such space. In addition, upon receipt of demand from the Executive Board, each tenant or lessee of any commercial space in the condominium property shall pay the portion of Association dues and assessments (including special assessments) attributable to the space leased by such tenant or lessee directly to the Association and, upon such payment to the Association, the owner of such space shall grant credit for such payment against any rental or other charges due the owner from said tenant or lessee.
- 7.11 Dues and Assessments from Residential Owners. At any time a residential owner is delinquent in paying Association dues, assessments and/or fees, the Association, after written notice to the owner, may direct the Property Management Company of such unit to pay all rents collected by said Property Management Company for such unit directly to the Association, until such time as all delinquent dues, assessments and/or fees have been paid in full. Delinquent assessments, dues and fees shall include the original amount of assessment, plus all late fees and interest compounded monthly, collection costs, court costs and attorneys' fees, as set forth in the Associations' Declaration and By-Laws.

## **ARTICLE 8 – REGISTRATION OF MAILING ADDRESS**

- 8.1 Registration by Owners. Each Owner shall register their mailing address with the Association. All notices or demands to be served upon an Owner shall be delivered personally, by registered or certified mail or by overnight courier, postage prepaid, addressed to such Owner at their registered address. Notwithstanding the foregoing, for a Condominium Unit for which there is more than one Owner, the Owners of the Condominium Unit must designate one Owner to receive notices and demands from the Association and register the name and mailing address of that Owner with the Association. Any notice or demand delivered by the Association to the registered Owner for a Condominium Unit shall be deemed delivered to all of the Owners with whom such Owner share the Condominium Unit.

- 8.2 Association Address. All notices and demands to be served on the Association or its Executive Board shall be delivered personally, by registered or certified mail, or by overnight courier, postage prepaid, to the following address or such other address as the Association designates for such purpose in a notice duly mailed to all Owners: Snowbridge Square Condominium Association, P.O. Box 3349, 760 Copper Road, Copper Mountain, Colorado 80443.

## **ARTICLE 9 – SECURITY INTEREST IN MEMBERSHIP**

Members entitled to vote shall have the right irrevocably to constitute and appoint a Mortgagee as their true and lawful attorney-in-fact to vote their Membership in the Association at any and all meetings of the Association, and to vest in the Mortgagee any and all rights, privileges and powers that they have as members under the Articles and the By-Laws, or by virtue of the Declaration. Such proxy shall become effective upon the filing of notice by the Mortgagee, with the secretary of the Association, at such time or times as the Mortgagee shall deem its security in jeopardy by reason of the failure, neglect, or refusal of the Association, the Executive Board, or the members to carry out their duties as set forth in the Declaration. A release of the Mortgage covering a Condominium Unit shall operate to revoke such proxy. Nothing herein contained shall be construed to relieve members, as mortgagors, of their duties and obligations as members, or to impose upon the Mortgagee the duties and obligations of a member.

## **ARTICLE 10 – ACCOUNTING PROCEDURES**

- 10.1 Collections. The Association collects Assessments from the members to provide for the operations, management, maintenance, and repair of the Project. The Association also collects from members the rent due under the Condominium Leases as agent for the lesser under the Condominium Leases.
- 10.2 Priority of Receipts. All payments made by a member to the Association under the Declaration, the Articles, these By-Laws, and a members' Condominium Lease shall be applied in the following order of priority:
- A. First, to costs and expenses of collection, enforcement and protection of the Associations rights, including reasonable attorneys' and accountants' fees and disbursements.
  - B. Second, to Assessments levied for common expenses incurred by the Association to provide for the operation of the Association and for the operation, management, maintenance and repair of general common elements.
  - C. Third, to Assessments levied for common expenses incurred by the Association to provide for the operation, management, maintenance and repair of limited common elements and other special Assessments levied in connection with expenses incurred by the Association for the benefit of fewer than all of the members.
  - D. Fourth, to the rent payable by a member under a Condominium Lease.
- 10.3 Financial Review or Audit. The Association shall maintain accurate and complete financial records. At the discretion of the Executive Board, or upon a request as set forth herein, the books and records of the Association shall be subject to an audit, using generally accepted auditing standards, or a review, using statements on standards for accounting and review services, by an independent and qualified person. The cost of any audit or review shall be a common expense. An audit, to be performed by a certified public accountant, shall only be required if the Association has annual revenues or expenditures of at least two hundred fifty thousand dollars (\$250,000) and such audit is requested by at least one-third of the Owners with outstanding membership interests. A review shall be required when requested by Owners of at least one-third of the membership interests.

- A. A person selected to conduct a review shall have at least a basic understanding of the principles of accounting as a result of prior business experience, education above the high school level, or bona fide home study.
- B. The audit or review report shall cover the Association's financial statements, which shall be prepared using generally accepted accounting principles or the cash or tax basis of accounting.

10.4 Investment of Reserves. The investment strategy of the Association for any reserve funds should emphasize a long-term outlook by diversifying the maturity dates of fixed-income instruments within the portfolio utilizing a laddered investments approach, at the discretion of the Executive Board. The Executive Board is subject to the standard of care set forth in C.R.S. 7-128-401, as may be amended from time to time, when investing reserve funds of the Association, whereby the Executive Board is required to invest reserve funds in good faith and with the care of an ordinarily prudent person. The Executive Board, in its sole discretion, may hire a qualified investment counselor to assist in formulating a specific investment strategy. The Executive Board shall invest any reserve funds to generate revenue that will accrue to the balance of such reserve funds pursuant to the following goals, criteria and policies:

- A. Safety of Principal. Promote and ensure the preservation of the principal of any reserve funds.
- B. Liquidity and Accessibility. Structure maturities to ensure availability of assets for projected or unexpected expenditures.
- C. Minimal Costs. Minimize investments costs, such as redemption fees, commissions, and other transactional costs.
- D. Diversity. Mitigate the effects of interest rate volatility upon reserve funds.
- E. Return. Invest funds to seek the highest level of return.

#### **ARTICLE 11 – INDEMNIFICATION OF OFFICERS, DIRECTORS, AND MANAGING AGENT**

11.1 Indemnification. The Association shall indemnify every director, officer, manager, and building manager of the Association, and their respective heirs, personal representatives, successors, and assigns, against all losses, costs, and expenses, including counsel fees, reasonably incurred by said person in connection with any action, suit or proceedings to which said person may be made a party by reason of said person being or having been a director, officer, manager, or building manager of the Association, except as to matters as to which said person shall be finally adjudged in such action, suit, or proceeding to be liable for gross negligence or willful 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 its counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of said persons duty as such director, officer, manager, or building manager in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such director, officer, manager, or building manager of the Association may be entitled. All liability, loss, damage, cost, and expense incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expenses.

11.2 Other. Contracts or other commitments made by the Executive Board, officers, manager, or the managing agent shall be made as agent of the Owners, and the Executive Board, officer, manager, and the managing agent shall have no personal responsibility on any such contract or commitment, except as Owners, and the liability of any Owner on any such contract or commitment, except as Owners, and the liability of any 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 Owner bears to the aggregate common interest of all the Owners, except that any losses incurred by the Association because of its inability to collect such proportionate share of the total liability from a particular member shall be shared proportionately by the other members.

## **ARTICLE 12 – AMENDMENTS**

- 12.1 Amendment of Bylaws. These Bylaws may be amended by a vote of a majority of a quorum of the Executive board at a regular or special meeting of the Executive board. Neither the Executive board, nor the Owners shall have the power to amend the Bylaws in such a manner as to materially change the configuration or size of any Unit, to materially alter or modify the appurtenances to any Unit, or to change the proportion or percentage of any Owner’s interest in the Common Elements, without the unanimous consent of all Owners directly affected thereby. No amendment shall serve to shorten the term of any member of the Executive Board, or conflict with Colorado law or delete any provision which must be contained in these Bylaws under Colorado law, or conflict with the Articles of Incorporation or the Declaration.
- 12.2 Members. The members may, by the vote of the holders of the majority of the votes of memberships entitled to vote and represented in person or by proxy, unless a greater percentage is expressly required by law, the Articles, the Declaration, or the by-Laws, make, alter, amend or repeal the By-Laws of the Association at any annual meeting or at any special meeting called for that purpose at which a quorum shall be represented.

## **ARTICLE 13 – MISCELLANEOUS**

- 13.1 Seal. The corporate seal of the Association shall be circular in form and shall contain the name of the Association, the year of its organization and the words “Seal, Colorado.”
- 13.2 Fiscal Year. The fiscal year of the Association shall be January 1 to December 31, or such other period, as may from time-to-time, be established by the Executive Board.
- 13.3 Non-Profit Status. This Association is not organized for profit. No member, director 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 member of the Executive Board; on the condition that (i) reasonable compensation may be paid to any member or manager 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 (ii) any member or manager may, from time-to-time, be reimbursed for their actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

## **ARTICLE 14 – ABATEMENT AND ENJOINMENT OF VIOLATION BY UNIT OWNERS**

The violation of any rule or regulation adopted by the Executive board, or the breach of any of the provisions of the Declaration shall give the Executive Board, or the building manager, the right, in addition to any other rights set forth therein:

- A. to enter the unit in which or as to which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting unit owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of such provisions thereof, and the Executive Board or building manager shall not be deemed guilty in any manner of trespass or any other civil or legal violation;
- B. to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach.

## **ARTICLE 15 – ALLOCATION OF EXPENSES**

All expenses shall be allocated between the unit owners as set forth in the Declaration, pro-rata according to the percentage interest in the general common area, except that the exclusion of expenses allowed to the employee units shall not be applied to any employee unit that is not occupied by a full time employee at the Copper Mountain Resort area.

## **ARTICLE 16 – ALTERNATIVE DISPUTE RESOLUTION**

- 16.1 Dispute Resolution. If a dispute ever arises between an Owner and the Association, the parties shall use the procedures set forth in the following provisions for any dispute that does not involve an imminent threat to the peace, health, or safety of the Project.
- A. Negotiation. The Owner and the Association shall attempt in good faith to resolve any dispute promptly by negotiations between persons who have authority to settle the controversy (“Representatives”). Any party may give another party written notice of any dispute not resolved in the normal course of business. Within twenty (20) days after receipt of said notice, representatives of the parties to the dispute shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, to exchange relevant information and to attempt to resolve the dispute. If the matter has not been resolved within sixty (60) days of the notice of dispute, or if the parties fail to meet within twenty (20) days, any party to the dispute may initiate mediation of the controversy as provided below.
  - B. Mediation. If the dispute has not been resolved by negotiation as provided above, either party may give written notice to mediate (“Mediation Notice”) and the parties shall endeavor to settle the dispute by mediation between their respective Representatives with a neutral third party mediator. If the parties encounter difficulty in agreeing on a neutral third party, each of the Owner and Association may appoint a neutral third party, and such third parties shall appoint a neutral third party to mediate.
  - C. Arbitration. Any dispute which has not been resolved by mediation as set forth above within sixty (60) days of the date of the Mediation Notice, shall be finally settled by binding arbitration conducted in accordance with the terms of this subparagraph, upon written demand for arbitration made by any party (“Arbitration Demand”) provided, however, that if one party has requested the other to participate in mediation and the other has failed to participate, the requesting party may make demand for arbitration before expiration of such sixty (60) days.
    - i. As soon as reasonably possible following the Arbitration Demand, but not later than fifteen (15) days after the date of such Demand, the parties, in good faith, shall attempt to select a mutually acceptable arbitrator to hear and decide the matter or matters in controversy. In the event the parties cannot agree on a mutually acceptable arbitrator within thirty (30) days after the date of such Demand, each party shall appoint an unrelated third party within forty (40) days after the date of such Demand and, within fifteen (15) days of the date of the appointment of the last of such unrelated third parties, such third parties shall appoint an arbitrator to hear and settle the dispute in

accordance with the terms and provisions hereof. If any party does not appoint an unrelated third party in a timely manner or if such third parties cannot or do not appoint an arbitrator in a timely manner, then any party may make application to the District Court for Summit County, Colorado for appointment of an arbitrator.

- ii. The arbitration shall be conducted by a single arbitrator and the decision of the arbitrator shall be final, enforceable, binding and unappealable to any court or tribunal, except as otherwise may be provided by Colorado law. Such decision shall be enforceable with the same force and effect as if issued by any court of competent jurisdiction. The decision of the arbitrator shall be based upon the evidence and facts presented by the parties and shall be in accordance with Colorado law. The arbitrator is not empowered to award damages in excess of compensatory damages.
  - iii. The costs of the arbitration, including reasonable attorney fees, shall be awarded to the prevailing party. If there is no prevailing party, such fees and costs may be awarded at the discretion of the arbitrator who, in making such award, shall assess the relative good or bad faith of the parties throughout the dispute.
  - iv. All arbitration proceedings shall be conducted to expedite resolution and minimize cost. Disclosures shall be required and discovery shall be allowed and both shall be governed by Rules 26-37 of the Colorado Rules of Civil Procedures, as amended, except that upon application of either party, the arbitrator, in the interest of justice and efficiency, may limit discovery as such arbitrator deems appropriate.
  - v. The place of arbitration shall be Breckenridge, Colorado.
- D. Provisional Remedies. The procedures specified in this paragraph entitled Dispute Resolution shall be the sole and exclusive procedures for the resolution of disputes between an Owner and the Association; provided, however, that a party may seek a preliminary injunction or other provisional judicial relief if in its judgment such action is necessary to avoid irreparable damage or to preserve the status quo. Despite such action, the parties will continue to participate in good faith in the procedures specified herein.
- E. Performance to Continue. Each party is required to continue to perform its obligations under the Declaration and rules, Regulations and Policies pending final resolution of any dispute.
- F. Extension of Deadlines. All deadlines specified in this Section may be extended by mutual agreement.
- G. Costs. Each party shall pay its own costs with respect to negotiation and mediation. The prevailing party in any arbitration or provisional judicial relief shall be entitled to reimbursement from the other party for all reasonable costs and expenses, including attorney fees in connection with such arbitration or provisional judicial relief.
- H. Notices. All notices or demands under this paragraph shall be in writing and provided in accordance to the addresses required to be provided by the Association, and the address of the Owner required to be kept on file by the Association.

The Association's policies for the adoption and amendment of policies, procedures, and rules is set forth in Article 9 of the Articles of Incorporation, Article 7.7 (f) of the Declaration, Article 7.9 (h) of the Bylaws, and Article 12 of the Bylaws.

Done this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

IN WITNESS WHEREOF, the Association has caused its name to be signed by the signature of a duly authorized official as of the day and year first written here.

**SNOWBRIDGE SQUARE CONDOMINIUM  
ASSOCIATION, a Colorado nonprofit corporation**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_