

1 **BYLAWS OF**
2 **COLORADO COMMONS MAINTENANCE ASSOCIATION**

3
4 **ARTICLE I**
5 **NAME AND LOCATION**

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7 Section 1. Name and Location. The name of the corporation is COLORADO
8 COMMONS MAINTENANCE ASSOCIATION (hereinafter referred to as the
9 "Association"). The principal office of the Association may be located at the Development
10 in the City of Monrovia, County of Los Angeles, State of California or at the office of the
11 managing agent for the Association.

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13 **ARTICLE II**
14 **DEFINITIONS**

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16 Section 1. Definitions. Various capitalized words and phrases used in these
17 Bylaws are defined in that certain "Declaration of Covenants, Conditions and Restrictions,
18 Reservation of Easements, and Alternative Dispute Resolution Procedures for Colorado
19 Commons" recorded on June 6, 2008 as Instrument No. 20081001498 in the Official
20 Records of Los Angeles County, California, as the same may be restated and/or amended
21 from time to time (hereinafter referred to as the "Declaration"). All of the terms and
22 provisions of the Declaration are hereby incorporated herein by this reference.

23
24 **ARTICLE III**
25 **MEMBERSHIP AND VOTING RIGHTS**

26 Section 1. Membership. Every person or entity who or which is an Owner, as
27 defined in the Declaration, shall be a Member of the Association. The foregoing is not
28 intended to include persons or entities who hold an interest in any Condominium in the
29 Development merely as security for the performance of an obligation.

1 Section 2. Classes of Membership. The Association shall have five (5) classes of
2 membership, as follows:

3 (a) Class A Members – Owners of Residential Condominium Units. Initially,
4 the Class A Members shall be all of the Owners (other than Declarant) of the Residential
5 Condominium Units in the Development which are subject to the levy of Assessments.
6 Declarant shall not be a Class A Member for so long as the Class D membership shall
7 exist. Upon the conversion of the Class D membership as provided below, Declarant
8 shall become a Class A Member as to each Residential Condominium Unit owned by
9 Declarant which is subject to the levy of Assessments. The Owner of a Residential
10 Condominium Unit which is subject to the levy of Assessments is entitled to a number of
11 votes equal to the product of one hundred (100) multiplied by the Pro Rata Unit Area of
12 such Owner's Residential Condominium Unit, (or in the event an Owner owns more than
13 one Residential Condominium Unit, the total of all Pro Rata Unit Areas for all
14 Residential Condominium Units owned by such Owner). When a Residential
15 Condominium Unit is owned by more than one (1) Owner, the vote for such Residential
16 Condominium Unit shall be exercised as such Owners determine among themselves, but
17 in no event shall votes be cast with respect to any Residential Condominium Unit
18 exceeding that Condominium's Pro Rata Unit Area multiplied by one hundred (100). The
19 Association shall recognize the vote cast by a co-Owner, unless another co-Owner shall
20 cast a conflicting vote, in which case both votes shall be null and void and not recognized
21 by the Association.

22 (b) Class B Members – Owners of Live/Work Condominium Units. Initially,
23 the Class B Members shall be all of the Owners (other than Declarant) of the Live/Work
24 Condominium Units in the Development which are subject to the levy of Assessments.
25 Declarant shall not be a Class B Member for so long as the Class D membership shall
26 exist. Upon the conversion of the Class D membership as provided below, Declarant
27 shall become a Class B Member as to each Live/Work Condominium Unit owned by
28 Declarant which is subject to the levy of Assessments. The Owner of a Live/Work
29 Condominium Unit which is subject to the levy of Assessments is entitled to a number of
30 votes equal to the product of one hundred (100) multiplied by the Pro Rata Unit Area of
31 such Owner's Live/Work Condominium Unit, (or in the event an Owner owns more than

1 one Live/Work Condominium Unit, the total of all Pro Rata Unit Areas for all Live/Work
2 Condominium Units owned by such Owner). When a Live/Work Condominium Unit is
3 owned by more than one (1) Owner, the vote for such Live/Work Condominium Unit
4 shall be exercised as such Owners determine among themselves, but in no event shall
5 votes be cast with respect to any Live/Work Condominium Unit exceeding that
6 Condominium's Pro Rata Unit Area multiplied by one hundred (100). The Association
7 shall recognize the vote cast by a co-Owner, unless another co-Owner shall cast a
8 conflicting vote, in which case both votes shall be null and void and not recognized by
9 the Association.

10 (c) Class C Members – Owners of Commercial Condominium Units.

11 Initially, the Class C Members shall be all of the Owners (other than Declarant) of the
12 Commercial Condominium Units in the Development which are subject to the levy of
13 Assessments. Declarant shall not be a Class C Member for so long as the Class D
14 membership shall exist. Upon the conversion of the Class D membership as provided
15 below, Declarant shall become a Class C Member as to each Commercial Condominium
16 Unit owned by Declarant which is subject to the levy of Assessments. The Owner of a
17 Commercial Condominium Unit which is subject to the levy of Assessments is entitled to a
18 number of votes equal to the product of one hundred (100) multiplied by the Pro Rata
19 Unit Area of such Owner's Commercial Condominium Unit, (or in the event an Owner
20 owns more than one Commercial Condominium Unit, the total of all Pro Rata Unit Areas
21 for all Commercial Condominium Units owned by such Owner). When a Commercial
22 Condominium Unit is owned by more than one (1) Owner, the vote for such Commercial
23 Condominium Unit shall be exercised as such Owners determine among themselves, but
24 in no event shall votes be cast with respect to any Commercial Condominium Unit
25 exceeding that Condominium's Pro Rata Unit Area multiplied by one hundred (100). The
26 Association shall recognize the vote cast by a co-Owner, unless another co-Owner shall
27 cast a conflicting vote, in which case both votes shall be null and void and not recognized
28 by the Association.

29 (d) Class D Member. The Class D Member shall be Declarant and shall be

30 entitled to a number of votes equal to the product of one hundred (100) multiplied by the
31 sum of all Pro Rata Unit Areas for all Condominium Units (regardless of type) owned by

1 Declarant upon which Declarant is then paying the appropriate monthly Assessments
2 provided for hereinbelow, multiplied by three (3) (i.e., 100 x sum of all Pro Rata Unit
3 Areas for any Condominium Units owned by Declarant x 3). The Class D membership
4 shall cease and shall be converted to Class A, Class B and/or Class C membership, as
5 applicable, not later than the earliest to occur of the following:

6 (1) One hundred twenty (120) days after the date on which seventy
7 five percent (75%) of the estimated total number of Condominiums in the
8 Development (currently estimated to be seventy-two [72] x 75% equals
9 approximately fifty-four [54] Condominiums) have been conveyed to Class A, B
10 and/or C Members;

11 (2) The second anniversary of the first Close of Escrow for the sale of
12 a Condominium in the Development pursuant to the original issuance by the DRE
13 of the most recently issued Final Subdivision Public Report for a Phase of the
14 Development; or

15 (3) The fourth anniversary of the first Close of Escrow for the sale of
16 a Condominium in the Development pursuant to the original issuance by the DRE
17 of the Final Subdivision Public Report for the first Phase of the Development.

18 The Class D Member shall have no right to vote in the election of the
19 Class A, Class B and Class C Directors until the expiration of the three year terms
20 of the Class E Directors, as referenced below.

21 (e) Class E Member. The Class E Member shall be Declarant. The Class E
22 Member shall be entitled, by its sole vote, to elect a majority of the members of the Board
23 of Directors (i.e., three [3] Directors of the five [5] member Board) of the Association at
24 the first annual meeting of Members of the Association. Each Director so elected by
25 Declarant (a "Class E Director") shall serve a three (3) year term. Declarant's Class E
26 membership shall automatically terminate after the first annual meeting of Members of
27 the Association; provided, however, the Class E membership shall not be deemed to have
28 terminated for purposes of Declarant's rights (i) to replace any Class E Director for the
29 unexpired portion of the original three (3) year term of office, or (ii) to elect a majority of
30 Directors if the Board is increased to more than five (5) members during such three (3)
31 year period.

1 Unless a specific provision of the Declaration, the Articles or these
2 Bylaws requires the approval of a greater percentage, any action taken by the Association
3 which must have the approval of either (i) the Members of the Association, or (ii) the
4 "total voting power" of the Association, before being undertaken shall require the vote or
5 written assent of at least a majority of the combined Class A, B, C and D Members and at
6 least a majority of the combined Class A, B and C Members so long as the Class D
7 membership exists. At such time as the Class D membership ceases and converts to Class
8 A, B or C membership as provided above, any action taken by the Association which
9 must have the approval of either (i) the Members of the Association, or (ii) the "total
10 voting power" of the Association, before being undertaken shall require the vote or
11 written assent of at least a majority of the combined Class A, B and C Members and at
12 least a majority of the Class A, B, and C Members other than the Declarant.
13 Notwithstanding the foregoing, any action by the Association pursuant to the Article in
14 the Declaration entitled "Enforcement of Bonded Obligations" shall only require a
15 majority of the voting power of the Members, other than the Declarant.

16 Section 3. Special Voting Procedures for Election of Directors While the Class
17 D Membership Remains in Effect. So long as the Class D membership shall remain in
18 effect, at least forty-percent (40%) of the members of the Board (i.e., two [2] Directors)
19 shall be elected solely by the votes of the Members other than the Declarant. The two (2)
20 candidates receiving the highest number of votes shall be elected as provided herein.

21 Section 4. Election of A Director to Represent Each Class of Members After the
22 Expiration of the Term of Office of the Directors Appointed by Declarant. At the election
23 of Directors to be held upon the termination of the terms of office of the Class E Directors,
24 the Class A Members, the Class B Members and the Class C Members shall each be
25 entitled to elect, solely by the vote of their respective Members, one (1) Director to
26 represent such Class of Members. The two (2) remaining Directors shall be deemed
27 Directors at large and shall be elected as provided herein.

28 Section 5. Vesting of Voting Rights. The voting rights attributable to any given
29 Condominium in the Development shall not vest until the Assessments provided for in the
30 Declaration have been levied by the Association against such Condominium.

31

1 Section 6. Adjustment of Voting Rights. The voting rights in the Association
2 shall be adjusted upon the annexation of a subsequent Phase, as provided for in the
3 Declaration. Such adjustment shall become effective upon the first Close of Escrow for the
4 sale of a Condominium in such Phase.

5 Section 7. Transfer. The Association membership held by any Owner of a
6 Condominium shall not be transferred, pledged or alienated in any way, except as
7 incidental to the sale of such Condominium and the membership shall be automatically
8 transferred upon the sale of such Condominium. In the event of such sale, the Association
9 membership may only be transferred, pledged or alienated to the bona fide purchaser or
10 purchasers of the Condominium, or to the Mortgagee (or third-party purchaser) of such
11 Condominium upon a foreclosure sale, deed in lieu or other remedy set forth in the
12 Mortgage. Any attempt to make a prohibited transfer is void and will not be reflected in
13 the books and records of the Association.

14 Section 8. Proxies. Votes may be cast in person or by proxy. Proxies must be
15 filed with the Secretary before the appointed time for each meeting. Every proxy shall be
16 revocable and shall automatically terminate upon the earliest of the following: (a) the
17 conveyance of a Condominium by the Owner; (b) the date of automatic termination, if any,
18 specified in the proxy, but not to exceed three (3) years from the date of issuance of the
19 proxy; or (c) eleven (11) months from the date of issuance of the proxy, if no automatic
20 termination date is specified in the proxy. Any form of proxy or written ballot distributed to
21 the membership of the Association shall afford an Owner the opportunity to specify a
22 choice between approval and disapproval of each matter or group of matters to be acted
23 upon at the meeting for which said proxy was distributed, except it shall not be mandatory
24 that a candidate for election to the Board be named in a proxy. The proxy or written ballot
25 shall provide that, where the Owner specifies a choice, the vote shall be cast in accordance
26 with that choice. In addition, the proxy shall also identify the person or persons authorized
27 to exercise the proxy and the length of time it shall be valid.

28 Section 9. Determination of Record Date. In the event the Board does not fix a
29 record date, the record date shall be determined in accordance with California Corporations
30 Code Section 7611, as same may be amended, from time to time.

31

1 (a) For Notice. Except as otherwise provided in Subsection (b) below, the
2 Board shall fix, in advance, a date as the record date for the purpose of determining the
3 Members entitled to notice of any meeting of the Association at which Members are
4 required or permitted to take action. Such record date shall not be more than ninety (90)
5 calendar days nor less than ten (10) calendar days before the date of the meeting. If the
6 Board fails to fix such record date, the record date for the purpose of determining the
7 Members entitled to notice of any meeting of the Association shall be at 5:00 PM on the
8 fifth business day preceding the day on which notice is given. A determination of
9 Members entitled to notice of a meeting of the Association shall apply to any
10 adjournment of the meeting, unless the Board fixes a new record date for the adjourned
11 meeting.

12 (b) To Vote. The record date for the purpose of voting shall not be more than
13 sixty (60) calendar days before the date of the meeting.

14
15 ARTICLE IV

16 MEETINGS OF THE MEMBERS

17 Section 1. Organization and Annual Meetings of the Members of the
18 Association. Regular meetings of Members of the Association shall be held not less
19 frequently than once each calendar year at the time and place prescribed by these Bylaws.
20 The first meeting of the Association, whether a regular or special meeting, shall be held no
21 later than six (6) months after the first Close of Escrow for the sale of a Condominium in
22 the Development. At such first meeting, there shall be elected, by secret written ballot of
23 the Members, a Board in accordance with the requirements of the Article herein entitled
24 "Board of Directors: Nomination, Election, Term of Office." The Members may also
25 transact such other business of the Association as may properly come before them. After
26 the first meeting of the Members, the annual meeting shall be held on or about the
27 anniversary date of the first annual meeting. All Members of the Association may attend
28 the meetings of the Association (to the extent of the permissible capacity of the meeting
29 room).

30 Section 2. Special Meetings. A special meeting of the Members of the
31 Association shall be called by the Board upon:

- 1 (a) The vote for such meeting by a majority of a quorum of the Board;
- 2 (b) Receipt of a written request signed by Members representing at least five
- 3 percent (5%) of the total voting power of the Association;
- 4 (c) The rejection by the Board of a settlement offer as referenced in California
- 5 Civil Code Section 6000; or
- 6 (d) Any vote by a majority of a quorum of the Board to commence an action
- 7 for damages pursuant to Section 6000 of the California Civil Code.

8 The notice of any special meeting shall be given within five (5) days after such

9 action by the Board or receipt of such petition. The Board shall cause the special meeting to be

10 held not less than twenty (20) calendar days nor more than ninety (90) calendar days after such

11 action by the Board or receipt of the written request for said meeting. All Members of the

12 Association may attend all special meetings of the Association.

13 No business shall be transacted at a special meeting except as stated in the notice,

14 unless such business is approved by a quorum of the Owners present, either in person or by

15 proxy.

16 Section 3. Representation of Eligible Mortgage Holders and Declarant. Each

17 Eligible Mortgage Holder shall have the right to attend and to speak at all regular and

18 special meetings of the Association on the same basis as any Member through a

19 representative who has been designated in a writing delivered to the Board prior to the

20 commencement of such meeting. Additionally, Declarant shall have the right to attend and

21 to speak at all regular and special meetings of the Association on the same basis as any

22 Member through a representative who has been designated in a writing delivered to the

23 Board prior to the commencement of such meeting for so long as Declarant owns any

24 portion of the Development or the Annexable Property and continuing until the fifteenth

25 (15th) anniversary of the Close of Escrow for the sale of the last Condominium in the

26 Development pursuant to a transaction requiring the issuance of a Final Subdivision Public

27 Report by the DRE. Each Eligible Mortgage Holder and Declarant shall be entitled to

28 notice of such meetings as provided in these Bylaws.

29 Section 4. Notice of Meetings. Written notice of each annual meeting and of

30 each special meeting of the Members shall be given by, or at the direction of, the Secretary

31 to: (i) each Member of record; (ii) each Eligible Mortgage Holder; and (iii) Declarant for so

1 long as Declarant owns any portion of the Development or the Annexable Property and
2 continuing until the fifteenth (15th) anniversary of the Close of Escrow for the sale of the
3 last Condominium in the Development pursuant to a transaction requiring the issuance of a
4 Final Subdivision Public Report by the DRE. Such notice shall be given by mailing a copy
5 thereof by first-class mail, postage prepaid, and/or by any other means approved by the
6 Board which is reasonably calculated to give notice of such meeting (e.g., transmission by
7 facsimile or e-mail). Except in emergency situations, not less than ten (10) days nor more
8 than ninety (90) days notice of any meeting shall be given. The notice shall specify the
9 day, hour and place where the meeting is to be held and those matters which the Board, at
10 the time of the notice, intends to present for action by the Members, if any, but except as
11 otherwise provided by law, any proper matter may be presented at the meeting for action.
12 A reasonable time limit for Members, Eligible Mortgage Holders and Declarant to speak
13 shall be established by the Board. The notice of any meeting at which Directors are to be
14 elected shall include the names of all nominees. Notice given in the manner provided in
15 this Section, shall be considered served forty-eight (48) hours after the notice was
16 deposited in a regular depository of the United States mail or was electronically
17 transmitted. In all cases, notice shall also be posted in a conspicuous place in the
18 Development, and the notice shall be deemed served upon any Member by posting if no
19 address for such Member has been furnished to the Secretary.

20 Section 5. Special Notice Requirements. Approval by the Members of any of
21 the following proposals, other than by unanimous approval of those Members entitled to
22 vote, shall not be valid unless the general nature of the proposal was stated in the notice or
23 in any written waiver of the notice:

- 24 (a) removing a Director without cause;
- 25 (b) holding a special meeting to fill one or more vacancies on the Board;
- 26 (c) amending the Articles;
- 27 (d) approving a contract or transaction between the Association and any entity
28 in which a Director has a material financial interest;
- 29 (e) electing to wind up and dissolve the Association;
- 30 (f) approving a plan of distribution of assets, other than money, not in
31 accordance with the liquidation rights of any class of Members (applicable only if the

1 Association is in the process of winding up and there is more than one class of
2 membership outstanding at the time).

3 Section 6. Quorum. The presence, in person or by proxy, of Owners holding at
4 least twenty-five percent (25%) of the voting power of the Association shall constitute a
5 quorum for the transaction of business at all meetings of the Members. In the absence of a
6 quorum at a Members' meeting, a majority of those present, in person or by proxy, may
7 adjourn the meeting to another time, but may not transact any other business. An
8 adjournment for lack of a quorum shall be to a date not less than five (5) days and not more
9 than thirty (30) days from the original meeting date. Except as may otherwise be required
10 pursuant to the Declaration, the quorum for such a meeting shall be at least fifteen percent
11 (15%) of the total voting power of the Association present, in person or by proxy. If a time
12 and place for the adjourned meeting is not fixed by those in attendance at the original
13 meeting, or if for any reason a new date is fixed for the adjourned meeting after
14 adjournment, notice of the time and place of the adjourned meeting shall be given in the
15 manner prescribed for regular meetings.

16 Section 7. Action Without a Meeting and By Written Ballot. Except for an
17 election regarding any of the matters described in California Civil Code Section 5105, as
18 same may be amended from time to time, which must be conducted by secret written ballot
19 and the secret ballots counted and tabulated by the Inspector(s) of Elections, and except for
20 an election or other authorization to commence an action for damages which is subject to
21 California Civil Code Section 6000 which must be taken at a properly called special
22 meeting of the Members, any other action that may be taken at a meeting of the Members
23 of the Association may be taken by written ballot of the Members without a meeting of the
24 Members if the following requirements of this Section are satisfied:

25 (a) The Secretary of the Association distributes a written ballot to each
26 Member entitled to vote on the matter. The ballot shall be given personally, or by first-
27 class, registered, or certified mail addressed to the Member at the address appearing on
28 the books of the Association or given by the Member to the Association for the purpose
29 of notice. The ballot shall provide a reasonable time within which to be returned.

30 (b) Each ballot shall set forth: (i) each proposed action; (ii) an opportunity to
31 specify approval or disapproval of each proposed action; (iii) a reasonable time within

1 which to return the ballot to the Association pursuant to Section 7513 of the California
2 Corporations Code, as same may be amended from time to time, in order to be counted;
3 (iv) the number of responses needed to meet the quorum requirement; and (v) the
4 percentage of approvals necessary to approve each proposed action. Ballots shall be
5 solicited in a manner consistent with the requirements of Sections 7511 and 7514 of the
6 California Corporations Code, as same may be amended from time to time. The
7 solicitation must specify the time by which the ballot must be received in order to be
8 counted.

9 (c) The proposed action shall be approved by written ballot if (i) within the
10 time period specified, the number of votes cast by ballot equals or exceeds the quorum
11 required to be present at a meeting authorizing the action; and (ii) the number of
12 approvals equals or exceeds the number of votes that would be required for approval at a
13 meeting at which the total number of votes cast was the same as the number of votes cast
14 by ballot.

15 (d) A written ballot may not be revoked.

16 (e) All written ballots shall be filed with the Secretary of the Association and
17 maintained in the corporate records.

18 Section 8. Order of Business. Unless otherwise indicated by an agenda, the
19 order of business at meetings of the Association shall be as follows: (1) roll call of the
20 Members; (2) determination of the voting power represented at the meeting; (3) verification
21 of a quorum; (4) proof of notice of meeting or waiver of notice; (5) reading of the minutes
22 of the preceding meeting; (6) reports of officers; (7) reports of committees; (8) appointment
23 of the Inspector(s) of Elections, if required; (9) election of Directors (at annual meetings or
24 special meetings held for such purposes); (10) unfinished business; and (11) new business

25 Section 9. Minutes, Presumption of Notice. Minutes or a similar record of the
26 proceedings of meetings of the Association, when signed by the President or Secretary,
27 shall be presumed truthfully to evidence the matters set forth therein. A recitation in the
28 minutes of any such meeting that notice of the meeting was properly given shall be prima
29 facie evidence that such notice was given.

30 Section 10. Meetings of the Members. The meetings of the Members shall be
31 held within the Development or at another location designated by the Board which is

1 within reasonable proximity to the Development. All meetings shall be conducted in
2 accordance with the provisions of Section 5000 of the California Civil Code and a
3 recognized system of parliamentary procedure (e.g., Robert's Rules of Order) or such
4 parliamentary procedures as the Association may adopt.

5
6 ARTICLE V

7 BOARD OF DIRECTORS:

8 NOMINATION, ELECTION, TERM OF OFFICE

9 Section 1. Number and Qualifications of Directors. The affairs of the Association
10 shall be managed by a Board consisting of five (5) Directors, each of whom, except for
11 those appointed by Declarant and serving as first Directors, must either be a Member in
12 good standing with the Association or an authorized agent or representative of Declarant.
13 The initial Directors shall be appointed by the Declarant as soon as practicable after the
14 incorporation of the Association, and shall hold office until Directors are elected by the
15 Members at the first annual meeting of the Association as specified in these Bylaws.

16 Section 2. Qualifications for Holding Office. Directors must satisfy the following
17 requirements while they serve in office and the failure to satisfy these requirements shall
18 be grounds for removal as provided below:

19 (a) Not be absent from three (3) consecutive meetings of the Board;

20 (b) Attend at least seventy-five percent (75%) of the Board meetings held
21 each year and attend the entire meeting each time;

22 (c) Behave in a respectful and courteous manner to all Owners, committee
23 members, vendors, the property manager and its staff, and any other persons associated
24 with or retained by the Association;

25 (d) For non-Declarant Board members, be an Owner in good standing. (For
26 purposes of these Bylaws, a Member shall be deemed to be in good standing if such
27 Member has been current in the payment of Assessments for eleven (11) of the last
28 twelve (12) consecutive months, and is not in willful violation of the Association
29 Documents.)

30 When a Condominium is owned by more than one person, although all such
31 persons are Owners and Members of the Association, in no event may more than one (1) Owner

1 of the same Condominium serve as a director or officer at the same time as any other Owner of
2 such Condominium.

3 Section 3. Nomination. Subject to the Declarant's Class E voting rights, the
4 nomination of candidates for election to the Board shall be made by a Nominating
5 Committee. The Nominating Committee shall consist of a Chairman, who shall be an
6 officer of the Association and two (2) Members selected by the Board. (Notwithstanding the
7 foregoing, if the Board is unable to identify two (2) Members willing to serve on the
8 Committee, the Board shall serve as the Nominating Committee.) The Nominating
9 Committee shall be appointed by the Board prior to each annual meeting of the Association
10 to serve from the close of such annual meeting until the close of the next annual meeting,
11 and such appointment shall be announced at each meeting. The Nominating Committee
12 shall make as many nominations for election to the Board as it shall in its discretion
13 determine, but no fewer than the number of vacancies that are to be filled. Nominations
14 may be made from among Members or non-Members so long as Declarant is entitled to
15 annex any of the Annexable Property into the Development. Thereafter, nominations shall
16 only be made only from among Members. Candidates seeking election as the Director to
17 represent the Class A Members, the Class B Members or the Class C Members must be a
18 Member of the respective Class of Members, or a representative of Declarant as provided
19 herein. Candidates seeking election as a Director at Large may be from any Class of
20 Members or a non-Member representative of Declarant as provided herein. Any Member
21 who submits to the Nominating Committee prior to the close of nominations a petition
22 signed by five percent (5%) of the total voting power of the Association shall be deemed
23 nominated as a candidate for a Director at Large, or a petition signed by two percent (2%)
24 of the voting power of a specific Class of Members shall be deemed nominated as a
25 candidate for the Director to represent such Class of Members.

26 The Board shall implement and enforce the fair election procedures set forth in
27 the Article entitled "The Association" set forth in the Declaration.

28 Section 4. Declarant's Class E Voting Rights. As more particularly set forth in
29 these Bylaws and in the Declaration, Declarant is the Class E Member of the Association.
30 The Class E membership is not considered part of the voting power of the Association and
31 Declarant is not entitled to exercise any Class E voting rights other than to elect a majority

1 of the Board of Directors of the Association at the first annual meeting of the Members for
2 a three year term of office, to replace any Class E Director for the unexpired portion of the
3 original three (3) year term of office, and to elect a majority of Directors if the Board is
4 increased to more than five (5) members during such three (3) year period.

5 Section 5. Special Voting Procedures for Election of Directors While the Class
6 D Membership Remains in Effect. So long as the Class D membership shall remain in
7 effect as provided hereinabove, at least forty-percent (40%) of the members of the Board
8 (i.e., two [2] Directors) shall be elected solely by the votes of the Members other than the
9 Declarant. The two (2) candidates receiving the highest number of votes shall be elected as
10 provided herein.

11 Section 6. Election of Directors and Terms of Office. The terms of office of
12 the Directors shall be staggered as follows: three (3) of the Directors terms shall expire at
13 an annual meeting of the Members and the other two (2) Director's terms shall expire at
14 the following meeting of the Members. In accordance with the staggered terms of office,
15 the Board which consists of five (5) Directors who shall be elected as follows:

16 (a) Until the first annual meeting of Members, all of the Directors shall be
17 appointed by Declarant and continue to serve pursuant to Declarant's appointments. Any
18 Director so appointed by Declarant may be removed and replaced by Declarant until the
19 first annual meeting of the Members.

20 (b) At the first annual meeting of the Members of the Association, the Class E
21 Member shall elect three (3) Directors ("Class E Directors") for a term of three (3) years,
22 and the Class A, Class B and Class C Members shall elect two (2) Directors ("Directors
23 at Large") for a term of one (1) year. The two (2) candidates receiving the highest
24 number of votes shall be elected. The Class E Directors elected by Declarant may be
25 non-Members or Members of any Class of Members, and may all be Members of the
26 same Class of Members.

27 (c) At the second annual meeting of the Members of the Association, the
28 Class A, Class B and Class C Members shall elect the Directors at Large, who shall serve
29 for a term of one (1) year. Any person serving as a Director at Large may be re-elected,
30 and there shall be no limitation on the number of terms such Director may serve.

31

1 (d) At the third annual meeting of the Members of the Association, the Class
2 A, Class B and Class C Members shall collectively elect the Directors at Large, who shall
3 serve for a term of two (2) years. Any person serving as Director at Large may be re-
4 elected, and there shall be no limitation on the number of terms such Director may serve.

5 (e) At the fourth annual meeting of the Members of the Association, the Class
6 A Members, the Class B Members and the Class C Members, (each voting as its own
7 Class of Members), shall each elect a Director to represent their respective Class of
8 Members. Each Director so elected shall serve for a term of two (2) years.

9 (f) From and after the fifth annual meeting of the Members of the
10 Association, the Members shall elect the Directors whose terms have expired in
11 accordance with the foregoing procedures. Each Director so elected shall serve for a
12 term of two (2) years.

13
14 Section 7. Election of A Director to Represent Each Class of Members After
15 the Expiration of the Term of Office of the Directors Appointed by Declarant. At the
16 election of Directors to be held upon the termination of the terms of office of the Class E
17 Directors (i.e., the fourth annual meeting), the Class A Members, the Class B Members and
18 the Class C Members shall each be entitled to elect, solely by the vote of their respective
19 Members, one (1) Director to represent such Class of Members. The two (2) remaining
20 Directors at Large shall be elected by all Members as provided in these Bylaws. If any
21 Class of Members does not have at least one (1) candidate willing to serve as their Director,
22 the Director for such Class shall temporarily be deemed a Director at Large and shall be
23 elected by all Members. At any subsequent election, if the Members of such Class have a
24 least one (1) candidate willing to serve as their Director, the Members of such Class shall
25 elect their own respective Director.

26 Section 8. Election. Election to the Board shall be conducted at the meetings of
27 the Members by secret written ballot as provided in the Declaration and in conformity with
28 California Civil Code Section 5105, as same may be amended from time to time. At such
29 election, the Members may cast, with respect to each vacancy for which they are entitled to
30 vote, as many votes as they are entitled to cast under the provisions of these Bylaws and
31 the Declaration. For an election of the Director to represent a specific Class of Members, the

1 candidate receiving the largest number of votes shall be elected, and for an election of the
2 Directors at Large, the two candidates receiving the largest number of votes shall be
3 elected. Cumulative voting is required for all elections of the Directors at Large; provided,
4 however, that all cumulative voting hereunder shall comply with the procedural
5 prerequisites of California Corporations Code, Section 7615(b), as same may be amended
6 from time to time, which provides that no Member shall be entitled to cumulate votes for a
7 candidate or candidates unless such candidate's or candidates' names have been placed in
8 nomination prior to the voting, and a Member has given notice at the meeting prior to the
9 voting of said Member's intention to cumulate votes. If any one (1) Member has given
10 such notice, all Members (including Declarant) shall have the right to cumulate votes and
11 give one (1) candidate, or divide among any number of candidates, a number of votes equal
12 to the total number of votes to which said Member is entitled to vote upon other matters
13 multiplied by the number of Directors to be elected.

14
15 Section 9. Removal.

16 (a) Class A, Class B, Class C Directors and Directors at Large. At any
17 regular or special meeting duly called, the Class A, Class B and/or Class C Director or
18 any Director at Large may be removed, with or without cause, as provided herein, and a
19 successor may then and there be elected to fill the vacancy so created. An individual
20 Director shall not be removed prior to the expiration of his term of office if the number of
21 votes cast against his removal would be sufficient to elect the Director (if voted
22 cumulatively in the case of Directors at Large). Any Director who has been elected to
23 office solely by the votes of the Members of the Association (or a specific Class of
24 Members), other than the Declarant, may be removed from office prior to the expiration
25 of his term of office only by the vote of at least a simple majority of the voting power
26 residing in the Members (or a specific Class of Members), other than the Declarant.

27 (b) Class E Directors. Class E Directors may be removed only by the Class E
28 Member.

29 (c) Removal by the Board. Any Director may be removed by the Board in
30 accordance with the provisions of Section 7221 of the California Corporations Code, as
31 same may be amended from time to time.

1 determined by the Board. Notice of the time and place of a regular meeting shall be posted
2 at a prominent place or places within the Association Property, shall be communicated to
3 the Directors not less than four (4) days prior to the meeting, unless the time and place of
4 the meeting is fixed by the Directors, and shall be communicated to Declarant. Declarant
5 shall have the right to attend and to speak at all meetings of the Board on the same basis as
6 any Member through a representative who has been designated in a writing delivered to the
7 Board prior to the commencement of such meeting for so long as Declarant owns any
8 portion of the Development or the Annexable Property and continuing until the fifteenth
9 (15th) anniversary of the Close of Escrow for the sale of the last Condominium in the
10 Development pursuant to a transaction requiring the issuance of a Final Subdivision Public
11 Report by the DRE. Declarant shall be entitled to notice of such meetings as provided in
12 these Bylaws. Notice of a meeting of the Board may be given personally, by first class
13 mail, by telephone, facsimile or other electronic transmission approved by the Board.
14 Notwithstanding the foregoing, notice of a regular meeting need not be given to any
15 Director who has signed a waiver of notice or a written consent to holding of the meeting,
16 or who attends the meeting without protest. Special meetings of the Board shall be held
17 when called by the President or by two (2) Directors, other than the President. Notice of
18 the special meeting shall be posted in a permanent place or places in the Association
19 Property and shall be communicated to the Directors and to Declarant in the same manner
20 as provided for herein for regular meetings. Such notice shall be sent not less than seventy-
21 two (72) hours prior to the scheduled time for the special meeting. Notwithstanding the
22 foregoing, notice of the special meeting need not be given to any Director who has signed a
23 waiver of notice or a written consent to holding of the meeting, or who attends the meeting
24 without protest. The notice shall specify the time and place of the meeting and the nature
25 of any special business to be transacted. Such notice, whether delivered personally to the
26 Directors or sent by letter (postage prepaid), facsimile or other electronic transmission shall
27 be to the address reflected in the records of the Association. Regular and special meetings
28 of the Board shall be open to all Members. The Board shall permit any Member and
29 Declarant to speak at any meeting of the Board, except for meetings of the Board held in
30 executive session. A reasonable time limit for Members and Declarant to speak shall be
31 established by the Board. The Board may, with the approval of a majority of the Directors

1 present at a meeting in which a quorum for the transaction of business has been established,
2 adjourn a meeting and reconvene in executive session to discuss and/or vote upon
3 personnel matters, litigation in which the Association is or may become involved, contracts
4 with third parties and orders of business of a similar nature. The nature of any and all
5 business to be considered in executive session shall first be announced in open session.
6 Any matter discussed in executive session shall be generally noted in the minutes of the
7 Board.

8 Section 2. Meetings of Directors. The meetings of the Directors shall be held
9 within the Development or as close thereto as possible as may be designated by the Board.
10 Directors may participate in a meeting by means of a conference telephone conversation so
11 long as all Directors participating in such meeting can hear one another. Such participation
12 shall be deemed to constitute the presence in person at such meeting.

13 Section 3. Rights of Members to Attend Board Meetings. Any Member of the
14 Association may attend meetings of the Board except when the Board adjourns to executive
15 session as provided above. In any matter relating to the discipline of a Member, the Board
16 shall meet in executive session, if requested by that Member, and the Member shall be
17 entitled to attend the executive session.

18 Section 4. Minutes of Board Meetings. The minutes, minutes proposed for
19 adoption that are marked to indicate draft status, or a summary of the minutes, of any
20 meeting of the Board, other than an executive session, shall be available to Members within
21 thirty (30) days of the meeting. The minutes, proposed minutes, or summary minutes shall
22 be distributed to any Member of the Association upon request and upon reimbursement of
23 the Association's costs in making that distribution.

24 Members of the Association shall be notified in writing at the time that the annual
25 budget report required by Section 5300 of the California Civil Code, as amended from time to
26 time, is distributed or at the time of any general mailing to the entire membership of the
27 Association of their right to have copies of the minutes of meetings of the Board. The minutes
28 may be obtained in accordance with the provisions of the Article herein entitled "Inspection
29 of Books and Records."

30 Section 5. Action Without Meeting. Notwithstanding California Corporations
31 Code § 7211, the Board of Directors shall not conduct a meeting via a series of electronic

1 transmissions, including, but not limited to, electronic mail, except for emergency
2 meetings. As set forth in Civil Code Section 4923, an emergency meeting of the Board
3 may be called by the President of the Association, or by any two (2) Members of the
4 governing body other than the President, if there are circumstances that could not have
5 been reasonably foreseen which require immediate attention and possible action by the
6 Board, and which of necessity make it impracticable to provide notice as required by this
7 Section. For any emergency meeting, any action required or permitted to be taken by the
8 Board may be taken without a meeting, if all members of the Board, individually or
9 collectively, consent in writing to that action. Such action by written consent shall have the
10 same force and effect as a unanimous vote of the Board. Such written consent or consents
11 may be conveyed by copy, facsimile and/or e-mail and shall be filed with the minutes of
12 the proceedings of the Board. Written consent by e-mail for emergency meetings shall be
13 acceptable and constitute written consent provided each director who has indicated e-mail
14 approval confirms receipt of the proposed Board action and forwards a reply back to the
15 Association, confirming receipt of the proposed Board action and approval of same (which
16 reply shall be attached to the Board action via unanimous written consent as that Director's
17 consent to the intended Board action.) An explanation of the action taken shall be
18 communicated by any means the Board deems appropriate.

19 Section 6. Conduct of Meetings. The President of the Association shall preside
20 over all meetings of the Board held during the Board's term of office. In the event the
21 President shall be absent from any meeting, said meeting shall be presided over by such
22 other Director as may be elected by a majority of a quorum of the Directors. The Secretary
23 of the Association shall act as Secretary of the Board, but in the event the Secretary shall be
24 absent, the President or presiding Director may appoint any person to act as Secretary for
25 the meeting.

26 Section 7. Quorum. A majority of the total number of Directors shall constitute
27 a quorum for the transaction of business. Every act or decision done or made by a majority
28 of the Directors present at a duly held meeting at which a quorum is present shall be
29 regarded as the act of the Board.
30
31

1 ARTICLE VII

2 POWERS AND DUTIES OF THE BOARD OF DIRECTORS

3 Section 1. Powers. The Board, for and on behalf of the Association, shall have
4 the right and power to do all things necessary to conduct, manage and control the affairs
5 and business of the Association. Subject to the provisions of the Articles, the Declaration
6 and these Bylaws, the Board shall have all of the powers authorized under the California
7 Corporations Code for nonprofit, mutual benefit corporations.

8 Section 2. Duties. The Board shall perform and execute, for and on behalf of
9 the Association, all of the duties which have been delegated to the Association as set forth
10 in the Article entitled "Powers and Duties of the Association" in the Declaration.

11 Section 3. Initiating Construction Defect Claims Under Title 7 (Sections 895 et
12 seq.) of the Civil Code. So long as a majority of the voting power of Members is held by
13 Declarant, or so long as there are either Class E Directors, or so long as Declarant shall
14 continue to have Class D voting rights, the Board's decision of whether to initiate a claim
15 under Title 7 of Part 2 of Division 2 of the California Civil Code ("Construction Claim")
16 shall be decided by the Directors at Large at a meeting in which the quorum requirement
17 for Board meetings was satisfied.

18 Section 4. Approval of the Members. If a Construction Claim is not resolved
19 pursuant to the non-adversarial procedures (such as those set forth in California Civil Code
20 Sections 910 through 938 or Civil Code Section 6000, and any successor statutes or laws),
21 the Board shall not initiate litigation or binding arbitration, where applicable, with respect
22 to a Construction Claim without first obtaining the approval of the Members other than
23 Declarant, if so provided in the Declaration. Any Member, other than Declarant, may call a
24 special meeting of the Members for this purpose.

25
26 ARTICLE VIII

27 OFFICERS AND THEIR DUTIES

28 Section 1. Enumeration and Qualifications of Officers. The officers of this
29 Association shall be a President, Vice President, Secretary and a Treasurer. Said officers
30 shall consist only of Members in good standing of the Association, or an authorized agent
31 of Declarant so long as Declarant is entitled to annex any of the Annexable Property into

1 the Development. Any Member serving as a Director of the Association may
2 simultaneously serve as an officer thereof.

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

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

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

12 Section 5. Resignation and Removal. Any officer may be removed from office
13 at any time, with or without cause, by a majority of the Board. Any officer may resign at
14 any time by giving written notice to the Board, the President or the Secretary. Such
15 resignation shall take effect on the date of receipt of such notice or at such later time
16 specified therein, and unless otherwise specified therein, the acceptance of such resignation
17 shall not be necessary to make it effective.

18 Section 6. Vacancies. A vacancy in any office may be filled by appointment by
19 the Board. The officer appointed to such vacancy shall serve for the remainder of the term
20 of the officer he replaces.

21 Section 7. Multiple Offices. The offices of Secretary and Treasurer may be
22 held by the same person. No person shall simultaneously hold more than one (1) of any of
23 the other offices, except in the case of special offices created pursuant to Section 4 of this
24 Article.

25 Section 8. Duties. Duties of the officers are as follows:

26 (a) President: The President shall preside at all meetings of the Members of
27 the Association and the Board; shall see that orders and resolutions of the Board are
28 carried out; shall co-sign all leases, mortgages, deeds and other written instruments, and
29 shall co-sign all checks and promissory notes; provided, however, that the authority to co-
30 sign all checks is assignable to a manager for the Development.

31

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

4 (c) Secretary: The Secretary shall record the votes and keep the minutes of all
5 meetings and proceedings of the Board and of the Members; shall co-sign all contracts,
6 leases or other instruments executed in the name of or on behalf of the Association; serve
7 notice of meetings of the Board and of the Members; keep appropriate current records
8 showing the Members of the Association, together with their Condominium address
9 and/or mailing address and shall perform such other duties as required by the Board.

10 (d) Treasurer: The Treasurer shall receive and deposit in appropriate bank
11 accounts all moneys of the Association and shall disburse such funds as directed by
12 resolution of the Board; shall co-sign all checks and promissory notes of the Association;
13 provided, however, that the authority to co-sign all checks is assignable to a manager for
14 the Development; keep proper books of account; cause such annual reports and financial
15 reporting of the Association books to be made at the completion of each fiscal year, as
16 provided for in the Declaration, and shall cause to be prepared an annual budget and a
17 statement of income and expenditures to be presented to the membership at its regular
18 annual meeting, and deliver a copy of each to the Members.

19 Section 9. Compensation of Officers. No officer shall receive any
20 compensation for services performed to the Association, except as permitted under the
21 Article contained in the Declaration entitled "Powers and Duties of the Association";
22 provided, however, that an officer may be reimbursed for his actual expenses incurred in
23 the performance of his duties.

24
25 ARTICLE IX

26 COMMITTEES

27 Section 1. Appointment of Committees. The Board may appoint a Nominating
28 Committee and such other committees as deemed appropriate in carrying out its purposes.

1 ARTICLE X

2 OBLIGATIONS OF MEMBERS

3 Section 1. Assessments. All Members are obligated to pay all Assessments
4 levied by the Association in accordance with the provisions of the Declaration. All
5 delinquent Assessments shall be enforced, collected or foreclosed in the manner provided
6 in the Declaration.

7 Section 2. Repair and Maintenance. Every Member shall be responsible, at his
8 sole cost and expense, for all maintenance and repair work on his Condominium as set
9 forth in the Article of the Declaration entitled "Repair and Maintenance."

10 Section 3. General Obligations of Members. Without limiting the generality of
11 the preceding Sections, all Members shall comply with the provisions of the Association
12 Documents.

13
14 ARTICLE XI

15 INSPECTION OF BOOKS AND RECORDS

16 Section 1. Availability of Books and Records. Members of the Association,
17 each Eligible Mortgage Holder and Declarant, for so long as Declarant owns any portion
18 of the Development or the Annexable Property and continuing until the fifteenth (15th)
19 anniversary of the Close of Escrow for the sale of the last Condominium in the
20 Development pursuant to a transaction requiring the issuance of a Final Subdivision Public
21 Report by the DRE shall have access to the Association's Documents and to all of the
22 Association's records in accordance with Section 5205 of the California Civil Code, as
23 same may be amended from time to time, and in accordance with the provisions of the
24 Declaration.

25 Section 2. Rules Concerning Inspection. The Board shall establish reasonable
26 rules with respect to:

- 27 (a) Notice to be given to the custodian of the records by the Member and by
28 each Eligible Mortgage Holder desiring to make the inspection;
- 29 (b) Hours and days of the week when such an inspection may be made; and
- 30 (c) Payment of the costs of copying, mailing and, if necessary, redacting the
31 Association Documents requested by a Member, Eligible Mortgage Holder or Declarant.

1 its decision concerning the alleged violation to said Member not less than five (5) days
2 after the hearing, and shall provide a written explanation of the suspension, fine or
3 conditions, if any, imposed by the Board.

4 Section 4. Monetary Penalties. If the Board adopts a policy regarding the
5 imposition of any monetary penalty (including a Compliance Assessment) on any Member
6 due to a violation of the Association Documents (including any monetary penalty relating
7 to the activities of a family member, guest or invitee of a Member), the Board shall adopt
8 and distribute to each Member, by personal delivery or first-class mail, a schedule of the
9 monetary penalties that may be assessed for those violations. The Board shall not be
10 required to distribute any additional schedules of monetary penalties unless there are
11 changes from the schedule previously adopted and distributed to the Members.

12
13 ARTICLE XIII

14 AMENDMENTS

15 Section 1. Amendments to Bylaws. So long as the four-class voting structure
16 provided for herein shall remain in effect, these Bylaws may be amended only by the vote
17 or written assent of sixty-seven percent (67%) of the voting power of each class of
18 Members pursuant to a vote by secret written ballot conducted in accordance with the
19 provisions of the Declaration. At such time as the Class D membership shall cease and be
20 conveyed to Class A membership, amendments to these Bylaws shall be enacted by
21 requiring the vote or written assent of:

22 (a) Sixty-seven percent (67%) of the total voting power of the Association
23 pursuant to a vote by secret written ballot conducted in accordance with the provisions of
24 the Declaration; and

25 (b) Sixty-seven percent (67%) of the votes of Members, other than the
26 Declarant, pursuant to a vote by secret written ballot conducted in accordance with the
27 provisions of the Declaration.

28 Notwithstanding the foregoing, the percentage of a quorum of the Members or of
29 votes of the Members, other than the Declarant, necessary to amend a specific provision in these
30 Bylaws shall not be less than the prescribed percentage of affirmative votes required for action to
31 be taken under said provision.

1 ARTICLE XIV

2 CORPORATE SEAL

3 Section 1. Seal. The Association shall have a seal in circular form having
4 within its circumference the words:

5 COLORADO COMMONS MAINTENANCE ASSOCIATION

6
7 ARTICLE XV

8 MISCELLANEOUS

9 Section 1. Director and Officer Liability. Subject to the provisions of Section
10 5800 of the California Civil Code, as amended from time to time, any person who suffers
11 injury, including, but not limited to, bodily injury, emotional distress, wrongful death,
12 property damage or loss as a result of the tortious act or omission of a volunteer officer or
13 volunteer Director of the Association shall not recover damages from a volunteer officer or
14 volunteer Director if all of the following criteria are met:

15 (a) The act or omission was performed within the scope of the officer's or
16 Director's duties (including, but not limited to, decisions whether to conduct an
17 investigation of the Development for latent deficiencies prior to the expiration of the
18 applicable statute of limitations, and/or whether to commence a civil action against the
19 builder for defects in design or construction).

20 (b) The act or omission was performed in good faith.

21 (c) The act or omission was not willful, wanton or grossly negligent.

22 (d) The Association maintained and had in effect at the time the act or
23 omission occurred and at the time a claim is made one or more policies of insurance
24 which includes coverage for general liability of the Association and individual liability of
25 officers and Directors of the Association for negligent acts or omissions in that capacity;
26 provided that both types of coverage are in the following minimum amounts:

27 (1) At least five hundred thousand dollars (\$500,000) if the
28 Development consists of one hundred (100) or fewer Condominiums;

29 (2) At least one million dollars (\$1,000,000) if the Development
30 consists of more than one hundred (100) Condominiums.

31

1 The payment of actual expenses incurred by a Director or officer in the execution
2 of the duties of that position does not affect the Director's or officer's status as a volunteer
3 within the meaning of this Section.

4 A Director or officer who at the time of the act or omission received either direct
5 or indirect compensation as an employee from Declarant, or from a financial institution that
6 purchased a Condominium at a judicial or nonjudicial foreclosure of a Mortgage is not a
7 volunteer for the purposes of this Section.

8 Nothing in this Section shall be construed to limit the liability of the Association
9 for its negligent acts or omissions or for any negligent act or omission of any officer or
10 Director of the Association.

11 This Section shall only apply to a volunteer officer or Director who resides in the
12 Development either as a tenant or as an Owner of no more than two (2) Condominiums.

13 Section 2. Indemnification of Directors and Officers. To the maximum extent
14 permitted by law, the Association shall defend, indemnify and hold harmless all Directors,
15 officers, employees and "agents" (as defined in Section 7237 of the California Corporations
16 Code) of the Association (collectively the "Association Representatives"), from and against
17 all claims, costs, expenses and other liability which may be imposed upon or reasonably
18 incurred by an Association Representative, including reasonable settlement payments, in
19 connection with any claim, action, suit or proceeding, or threat thereof, made or instituted,
20 in which such Association Representative may be involved or be made a party by reason of
21 being or having been an Association Representative or by any action alleged to have been
22 taken or omitted by such Association Representative whether or not the claim asserted is
23 based on matters which arose in whole or in part prior to the adoption of this Section, and
24 in the event of the death of the Association Representative, shall extend to the legal
25 representatives of such person. The right of indemnification provided in this Section shall
26 not be exclusive of any other rights to which any person may be entitled as a matter of law,
27 under any agreement or otherwise.

28 Section 3. Fiscal Year. The fiscal year of the Association shall be determined
29 by the Board, and having been so determined, is subject to change, from time to time, as
30 the Board shall determine.

31

CERTIFICATE OF SECRETARY

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I, the undersigned, do hereby certify:

1 That I am the duly elected and acting Secretary of COLORADO COMMONS
2 MAINTENANCE ASSOCIATION, a California nonprofit, mutual benefit corporation; and

3 2 That the foregoing Bylaws, comprising of 28 pages, constitute the original
4 Bylaws of said corporation, as duly adopted at the first meeting of the Board of Directors thereof
5 duly held on /19th/ , 201/4/

6 IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of
7 said corporation this /19th/ day of /19th/ , 201/4/.

 /s/
SECRETARY