

BYLAWS
OF
CHERRY CREEK COUNTRY CLUB
MASTER ASSOCIATION

INTRODUCTION

These are the Bylaws of Cherry Creek Country Club Master Association (the "Corporation") which shall operate under the Colorado Revised Nonprofit Corporation Act, as amended ("Corporation Act"), and the Colorado Common Interest Ownership Act, as amended (the "Act").

Terms which are defined in the Declaration or in the Articles of Incorporation of the Corporation shall have the same meanings herein, unless otherwise defined herein. The words member or member as used in these Bylaws means and shall refer to Owner(s) in the Common Interest Community.

ARTICLE 1

OBJECT

1.1 **Purpose.** The purpose for which the Corporation is formed is:

1.1.1 To operate the Cherry Creek Country Club, a common interest community (the "Common Interest Community") located in Arapahoe County, Colorado both in its own right as a planned community and under delegation from constituent common interest community associations;

1.1.2 To promote the health, safety, welfare, and common benefit of the Owners and residents of the Common Interest Community; and

1.1.3 To be and constitute the Master Association to which reference is made in the Master Declaration of Covenants, Conditions and Restrictions for Cherry Creek Country Club (the "Declaration") which is or will be recorded in the office of the Clerk and Recorder of the County of Arapahoe, State of Colorado, relating to a planned community common interest ownership project, and to perform all obligations and duties of the Corporation and to exercise all rights and powers of the Corporation, as specified therein.

1.2 *Owners Subject to Bylaws.* All present or future Owners, tenants, guests, or any other person that might use in any manner the facilities of the Common Interest Community are subject to the terms and provisions set forth in these Bylaws. The mere acquisition, rental, use or occupancy of any of the Blocks or Units will signify that these Bylaws are accepted, ratified, and will be complied with.

ARTICLE 2

MEMBERSHIP, VOTING MAJORITY OF OWNERS, QUORUM, PROXIES

2.1 *Membership.* Ownership of a Block or Unit is required in order to qualify for membership in this Corporation. Any person on becoming an Owner of a Block or Unit shall automatically become a member of this Corporation and be subject to these Bylaws. Such membership shall terminate without any formal Corporation action whenever such person ceases to own a Block or Unit, but the termination shall not relieve or release any former Owner from any liability or obligation to the Corporation or impair any rights or remedies which the Corporation may have against the former Owner arising out of or in any way connected with ownership of a Block or Unit and membership in the Corporation. No certificates of stock shall be issued by the Corporation, but the Board may, if it so elects, issue membership cards or

certificates to the Owners. The membership card or certificates shall be surrendered to the Secretary whenever ownership of the Block or Unit designated thereon shall terminate.

2.2 *Voting.*

2.2.1 Votes are allocated among the members as set forth in the Declaration.

2.2.2 Votes allocated to a Block or Unit may be cast under a proxy duly executed by an Owner. An Owner may revoke a proxy given under this section only by actual written notice of revocation to the person presiding over a meeting of the Corporation. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates eleven months after its date, unless it provides otherwise. The Secretary of the Corporation must bring all proxies to each meeting where the Owners are entitled to vote and all proxies shall be available for inspection by the officers of the Corporation and by any Owner in attendance at such meeting. A proxy need not be an Owner. All proxies must be in writing and may be either general or for a particular meeting.

2.2.3 If ownership of any Block or Unit is held by a corporation, limited liability company, trust, or partnership (general or limited) any officer, director, agent, representative or employee of the entity, designated in writing to the Corporation, may cast the vote of the Owner. Such designated person may be one of the Owner-appointed Board representatives.

2.2.4 Votes allocated to a Block or Unit owned by the Corporation may not be cast.

2.3 *Quorum.* Except as otherwise provided in these Bylaws or in the Declaration, the presence at any meeting of members holding a majority of the votes of the Corporation, or of a

Class (as provided in Section 5.6 of the Articles of Incorporation) of Members (in the case of elections of directors by Class) in person or by proxy shall constitute a quorum present throughout the meeting.

2.4 *Majority Vote.* The vote of a majority of the votes allocated to the Owners, or the Owners in a Class (in the case of elections of directors by Class), present in person or by proxy at a meeting at which a quorum shall be present shall be binding upon all Owners for all purposes except where a higher percentage vote is required in the Declaration, these Bylaws or by law.

ARTICLE 3

CORPORATION MEETINGS; ACTION WITHOUT MEETING

3.1 *Place of Meetings.* Meetings of the Owners shall be held at the Common Interest Community or at such other place within the State of Colorado as the Board may determine.

3.2 *Annual Meeting.* The annual meetings of the Corporation shall be held each year on such date as shall be selected by the Master Association Board ("Board"), provided that such meeting shall occur in each year within six (6) months of the end of the Corporation's fiscal year. The first annual meeting shall be called by the initial Board of the Corporation, at which time officers and directors shall be elected and a budget approved. At such meetings, the Owners may transact such business of the Corporation as may properly come before the meeting. At each annual meeting, members of the Board shall be appointed as set forth in the Articles and the Declaration. The Owners may transact such other business as may properly come before them at these meetings.

3.3 **Special Meetings.** Special meetings of the members of the Corporation may be called by the President of the Corporation, by a majority of the members of the Board, or by a request in writing signed by a majority of the Owners in any Class .

3.4 **Notice of Corporation Meetings.**

3.4.1 It shall be the duty of the Secretary of the Corporation to notify the Owners of the place, date and time of each annual, regular and special meeting of Owners by delivering such notice by first class mail, postage prepaid, by reputable delivery service, or by hand delivery, no fewer than 10 days nor more than 50 days before the meeting date or as otherwise set forth in the Corporation Act.

3.4.2 The notice of any meeting must state the items on the agenda, including the general nature of any proposed amendment to the Declaration, the Articles or these Bylaws and any proposal to remove an officer or member of the Board.

3.4.3 Notice of an annual or regular meeting shall include a description of any of the following matters that must be approved by the Owners or for which the Owners' approval is sought:

- (a) A conflict of interest transaction between the Corporation and a director;
- (b) The indemnification of or advancement of expenses to a director in connection with such indemnification;
- (c) Any amendment of the Articles of Incorporation or Bylaws in which case the notice shall state that one of the purposes of the meeting is to consider the amendment and shall contain a copy or a summary of the amendment;

- (d) Any plan of merger for the Corporation;
- (e) Any sale of property of the Corporation other than in the regular course of business; and
- (f) Any proposal to dissolve the Corporation.

3.4.4 Any notice of a special meeting shall include a description of the purpose or purposes for which the meeting is called.

3.5 **Waiver of Notice.** Any Owner may, at any time, waive notice of any meeting of the Corporation in writing, and the waiver shall be deemed the same as receipt of notice. A waiver of notice, signed by both of the Owners before, at, or after any meeting shall be a valid substitute for notice. The certificate of the Secretary of the Corporation that notice was properly given as provided in these Bylaws shall be *prima facie* evidence thereof.

3.6 **Adjourned Meetings.** If any meeting of the Corporation cannot be convened because a quorum has not attended or if the business of the meeting cannot be concluded, then in that event, any Owner who is present, may adjourn the meeting from time to time for periods of no longer than one (1) week until a quorum is obtained or until a conclusion can be reached. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

3.7 **Action Without Meeting.** Any action permitted to be taken at an Owners' meeting may be taken without a meeting if the Owners entitled to vote thereon unanimously agree and consent to such action in writing.

ARTICLE 4

MASTER ASSOCIATION BOARD

4.1 **Corporation Responsibilities.** The Corporation has the responsibility to administer the Common Interest Community, acting through the Board. In the event of any dispute or disagreement between any Owners relating to the Common Interest Community, or any questions of interpretation or application of the provisions of the Declaration or Bylaws, such dispute or disagreement shall be submitted to the Board.

4.2 **Number and Qualification.** The Board shall consist of four members, one elected by each Class.

4.3 **Powers and Duties.** The Board shall have the powers and duties necessary for the administration of the affairs of the Corporation and for the operation and maintenance of a common interest ownership community project as set forth in the Declaration and the Articles of Incorporation. The Board may do all such acts and things as are not prohibited by law, the Articles, these Bylaws or the Declaration, or that are not required to be exercised and done by the Owners directly.

4.4 **Other Powers and Duties.** In addition to the powers set forth in the Articles and the Declaration, the Board shall be empowered and may exercise all powers allowed by law.

4.5 **Managing Agent.** The Board may employ for the Corporation a managing agent (at a compensation established by the Board), to perform such duties and services as it shall authorize. The Board may delegate any of the powers and duties granted to it but, notwithstanding such delegation, shall not be relieved of its responsibility under the Declaration, the Articles or these Bylaws.

4.6 **Election.** After the period of Declarant Control, one member of the Board shall be elected from each Class for a term of one year. Election shall be by majority vote of the Owners within each Class (as provided in Section 4.4 of the Declaration) either in writing or at a meeting at which a quorum of members of the Class is present. If the election is made at a meeting, it shall be made at a meeting to which all members of the Class were invited with at least two weeks advance notice and that is held in reasonable proximity to the Common Interest Community. Each director shall hold office until his or her successor is duly elected and qualified.

4.7 **Vacancies.** After the period of Declarant Control, as set forth in the Declaration, vacancies in the Board representing a particular Class shall be elected by the majority vote of the Owners within that Class, in the same manner as provided in Section 4.6 above. Each person so elected shall be a director until a successor is duly elected and qualified at the next annual meeting of the Corporation.

4.8 **Regular Meetings.** Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority vote of the directors, but at least six (6) such meetings shall be held each year. Notice of regular meetings of the Board shall be given to each director, personally or by mail, telephone, or telecopy, at least three (3) days prior to the day named for such meeting.

4.9 **Special Meetings.** Special meetings of the Board may be called by the President, on his or her own initiative, on three (3) days' notice to each director, given personally, or by mail, telephone, or telecopy, which notice shall set forth the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like

manner and on like notice on receipt of a written request to call such a special meeting from at least two (2) directors.

4.9.1 Hearings with respect to violations of the provisions of the Master Declaration, Articles of Incorporation, Bylaws, Design Guidelines or other rules or regulations of the Corporation shall be conducted at regular or special meetings of the Board, pursuant to such provisions for notice and the conduct of the hearing as the Board may adopt.

4.10 *Waiver of Notice.* Before or at any meeting of the 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 any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

4.11 *Board Quorum.* At all meetings of the Board, a quorum is deemed present throughout any meeting if at least three directors are present at the beginning of the meeting. The directors shall discuss issues that may be controversial and shall try to come to consensus. The approval of the directors having a majority of the votes present at a meeting at which a quorum is present shall be the act of the Board, as set forth in Section 4.4 of the Declaration. If at any meeting of the Board there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is obtained. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

4.12 *Compensation.* The members of the Board shall serve as such without salary or compensation.

ARTICLE 5

OFFICERS

5.1 **Designation.** The officers of the Corporation shall be a President, a Secretary and a Treasurer, all of whom shall be elected by the Board. Further, the Board may, in its discretion, elect one or more Vice Presidents, an Assistant Secretary and/or an Assistant Treasurer.

5.2 **Election of Officers.** The officers of the Corporation shall be elected annually by the Board at the organizational meeting of each new Board and shall hold office at the pleasure of the Board. All officers must be members of the Corporation and the President must be elected from among the Board. One (1) person may hold concurrently more than one office except that the President may not serve as both President and Secretary.

5.3 **President.** The President shall be elected from among the Board and shall be the chief executive officer of the Corporation. The President shall preside at all meetings of the Corporation and of the Board. The President shall have all of the general powers and duties which are usually vested in the office of the president of a non-profit corporation, including, but not limited to, the power to appoint committees from among the members from time to time as may be deemed appropriate to assist in the conduct of the affairs of the Corporation or as may be established by the Board or by the members of the Corporation at any regular or special meetings.

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

5.5 **Secretary.** The Secretary shall keep the minutes of all the meetings of the Board and the minutes of all meetings of the members of the Corporation; the Secretary shall have

charge of such books and papers as the Board may direct; and shall, in general perform all the duties incident to the office of Secretary. The Secretary shall compile and keep up to date at the principal office of the Corporation a complete list of members and their last-known addresses as shown on the records of the Corporation. Such list shall also show opposite each member's name the number or other appropriate designation of the Unit owned by such member and the Allocated Interest appurtenant to each Unit. Such list shall be open to inspection by members and other persons lawfully entitled to inspect the same at reasonable times during regular business hours. Assistant secretaries, if any, shall have the same duties and powers, subject to supervision by the Secretary.

5.6 *Treasurer.* The Treasurer shall have responsibility for Corporation funds, shall have the responsibility for maintaining the financial records and books of account of the Corporation and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in the name, and to the credit, of the Corporation in such depositories as may from time to time be designated by the Board. Assistant Treasurers, if any, shall have the same duties and powers, subject to supervision by the Treasurer.

ARTICLE 6

INDEMNIFICATION

6.1 *Obligation to Indemnify.* The Corporation shall indemnify its officers and directors to the full extent allowed by law.

6.2 *Insurance.* By action of the Board, notwithstanding any interest of the directors in such action, the Corporation shall purchase and maintain insurance, in such amounts as the Board may deem appropriate, on behalf of any officer or director against any liability asserted against him or her and incurred by him or her in his or her capacity of or arising out of his or her

status as an indemnified party, whether or not the Corporation would have the power to indemnify him or her against such liability under applicable provisions of laws.

6.3 ***Right to Impose Conditions to Indemnification.*** The Corporation shall have the right to impose, as conditions to the indemnification required in this Article 6, such reasonable requirements and conditions as to the Board may appear appropriate in each specific case and circumstances including, without limitation, any one or more of the following: (a) that any counsel representing the person to be indemnified in connection with the defense or settlement of any Proceeding shall be counsel mutually agreeable to the person to be indemnified and to the Corporation; (b) that the Corporation shall have the right, at its option, to assume and control the defense or settlement of any claim or proceeding made, initiated or threatened against the person to be indemnified; and (c) that the Corporation shall be subrogated, to the extent of any payments made by way of indemnification, to all of the indemnified person's right of recovery, and that the person to be indemnified shall execute all writings and do everything necessary to assure such rights of subrogation to the Corporation.

ARTICLE 7

AMENDMENTS

7.1 ***Bylaws.*** These Bylaws may be amended by majority vote (as defined in Section 4.4 of the Declaration) at a meeting at which a quorum is present, or by unanimous written approval of the members; provided, however, that no amendment shall be contrary to or inconsistent with any provision of the Declaration. Any notice of any meeting therefor shall specify the nature and text of any proposed amendment or amendments.

7.2 ***Preparation of Amendments.*** The officers of the Corporation may prepare, execute, certify and record amendments to the Declaration.

ARTICLE 8

MISCELLANEOUS

8.1 *Notice to Corporation.* Every Owner shall timely notify the Corporation of the name and address of any Mortgagee, purchaser, transferee or lessee of its Block or Unit. The Corporation shall maintain such information at the office of the Corporation.

8.2 *Proof of Ownership.* Except for initial Owners, every person becoming an Owner shall immediately furnish to the Board a photocopy or a certified copy of the recorded instrument vesting in that person such ownership, which instrument shall remain in the files of the Corporation. A member shall not be deemed to be in good standing nor shall he be entitled to vote at any annual or special meeting of members unless this requirement is first met.

8.3 *Compliance.* These Bylaws are intended to comply with the requirements of the Act and the Corporation Act. If any provisions of these Bylaws conflict with the provisions of any of such Acts, as the Acts may be amended from time to time, it is hereby agreed that the provisions of the appropriate Acts will apply. In addition, if any provisions of these Bylaws conflict with the provisions of the Declaration or the Articles of Incorporation, the provisions of the Declaration or Articles of Incorporation shall control (with the Declaration controlling over the Articles of Incorporation).

8.4 *Character of Corporation.* This Corporation is not organized for profit. No member, member of the Board, officer or person for whom the Corporation may receive any property or funds shall receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Corporation be paid as salary or compensation to, or distributed to, or inure to the benefit of, any of the Board, officers or members, except upon a dissolution of the Corporation, provided, however, (1) that reasonable compensation may be paid

to any member, manager, director, or officer while acting as an agent or employee of the Corporation for service rendered in effecting one or more of the purposes of the Corporation, and (2) that any member, manager, director, or officer may, from time to time, be reimbursed for his or her actual and reasonable expenses incurred in connection with the administration of the affairs of the Corporation.


8.5 *Conveyances and Encumbrances.* Corporate property may be purchased, conveyed or encumbered for security of monies borrowed by authority of the Corporation. Conveyances or encumbrances shall be by instrument executed by the President or Vice President and by the Secretary or the Treasurer or an Assistant Secretary or an Assistant Treasurer, or executed by such other person or persons to whom such authority may be delegated by the Board.

8.6 *Inspection of Records.* Any Owner may inspect the Corporation's records of receipts and expenditures at any reasonable time during convenient weekday business hours, and, upon fourteen days' notice to the Board or Managing Agent, any Owner shall be furnished a statement of account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner. Further, the Corporation shall make available for inspection during normal business hours, to any Owner, Mortgagee, insurer or guarantor of any Mortgage and to any prospective purchaser of a Block or Unit, current copies of the Declaration, Bylaws, Articles of Incorporation, Rules and Regulations, and most recent financial statements of the Corporation.

ADOPTED by the Board as of July 22, 2002.

CERTIFICATION

The undersigned, Secretary of Cherry Creek Country Club Master Association, hereby certifies that the foregoing Bylaws were duly adopted by the Board of the Corporation, and that the same are in full force and effect as of the date indicated below.



Secretary

July 22, 2002

Date