

AMENDED BYLAWS
OF
PONDEROSA CONDOMINIUMS ASSOCIATION, INC.
(the "Corporation")
April 19, 2016

ARTICLE I.
Purposes and Objects

Section 1. Purposes and Objects. The purpose for which this nonprofit Corporation is formed is to govern Ponderosa Condominiums, a condominium, situated in Gunnison County, Colorado, in accordance with the terms and conditions of the Condominium Declaration, the Articles of Incorporation and the Bylaws of this Corporation.

Section 2. Compliance. All present or future owners, tenants, or any other person that might use the facilities of the condominium in any manner, are subject to the regulations set forth in these Bylaws. The acquisition or rental of any of the units of the condominium or the act of occupancy of said units will signify that these Bylaws are accepted, ratified and will be complied with.

ARTICLE II.
Membership

Section 1. Automatic Membership. The owner of a condominium unit, upon becoming such owner, shall be entitled and required to be a member of the Corporation and shall remain a member for the period of his/her ownership.

Section 2. One Membership. There shall be one (1) membership in the Corporation for each condominium unit. That membership shall be appurtenant to the condominium unit and shall be transferred automatically by a conveyance of that condominium unit to a new owner. Each membership shall be entitled to one (1) vote, and in the event the membership is held by more than one owner, the vote shall be cast only as a single unit. Split or divided votes of membership shall not be allowed.

Section 3. Transfer. No person other than an owner may be a member of the Corporation and a membership may not be transferred except in connection with the conveyance or transfer of the condominium unit; provided, however, that such membership may be assigned to the holder of a mortgage as further security for a loan secured by the lien of the mortgage holder upon the condominium unit.

Section 4. Person. The term person for the purpose of membership shall include a corporation, partnership, trust, joint venture or other legal entity that has valid title to any condominium unit. Any officer, director or partner of such entity may exercise the membership rights of the entity and shall further be entitled to serve on the Board of Directors and as an officer of the Corporation.

Section 5. Termination. Such membership shall terminate without any formal action whenever such person ceases to own a condominium unit, but such termination shall not relieve or release any such former unit from any liability or obligation incurred under or in any way connected with the unit during the period of such ownership and membership in this Corporation, or impair any rights or remedies which the Board of Directors of the Corporation or others may have against such former owner and member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto.

ARTICLE III. Meetings

Section 1. Annual Meeting. The annual meeting of the Corporation shall be held in the first week of July of each year at 10:00 o'clock a.m., unless otherwise fixed in the notice of such meeting. At the annual meeting the membership shall elect the Board of Directors and transact such other business as may properly come before it.

Section 2. Special Meetings. Special meetings may be called at any time by the Board of Directors or upon a petition signed by a majority of the members. No business shall be transacted at a special meeting except as stated in the notice unless by consent of three-fourths of the members present, either in person or by proxy.

Section 3. Notice of Meetings. Notice of the date, place and time of the annual meeting or special meetings, shall be given to each member of the Corporation at least ten days prior thereto either by delivering such notice to the member personally, by mailing the same to him/her by United States mail, by electronic mail (e-mail), or by posting the notice on the Association website. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the membership register of the Corporation, with postage prepaid thereon.

Section 4. Quorum. A majority of the members of the Corporation in good standing and in actual attendance in person or by proxy at any annual or special meeting of the Corporation shall constitute a quorum at such meeting for the purpose of transacting business. If a quorum be present, the affirmative vote of the majority of the members present at such meeting in person or by proxy and entitled to vote on the subject matter shall be the act of the membership, unless the vote of a greater number is required by the Articles of Incorporation, the laws of the State of Colorado or the Condominium Declaration for Ponderosa Condominiums.

Section 5. Voting of Proxies. At all meetings of the members, a member may vote by proxy executed in writing by the member or his duly authorized attorney in fact. Such proxy shall be filed with the secretary/treasurer of the Corporation before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution unless otherwise provided in the proxy.

Section 6. Voting Rights. Only those members in good standing shall exercise the voting right of membership in the Corporation. All members shall be considered in good standing, except those members delinquent in their payment of any assessment made by the Corporation.

Section 7. Cumulative Voting. Cumulative voting for directors shall not be allowed.

Section 8. Order of Business. The order of business at the annual meeting, and as applicable at any special meeting, shall be as follows:

1. Roll call
2. Proof of notice of meeting
3. Reading and approval of any unapproved minutes
4. Reports of officers and committees
5. Election of directors
6. Unfinished business
7. New business
8. Adjournment

Section 9. Majority of Members. The term “majority of members” shall mean the owners of more than fifty per cent of the condominium units.

ARTICLE IV. Board of Directors

Section 1. Number of Directors. The number of Directors, which shall hereafter be termed “Board of Directors,” shall be five (5) members of the Corporation, which number shall include a president, vice president, and secretary/treasurer. Each Director shall hold office for three years.

Section 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Corporation and for the operation and maintenance of the condominium project. Such powers and duties shall include, but not be limited to the following:

(a) To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Condominium Declaration subject to the provisions of the Condominium Ownership Act and the Common Interest Ownership Act of the State of Colorado.

(b) To establish, make and enforce compliance with such house rules as may be necessary for the operation, maintenance, use and occupancy of the condominium project with the right to amend the same from time to time. A copy of such rules and regulations shall be delivered or mailed to each member promptly upon the adoption thereof.

(c) To keep in good order, condition and repair all of the general and limited common elements and all items of personal property, if any, used in the enjoyment of the entire premises.

(d) To insure and keep insured all of the insurable common general elements as provided in the Condominium Declaration.

(e) To fix, determine, levy and collect the monthly assessments to be paid by each of the members. To levy and collect special assessments to meet increased operating or maintenance expenses, or additional capital expenses, or because of emergencies. To collect delinquent assessments by suit or otherwise, or to deduct from member's rental income any unpaid assessments, and to seek damages from a member as is provided in the Declaration and these Bylaws.

(f) To protect and defend the entire premises from loss and damage by suit or otherwise.

(g) To borrow funds in order to pay for any expenditure or outlay required, and to execute all such instruments evidencing such indebtedness as the Board of Directors may deem necessary and such indebtedness shall be the several obligation of all the members in the same proportion as their interest in the general common elements.

(h) To enter into contracts for the administration of the affairs of this Corporation.

(i) To establish a bank account for the common treasury and for all separate funds which are required or may be deemed advisable by the Board of Directors and to invest reserve funds in a manner agreed upon by a majority of the Board.

(j) To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements, and to permit examination thereof at any reasonable time by each of the members, and to cause a complete audit of the books and accounts by a competent certified public accountant once a year.

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

(l) To designate and remove the personnel necessary for the maintenance and operation of the general and limited common elements.

(m) In general, to carry on the administration of this Corporation and to do all of those things necessary and reasonable in order to carry out the communal aspect of condominium ownership.

Section 3. Tenure. Each Director shall hold office for a term of three years from the date of his election and until his successor shall have been elected and qualified to office.

Section 4. Qualifications. The Directors shall be members in good standing of the Corporation as provided in these Bylaws, not be a co-owner with another Director, not be in litigation with the Association, and attest to having no felony convictions. A Director who is 60 days or more delinquent in payment of assessments is not in good standing and shall be removed. A Director who misses three (3) consecutive Board meetings shall be considered to have resigned his/her position.

Section 5. Term of Office. Directors shall be elected at each annual meeting and shall serve for a term of three (3) years, as above provided. Staggered terms for Directors shall be provided with no more than two (2) Directors to be elected in any one calendar year.

Section 6. Elections. Elections for the Board of Directors in which there is more than one nominee for a position shall be by secret ballot, with the person receiving the highest number of ballots cast for such director vacancy being declared elected. Ballots shall be counted by a neutral third party. Secret ballots are not required in uncontested elections.

Section 7. Vacancies. The Board of Directors is empowered to fill any vacancy that may occur in its own body, or among the officers of the Corporation, and the person so appointed to such office shall hold that office until the next annual meeting of the Corporation.

Section 8. Compensation. No Director shall be entitled to receive any compensation as a director of the Corporation; provided, however, that he/she may be reimbursed for any actual expenses reasonably incurred in the performance of his duties as such director.

Section 9. Chairman and Secretary-Treasurer. The president of the Corporation shall be the chairman of the Board of Directors and the secretary/treasurer of the Corporation shall be the secretary/treasurer of the Board of Directors.

Section 10. Regular Meetings. The regular annual meeting of the Board of Directors shall be held without other notice than this Bylaw immediately after, and at the same place as, the annual meeting of the members of the Corporation. Any additional regular meetings shall be held at a time and place to be designated in the notice of said meeting. Members may speak at Board meetings with reasonable time restrictions and prior to formal Board action.

Section 11. Special Meetings. Special meetings of the Board of Directors may be called by the president or any three Directors. Such special meeting shall be held at a time and place designated in the notice of such meeting.

Section 12. Quorum. A majority of the Board of Directors, as provided in Section 1 of this Article, shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number of Directors is required by the Articles of Incorporation, the statutes of the State of Colorado or the Condominium Declarations of Ponderosa Condominiums.

Section 13. Notice. Notice of any regular meeting or any special meeting of the Board of Directors shall be given at least ten (10) days previous thereto by written notice delivered personally to a Director or mailed to each Director by United States mail at his address as shown on the membership roll of the Corporation, or by electronic mail (e-mail). Any Director may waive notice of any meeting. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be

transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in a waiver of notice of such meeting.

ARTICLE V. Officers

Section 1. Number. The officers of the Corporation shall be a president, a vice president and a secretary/treasurer. Such other officers and assistant officers as may be deemed necessary may be elected by the Board of Directors. Any two or more offices may be held by the same person, except the offices of president and secretary.

Section 2. Tenure. The officers set forth in Section 1 of this Article shall be elected by the Directors at the annual meeting of the Board of Directors of the Corporation and shall hold office for one (1) year or until the next annual meeting of the Board of Directors and until their successors have been elected and qualified.

Section 3. Qualifications. The president, vice president and secretary/treasurer shall be members of the Board of Directors.

Section 4. Election. The officers of the Corporation shall be elected by the Board of Directors by ballot, oral or written, with the person receiving the majority of the ballots cast for such office being declared elected.

Section 5. Vacancy. A vacancy in any office because of the death, resignation, removal, disqualification or inability to act shall be filled by the Board of Directors for the unexpired portion of the term of that office.

Section 6. President. The president shall be the principal executive officer of the Corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Corporation. He/she shall, when present, preside at all meetings of the members and of the Board of Directors. He/she may sign, with the secretary or any other proper officer of the Corporation thereunto authorized by the Board of Directors, deeds, mortgages, contracts or other instruments, and in general shall perform all duties incident to the office of the president and such other duties as may be prescribed by the Board of Directors from time to time.

Section 7. Vice President. In the absence of the president, or in the event of his death or inability or refusal to act, the vice president shall perform the duties of the president, and when so acting, shall have all of the powers of and be subject to all the restrictions upon the president and shall perform such other duties as from time to time may be assigned to him/her by the president or by the Board of Directors.

Section 8. Secretary. The secretary shall perform or cause to be performed the following: (a) keep the minutes of the members' meetings and of the Board of Directors' meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws; (c) be custodian of the

corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents, the execution of which on behalf of the Corporation under its seal, is duly authorized; and (d) in general, perform all duties incident to the office of the secretary and such other duties as from time to time may be assigned by the president or by the Board of Directors.

Section 9. Treasurer. The treasurer shall perform or cause to be performed the following: (a) if required by the Board of Directors, give a bond for the faithful discharge of his duties in such sum and with such surety or sureties, as the Board of Directors shall determine; (b) be responsible for all funds of the Corporation; receive and give receipts for monies due and payable to the Corporation from any source whatsoever; deposit all such monies in the name of the Corporation; sign checks and drafts and (c) in general, perform all of the duties as from time to time may be assigned to him/her by the president and by the Board of Directors.

Section 10. Salaries. Officers of the Corporation may receive salary or compensation for their services in such office, if in the discretion of the Board of Directors, it is deemed necessary and reasonable.

ARTICLE VI.

Contracts, Loans, Checks and Deposits

Section 1. Contracts. The Board of Directors may authorize, by resolution, any officer or his/her agent to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for payment of money shall be signed by the Secretary/Treasurer, Managing Agent or President.

Section 4. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may authorize.

ARTICLE VII.

Fiscal Year

The fiscal year of the Corporation shall begin on the 1st day of January and terminate on the 31st day of December of each year.

Governance

Section 1. Annual Disclosures. Annually members will be provided with the public disclosures as set forth in Colorado law. Any changes in this information will be provided or posted on the Association's website within 90 days of the change. The Association website will be the repository for all such information.

Section 2. Retention and Inspection of Association Records. The Corporation shall keep records as required by Colorado law. These records shall be kept at the office of its Manager and/or on the Corporation website. Any record not available on the website will be available for member inspection and copying during normal business hours, subject to provision of five days notice.

Section 3. Education of Members and Board of Directors. Annually members will be offered education sessions or materials that relate to general operations of the Association under Colorado law and the rights and responsibilities of members, the Association and the Board. The Association website may offer pertinent materials for review and copying. Board members are encouraged to seek education relevant to their board responsibilities and the Colorado Common Interest Ownership Act. In order to obtain reimbursement for such education, Board members must submit the program agenda and expense estimate, obtain pre-approval of the Board and show proof of attendance.

ARTICLE VIII.

Seal

The Board of Directors shall provide a corporate seal, which shall be circular in form and shall have inscribed thereon the name of the Corporation and the state of incorporation and the word, "SEAL".

ARTICLE IX.

Waiver of Notice

Whenever any notice is required to be given to any member of directors of the Corporation under the provisions of these Bylaws or under the provisions of the laws of the State of Colorado, or the Condominium Declaration for Ponderosa Condominiums, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE X.

Indemnification of Officers and Directors

The Corporation shall indemnify every officer or director, his heirs, executors and administrators, against all loss, costs and expense, including counsel fees, reasonable incurred by him/her in connection with any action, suit or proceeding to which he/she may be made a party by reason of his/her being or having been an officer or director of the Corporation, except as to matters as to which he/she 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 Corporation is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duties as such officer or director in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such officer or director may be entitled. All liability, loss, damage, costs and expenses incurred or suffered by the Corporation by reason of arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Corporation as common expenses; provided, however, that nothing in this Article shall be deemed to obligate the Corporation to indemnify any member or owner of a condominium unit who is or has been an officer or director of the Corporation with respect to any duties or obligations assumed or liabilities incurred by him/her under and by virtue of the Condominium Declaration for Ponderosa Condominiums as a member or owner of a condominium unit covered thereby.

ARTICLE XI.
Obligation of the Members

Section 1. Assessments. Except as is otherwise provided in the Condominium Declaration for Ponderosa Condominiums all members shall be obligated to pay all assessments imposed by the Corporation. The assessments shall be made pro rata according to percentage interest in and to the general common elements. A member shall be deemed to be in good standing and entitled to vote at any annual meeting or at a special meeting of members, within the meaning of these Bylaws, if and only if he/she shall have fully paid all assessments made or levied against him/her and the condominium unit owned by him/her.

Section 2. Rules and Regulations. The Board of Directors shall have the power to establish, make and enforce compliance with such rules and regulations as may be necessary for the operation, use and occupancy of the condominium project with the right to amend the same from time to time.

ARTICLE XII.
Amendments

These amended Bylaws may be altered, amended or repealed and new Bylaws adopted by the Board of Directors at any regular meeting upon an affirmative vote of the entire membership of the Board of Directors.

These amended Bylaws of the Ponderosa Condominiums Association, Inc. are adopted this 19th day of April, 2016, and supersede and replace all previous Bylaws and Amendments passed by the Corporation, its members and its Board of Directors.

Joan Heinz, Secretary/Treasurer