

**RESTATED
BY-LAWS
OF
WILDCAT RANCH ASSOCIATION**

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ARTICLE I

OBJECT 1
1.1 Purpose 1
1.2 Binding Effect 1

ARTICLE II

MEMBERSHIP, VOTING, MAJORITY OF OWNERS,
QUORUM, PROXIES 1
2.1 Membership 1
2.2 Voting 2
2.3 Quorum 2
2.4 Proxies 2
2.5 Records 2

ARTICLE III

MEETINGS OF MEMBERS 2
3.1 Annual Meetings 2
3.2 Special Meetings 3
3.3 Notices 3
3.4 Adjourned Meetings 3
3.5 Order of Business 3
3.6 Performance of Functions by Wildcat Ranch, Ltd. 4
3.7 Resolutions in Lieu of Meetings 4

ARTICLE IV

BOARD OF DIRECTORS 4
4.1 Number and Qualification 4
4.2 Powers and Duties 4
4.3 Other Powers and Duties 4
4.4 Ranch Manager 7
4.5 Election and Term of Office 7
4.6 Vacancies 8
4.7 Removal of Directors 8
4.8 Organization Meeting 8
4.9 Regular Meetings 8
4.10 Special Meetings 8
4.11 Waiver of Notice 8
4.12 Board of Directors Quorum 8
4.13 Telephone Meetings and Resolutions in Lieu of Meetings 9

4.14	<u>Fidelity Bonds</u>	9
4.15	<u>Compensation</u>	9
4.16	<u>No Waiver of Rights</u>	9

ARTICLE V

	<u>FISCAL MANAGEMENT</u>	9
5.1	<u>Accounts</u>	9
5.2	<u>Annual Budget</u>	10
5.3	<u>Assessment Roll</u>	10
5.4	<u>Membership Roll</u>	10
5.5	<u>Fiscal Year</u>	10
5.6	<u>Bank Accounts</u>	10

ARTICLE VI

	<u>OFFICERS</u>	11
6.1	<u>Designation</u>	11
6.2	<u>Election of Officers</u>	11
6.3	<u>Removal of Officers</u>	11
6.4	<u>President</u>	11
6.5	<u>Vice-President</u>	11
6.6	<u>Secretary</u>	12
6.7	<u>Treasurer</u>	12

ARTICLE VII

	<u>INDEMNIFICATION OF OFFICERS,</u>	
	<u>DIRECTORS AND RANCH MANAGER</u>	12
7.1	<u>Indemnification</u>	12
7.2	<u>Other</u>	13
7.3	<u>Insurance</u>	13
7.4	<u>Other Coverage</u>	13

ARTICLE VIII

	<u>AMENDMENTS TO BY-LAWS AND</u>	
	<u>ARTICLES</u>	13
8.1	<u>Amendments to By-Laws</u>	13
8.2	<u>Amendments to Articles of Incorporation</u>	14

ARTICLE IX

	<u>MORTGAGE</u>	14
9.1	<u>Rights of Eligible Mortgage Holders</u>	14

ARTICLE X

EVIDENCE OF OWNERSHIP,
REGISTRATION OF MAILING ADDRESS AND
DESIGNATION OF VOTING REPRESENTATIVE 14

10.1 Proof of Ownership 14

10.2 Registration of Mailing Address 15

10.3 Designation of Voting Representative - Proxy 15

10.4 Delinquency 15

10.5 Good Standing 15

ARTICLE XI

OBLIGATIONS OF THE OWNERS 16

11.1 Assessments 16

11.2 Notice of Lien or Suit 16

11.3 Damage to Association Property 16

11.4 General 16

ARTICLE XII

STATEMENT AS TO COMMON EXPENSES 16

12.1 Statement as to Common Expenses 16

ARTICLE XIII

NONPROFIT CORPORATION 17

13.1 Nonprofit Corporation 17

ARTICLE XIV

CORPORATE SEAL 17

14.1 Corporate Seal 17

ARTICLE XV

MISCELLANEOUS 17

15.1 Declaration Controlling 17

15.2 Interpretation of the By-Laws 18

15.3 Severability 18

15.4 Submission to Jurisdiction 18

ARTICLE XVI

PRIOR BY-LAWS RESTATED 18

**RESTATED
BY-LAWS
OF
WILDCAT RANCH ASSOCIATION**

**ARTICLE I
OBJECT**

1.1 Purpose. The Wildcat Ranch Association ("Association") is a non-stock, nonprofit corporation formed in accordance with the provisions of the Colorado Nonprofit Corporation Act and pursuant to Restated Articles of Incorporation filed with the Colorado Secretary of State ("Articles") for purposes of owning, operating, managing and maintaining certain facilities and properties which are part of Wildcat Ranch located in Pitkin County, Colorado. The purpose of the corporation shall be to constitute the Association to which reference is made in the Declaration of Protective Covenants of Wildcat Ranch ("Declaration") to be executed by Wildcat Ranch, Ltd. and the Association, and to be recorded in the office of the Clerk and Recorder of Pitkin County, Colorado. The terms which are defined in the Declaration shall have the same meaning when used in these By-Laws, unless the context shall clearly require otherwise.

1.2 Binding Effect. All present or future Owners, tenants, future tenants, or any other person using the facilities of Wildcat Ranch in any manner are subject to the regulations set forth in these By-Laws. The mere acquisition or rental of any Homestead or the mere act of occupancy of any of said Homesteads will signify that these By-Laws are accepted, ratified, and will be complied with and that such purchaser or tenant or occupant subjects himself to the provisions of these By-Laws. The term Declarant herein shall mean and include the successor and assign of Declarant (i.e., the successor and assign of Wildcat Ranch, Ltd.) as designated by Wildcat Ranch, Ltd. in the manner provided for in the Declaration.

**ARTICLE II
MEMBERSHIP, VOTING, MAJORITY OF OWNERS,
QUORUM, PROXIES**

2.1 Membership. Any person, in becoming an Owner of a Homestead, shall automatically become a Member of the Association and be subject to the provisions of the Articles and to these By-Laws. Adjacent property owners may be granted membership in the Association pursuant to agreements made or to be made between the Association and said adjacent property owners. Wildcat Ranch, Ltd. shall have a special membership in the Association arising after it ceases to be the Owner of any Homesteads, which

membership may be relinquished at any time thereafter upon written notice to the Association. Other than Wildcat Ranch, Ltd., membership shall terminate automatically without any Association action whenever an Owner of a Homestead or any adjacent property owner ceases to own such Homestead or adjacent property, but such termination shall not relieve or release such former Member from any liability or obligation incurred in any connection with the Association during the period of such membership, or impair any rights or remedies that the Board of Directors of the Association or others may have against such former Member arising out of or in any way connected with such membership and the covenants and obligations incident thereto. There shall be three classes of membership: (i) Owners of Homesteads 1 through 13 shall have a Class "A" voting membership, (ii) any adjacent property owners that may be granted membership shall have a Class "B" nonvoting membership, and (iii) Wildcat Ranch, Ltd. shall have a Class "C" nonvoting membership that shall be activated at such time as Wildcat Ranch, Ltd. ceases to be the Owner of any Homesteads.

2.2 Voting. Each Class "A" membership shall be entitled to one vote. Subject to the right reserved in Wildcat Ranch, Ltd. as set forth in Section 3.6 below to appoint, remove and replace members of the Board, in any election of the Board, each Class "A" membership shall be entitled to vote (multiple Owners of one Homestead being entitled collectively to one vote) and shall have the number of votes for each Homestead owned times the number of Board members to be elected. Fractional voting is prohibited. Holders of Class "B" and Class "C" memberships may attend all special or regular meetings, but shall have no voting rights. The Board may adopt special rules and regulations limiting the participation in any meeting by the holders of Class "B" memberships.

2.3 Quorum. As used in these By-Laws, the term "majority of Class "A" Members" shall mean seven (7) or more of the Owners of the Homesteads. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a "majority of Class "A" Members" shall constitute a quorum. An affirmative vote of the majority of the Class "A" Members present at a meeting at which a quorum is present, either in person or by proxy, shall be required to transact business.

2.4 Proxies. Votes may be cast in person or by proxy. Proxies shall be in writing and must be filed with the Secretary before the appointed time of each meeting.

2.5 Records. All Members shall have the right to inspect the books and records of the Association at reasonable times upon reasonable advance notice to the Secretary.

ARTICLE III
MEETINGS OF MEMBERS

3.1 Annual Meetings. Annual meetings of the Association shall be held at such place and time as shall be determined by the Board of Directors. At the first annual meeting after Wildcat Ranch, Ltd. has turned over the control of the Association to the Owners pursuant to Section 3.6 herein, there shall be elected by ballot of the Owners a Board of Directors in accordance with the requirements of Section 4.1 of these By-Laws. The Owners may also transact such other business of the Association as may properly come before them.

3.2 Special Meetings. The President may call a special meeting of the Owners upon his own initiative or as directed by resolution of the Board of Directors or upon receipt of a petition signed by not less than three (3) Owners. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of a majority of the Owners present either in person or by proxy. Any such meeting shall be held at such place and time as the President determines within thirty (30) days after receipt by the President of such resolution or petition.

3.3 Notices. Notices of annual and special meetings shall be given by the President or Secretary of the Association by regular mail addressed to the registered addresses of the Members of the Association at least ten (10) days prior to the date set for such meeting. Any such notice shall state the date, time and place of the meeting and if the meeting is a special meeting, the purposes thereof. If mailed, such notice shall be deemed received three (3) days after deposit in the U.S. mail addressed to the registered mailing address as it appears on the records of the Association, with postage prepaid thereon. A certificate of the President or Secretary that notice was duly given shall be prima facie evidence thereof. Waiver of notice, either in person or by proxy and signed either before, at or after any meeting shall be a valid substitute for service of notice.

3.4 Adjourned Meetings. If any meeting of the Members cannot be organized because a quorum of Class "A" Members has not attended in person or by proxy, those Members who are present may adjourn the meeting, from time to time, until a quorum is obtained.

3.5 Order of Business. The order of business at all meetings of the Members shall be as follows:

- A. Roll call and certifying proxies.

- B. Proof of notice of meeting or waiver of notice.
- C. Reading of minutes of preceding meeting.
- D. Reports of officers.
- E. Election of directors.
- F. Unfinished business.
- G. New business.
- H. Approval of operating budget.
- I. Adjournment.

3.6 Performance of Functions by Wildcat Ranch, Ltd. Notwithstanding the provisions of Section 3.1, the rights, duties and functions of the Board of Directors shall be exercised by Wildcat Ranch, Ltd. until the sooner of: (i) the sale of the first nine (9) Homesteads or (ii) one year after the sale of the first seven (7) Homesteads by Wildcat Ranch, Ltd. So long as Wildcat Ranch, Ltd. shall exercise the rights, duties and functions of the Board of Directors, Wildcat Ranch, Ltd. agrees that at least ten (10) days prior to the date of any meeting of the Board of Directors of Wildcat Ranch, Ltd. it will give written notice of such meeting to all Members of the Association and said Members shall have the right to attend such meeting.

3.7 Resolutions in Lieu of Meetings. A resolution in writing signed by all those entitled to vote on that resolution at a meeting of the Members shall be deemed as valid as if it had been passed at a meeting of the Members.

ARTICLE IV **BOARD OF DIRECTORS**

4.1 Number and Qualification. Only holders of Class "A" memberships may serve on the Board of Directors. At the first meeting there shall be elected not less than three Class "A" Members of the Association to the Board of Directors who shall thereafter govern the affairs of this Association until their successors have been duly elected and qualified. The number of members of the Board of Directors may be increased or decreased pursuant to a majority vote of the Class "A" Members of the Association; provided however, the Board of Directors: (i) shall never consist of less than three (3) Members and (ii) shall always consist of an uneven number of Members.

4.2 Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of Wildcat Ranch. The Board of Directors may do all such acts and things except as by law or by these By-Laws or by the Declaration may not be delegated to the Board of Directors.

4.3 Other Powers and Duties. Such powers and duties of the Board of Directors shall include, but shall not be limited to, the following, all of which shall be done for and on behalf of the Members of the Association.

A. To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Declaration, the By-Laws of the Association, the Articles, and supplements and amendments thereto.

B. To adopt and amend such rules and regulations consistent with the Declaration, the Articles and these By-Laws as the Board may deem necessary for the management and operation of any Association property.

C. To incur such costs and expenses as may be necessary to keep in good order, condition and repair all of the Property Conveyed or Leased by Declarant or other Association property.

D. To insure and keep insured all of the insurable Association property, in an amount equal to their maximum replacement value. Further, to obtain and maintain comprehensive liability insurance covering the Association property in amounts as the Board may determine from time to time.

E. To prepare and adopt an annual budget and to fix, determine, levy and collect the Annual Assessments to be paid by each of the Owners towards the Common Expenses, cost center functions or services more fully described below, reserves for operating deficiencies, a sinking fund for capital improvements or any other items reasonably determined by the Board to be the subject of Assessments, and by majority vote of the Board to adjust, decrease or increase the amount of the Annual Assessments. The Board of Directors may establish any reasonable system for collection of Annual Assessments. Initially, Annual Assessments shall be payable on a yearly basis; however, Annual Assessments may be payable more often, as the Board may determine from time to time. At the end of each calendar year, the Board shall determine actual expenses and either assess each Owner any deficiency or grant Owners a credit against the next ensuing calendar year as the case may be. Annual Assessments made shall be based upon the estimated cash requirements deemed to be such aggregate sum as the Board shall from time to time determine to be paid by all of the Owners.

F. To levy and collect Special Assessments due to emergencies, or as otherwise provided for in the Declaration. There shall be no Special Assessment in excess of Thirty-Five Thousand and No/100 Dollars (\$35,000.00) levied by the Association

without prior approval by eighty percent (80%) of the Owners of all Homesteads, except in the event of an emergency. For so long as Wildcat Ranch, Ltd. owns any Homestead, the Association shall have no right (except in the event of an emergency) to levy a Special Assessment without the written consent of Wildcat Ranch, Ltd. The limit on the amount (i.e. \$35,000.00) of the Special Assessment that may, except in emergencies, be levied by the Association without obtaining the requisite approval of the Owners is a total amount for all of Wildcat Ranch and not an amount applicable to each Homestead.

G. To establish "cost centers" for the operation of functions or services for the benefit of all, or some, Members of the Association on such basis as the Board may reasonably determine, and to determine which Members shall be charged for such benefits and what amounts shall be paid by each such Member. A cost center shall mean the identification and aggregation of all costs reasonably estimated by the Board to be attributable to a particular function or service such as water service.

H. To set aside from time to time those sums it deems expedient as a reserve fund to meet contingencies for maintaining any property of the Association and for any other Association purposes.

I. To collect delinquent Assessments by suit, foreclosure or otherwise and to adjoin or seek damages from an Owner as is provided in the Declaration and these By-Laws. To collect interest at the rate provided in the Declaration in connection with unpaid Assessments, together with all expenses, including attorneys' fees and costs incurred. To impose monetary fines for any lack of compliance with provisions of the Declaration or these By-Laws or rules promulgated by the Board or a Committee appointed by the Board. The Board of Directors shall have the right, power and authority to suspend voting rights of an Owner pursuant to Section 10.4, and shall have all other rights of enforcement as provided in the Declaration.

J. To acquire, hold, own, lease, mortgage and dispose of property (except as such disposing of property may be limited in accordance with Section 3.13 of the Declaration).

K. To protect and defend in the name of the Association any part or all of the Association property from loss and damage by suit or otherwise.

L. To borrow funds and to pledge future income in order to secure such borrowing in order to pay for any expenditure required pursuant to the authority granted by the provisions of the Declaration and these By-Laws and to execute all such instruments evidencing such indebtedness as the Board of Directors may deem necessary and give

security therefor. In the event the Association shall actually borrow funds and pledge future income to secure repayment thereof, each Member shall have the right to prepay the share of such borrowings attributable to such Owner in lieu of the Association imposing an Assessment against such Owner's Homestead for its share of the borrowings and interest will be abated for such Owner.

M. To enter into contracts to carry out their duties and powers.

N. To establish a bank account or accounts for the common treasury and for all separate funds which are required or may be deemed advisable by the Board of Directors.

O. To make repairs, additions, alterations and improvements to the Association property consistent with managing Wildcat Ranch in a first class manner and consistent with the Declaration in the best interests of the Owners.

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

Q. To prepare and deliver annually to all Members of the Association a statement showing receipts, expenses or disbursements since the last such statement.

R. To meet at least semi-annually, or more often as the Board may determine from time to time.

S. To designate the personnel necessary for the maintenance and operation of the Association property.

T. To grant easements to and over the Association property.

U. To appoint committees including, but not limited to, a Site and Architectural Review Committee, to exercise all of the authority in the management of the Association as may be delegated by the Board.

V. In general to carry on the administration of the Association and to do all of those things necessary and reasonable in order to carry out the communal aspect of Wildcat Ranch.

4.4 Ranch Manager. The Board of Directors may employ for the Association a Ranch Manager (or other managing agent) to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Section 4.3 hereof; provided, however, the Board when so delegating its duties shall not be relieved of its responsibility under the Declaration.

4.5 Election and Term of Office. The Members of the initial Board or their replacements shall serve until the first annual meeting after the Declarant has turned over the control of the Association to the Owners. At such annual meeting of the Association, the term of office of one director shall be fixed at one (1) year; the term of office of one director shall be fixed at two (2) years; and the term of office of one director shall be fixed at three (3) years. At the expiration of the term of office of each respective director, his successor and all directors thereafter shall be elected to serve until his successor shall have been elected and the Board of Directors shall hold their first meeting.

4.6 Vacancies. Vacancies in the Board of Directors shall be filled by a vote of the remaining directors, even though they may constitute less than a quorum; and each person so elected shall be a director until his successor is elected at the next annual meeting of the Association.

4.7 Removal of Directors. At any annual or special meeting of the Members called and convened, any one or more of the directors may be removed with or without cause by a majority of all of the Class "A" Members. A successor may then and there be elected as provided in Section 4.6 to fill the vacancy thus created. Any director whose removal has been so proposed by the Owners shall be given an opportunity to be heard at the meeting.

4.8 Organization Meeting. The first meeting of a newly elected Board of Directors shall be held immediately following the annual meeting and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting.

4.9 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least two such meetings shall be held during each calendar year. Notice of regular meetings of the Board of Directors shall be given to each director personally or by mail, telephone or telegraph, at least seven (7) days prior to the day named for such meeting.

4.10 Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days notice to each director, given personally or by mail,

telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) directors.

4.11 Waiver of Notice. Before, at or after any meeting of the Board of Directors, 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 except when such director attends the meeting for the express purpose of challenging the propriety of the meeting. 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.

4.12 Board of Directors Quorum. At all meetings of the Board of Directors, the presence of a majority of the directors shall constitute a quorum for the transaction of business and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there is less than a quorum, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

4.13 Telephone Meetings and Resolutions in Lieu of Meetings. At the option and in the discretion of the Board, regular and special meetings may be held by telephone as long as the directors are able simultaneously and instantaneously to communicate and participate with each other in all proceedings of such meetings. A resolution in writing signed by all those entitled to vote on that resolution at a meeting of the directors shall be deemed as valid as if it had been passed at a meeting of the directors.

4.14 Fidelity Bonds. The Board of Directors may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums of such bonds shall be paid by the Association.

4.15 Compensation. No Member of the Board of Directors shall receive any compensation for acting as such, but shall be entitled to reimbursement for any actual out-of-pocket expenses incurred in the performance of his duties, including transportation expenses for attendance at any regular or special meeting of the Board of Directors. Transportation expenses for attendance at any regular or special meeting of the Board of Directors shall be limited to then prevailing tourist or commercial rates or fares.

4.16 No Waiver of Rights. The omission or failure of the Association or the Ranch Manager or any Owner to enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations or other provisions of the Declaration, the By-Laws or the rules and regulations adopted pursuant thereto, shall not constitute or be deemed a waiver, modification or release thereof, and the Board of Directors or the Ranch Manager or the Owner shall have the right to enforce the same thereafter.

ARTICLE V

FISCAL MANAGEMENT

The provision for fiscal management of the Association for and on behalf of all of the Members as set forth in the Declaration shall be supplemented by the following provisions:

5.1 Accounts. The funds and expenditures of the Members by and through the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses:

A. Current expenses, which shall include all funds and expenditures within the year for which the funds are budgeted, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves or to additional improvements.

B. Reserve for deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually.

C. Reserve for replacement, which shall include funds for repair or replacement required because of damage, wear or obsolescence.

5.2 Annual Budget. Each year the Board shall adopt an annual budget for estimated Wildcat Ranch operating expenses. The Budget may include among other things, taxes and special assessments upon any Association property, costs for the operation, maintenance and repair of Association facilities or amenities such as the boathouse, water treatment plant or trail and ditch system, premiums for all insurance that the Association is required or permitted to maintain, domestic water service, irrigation, wildlife management and enhancement, assessments relative to Sinclair Road maintenance, fencing, lighting, trash collection, landscaping, road maintenance, repair and snow removal, signage, security gates, vehicles, wages for Association employees, legal and accounting fees, any deficit remaining from a previous period, the creation of a reasonable

contingency reserve, surplus and/or sinking fund and any other expenses that may be properly incurred by the Association for the benefit of the Members.

5.3 Assessment Roll. The Treasurer shall maintain an assessment roll that shall include a separate account for each Homestead. Such account shall designate the name and address of the Owner, the amount of each Assessment against the Owner, the due dates of all Assessment installments, the amounts paid by the Owner, and all unpaid Assessments.

5.4 Membership Roll. The Treasurer shall maintain a membership roll that shall include a separate account for each Member other than an Owner. Such account shall designate the name and address of the Member, the amount of Assessments charged to the Member, the due dates of all such charges, the amounts paid by the Member, and all unpaid charges.

5.5 Fiscal Year. The fiscal year shall be the calendar year unless changed by the Board of Directors from time to time. This shall be the Association's budgeting and accounting period. Assessments shall be prepared, levied, and collected at such times and in such manner as to insure that sufficient funds are available for budgeted expenditures and operations when needed.

5.6 Bank Accounts. One or more bank accounts shall be maintained in the name of the Association. All checks and drafts upon the funds to the credit of the Association in any of its depositories shall be signed by such of its officers or agents as shall from time to time be determined by resolution of the Board of Directors, which may provide for the use of facsimile signatures under specified conditions; and all notes, acceptances, drafts and other evidences of indebtedness payable to the Association shall, for the purpose of deposit, discount or collection, be endorsed by such officers or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

ARTICLE VI **OFFICERS**

6.1 Designation. The officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. Any person may hold concurrently any three (3) offices, except that the same person may not concurrently hold the offices of the President and Secretary.

6.2 Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board.

6.3 Removal of Officers. Upon an affirmative vote of a majority of the Members of the Board of Directors, any officer may be removed, with or without cause, and his successor elected at any regular meeting of the Board of Directors or at any special meeting of the Board called for such purpose. An officer may resign at any time by giving written notice thereof to the Board of Directors or to the President. Such resignation shall take effect as of the date specified therein and no acceptance of the same shall be necessary to render the same effective. If any office becomes vacant for any reason, the vacancy may be filled by a majority vote of the Board of Directors. An officer appointed to fill a vacancy shall be appointed for the unexpired term of his predecessor in office and shall continue in office until his successor shall be elected or appointed and shall qualify or until his earlier death, resignation or removal.

6.4 President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and the Board of Directors. He shall have all of the general powers and duties that are usually vested in the office of the President of a nonprofit corporation including, but not limited to, the power to appoint committees from among the Owners from time to time as he may, in his discretion, decide is appropriate to assist in the conduct of the affairs of the Association or as may be established by the Board or by the Members of the Association at any regular or special meetings.

6.5 Vice-President. The Vice-President shall perform such duties and possess such powers as from time to time may be assigned to him by the Board of Directors or by the President. In the absence of the President or his inability or refusal to act, the Vice-President shall perform the duties of the President and when so performing, shall have all the powers of and be subject to all the restrictions upon the President.

6.6 Secretary. The Secretary shall keep the minutes of meetings of the Board of Directors and the minutes of meetings of the Association; he shall have charge of such books and papers as the Board of Directors may direct and he shall, in general, perform all the duties incident to the office of Secretary and as is provided in the Declaration and the By-Laws. The Secretary shall compile and keep up to date at the principal office of the Association, a complete list of Members and their registered mailing addresses. Such lists shall also show opposite each Class "A" Member's name the number or other appropriate designation of the Homestead owned by such Member. Such lists shall be

open to inspection by all Members and other persons lawfully entitled to inspect the same at reasonable times during regular business hours.

6.7 Treasurer. The Treasurer shall have responsibility for Association funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may from time to time be designated by the Board of Directors. In the event the Ranch Manager has the responsibility of collecting and disbursing funds, the Treasurer shall review the accounts of the Ranch Manager not less often than once each calendar year.

ARTICLE VII
INDEMNIFICATION OF OFFICERS,
DIRECTORS AND RANCH MANAGER

7.1 Indemnification. The Association shall indemnify every director or officer, their heirs, executors and administrators, against all loss, costs and expenses, including attorneys' fees, reasonably incurred by them in connection with any action, suit or proceeding arising out of their conduct on behalf of the Association, except as to matters to which they shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or wilful misconduct. In the event of an adjudication of gross negligence or wilful misconduct, the person shall reimburse the Association for all sums advanced to defend the suit or proceeding. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or wilful misconduct in the performance of his duty as such director or officer in relation to the matter involved. The foregoing right shall not be exclusive of other rights to which such director or officer may be entitled. All liability, loss, damage, costs and expenses incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as Common Expenses or allocated among Members on such other basis as the Board may determine; provided, however that nothing contained in this Section 7.1 shall be deemed to obligate the Association to indemnify any Member or Owner of a Homestead who is or has been a director or officer of the Association with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Declaration with respect to his individual Homestead.

7.2 Other. Contracts or other commitments made by the Board of Directors, officers or the Ranch Manager shall be made as agent for all Members, and they shall have

no personal responsibility in any such contract or commitment (except as Members), and the liability of any Member under any such contract or commitment shall be limited to the same proportion as such Members pay Assessments for such services or functions or on such other basis as the Board shall otherwise determine. Any losses incurred because of an inability to collect such amounts from any particular Member shall be shared by all remaining Members in the same proportion as such Members pay Assessments for such services or functions adjusted to one-hundred percent (100%) or as the Board shall otherwise determine.

7.3 Insurance. The Board of Directors may exercise the Association's power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such whether or not the Association would have the power to indemnify him against such liability hereunder or otherwise.

7.4 Other Coverage. The indemnification provided by this Section shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the Articles, these By-Laws, agreement, vote of Members or disinterested directors, the Colorado Nonprofit Corporation Code or otherwise, both as to action in an official capacity and as to action in another capacity while holding such office and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs and personal representatives of such a person.

ARTICLE VIII

AMENDMENTS TO BY-LAWS AND

ARTICLES

8.1 Amendments to By-Laws. So long as Wildcat Ranch, Ltd. shall retain control of the Association as provided in Section 3.6 above, the By-Laws may be amended by a majority vote of the Board of Directors. After the control of the Association has been turned over to the Owners, these By-Laws may be amended by the Association at an annual meeting or at a duly constituted special meeting for such purpose. The notice of such meeting shall contain a summary of the proposed changes or a copy of such proposed changes. The vote of a majority of the Class "A" Members present at a meeting at which a quorum is present, in person or by proxy, shall be required for amendment.

8.2 Amendments to Articles of Incorporation. The Board of Directors shall adopt a resolution setting forth a proposed amendment to the Articles and directing that it be submitted to a vote at either the annual or a special meeting of the Members. Written

notice setting forth the proposed amendment or amendments shall be given to each Member entitled to vote at such meeting in person or by proxy. The vote of two-thirds (2/3) of the Class "A" Members present at a meeting at which a quorum is present, in person or by proxy, shall be required for amendment. No amendment prohibited by applicable laws, including but not limited to, federal tax laws, the Colorado Nonprofit Corporation Act or the Colorado Condominium Act may be adopted.

ARTICLE IX **MORTGAGE**

9.1 Rights of Eligible Mortgage Holders. Any Eligible Mortgage Holder shall be entitled to: (a) upon request, inspect the books and records of the Association at reasonable times during normal business hours; (b) receive written notice of meetings of the Association where the consent of any Eligible Mortgage Holder is required; (c) upon request, obtain copies of Association financial statements; (d) receive written notice of condemnation proceedings affecting any Association property; (e) receive written notice of the lapse of any insurance that the Association is required to maintain under the Declaration; and (f) receive written notice of any delinquency in the payment of any Assessment by its Mortgagor.

ARTICLE X **EVIDENCE OF OWNERSHIP,** **REGISTRATION OF MAILING ADDRESS AND** **DESIGNATION OF VOTING REPRESENTATIVE**

10.1 Proof of Ownership. Except for those Owners who initially purchase a Homestead from Wildcat Ranch, Ltd., any person on becoming an Owner of a Homestead shall furnish to the Ranch Manager or Board of Directors a copy of the recorded instrument vesting that person with an interest or ownership in the Homestead, which copy shall remain in the files of the Association. A Member shall not be deemed to be in good standing nor shall he be entitled to vote at any annual or special meeting unless this requirement is first met.

10.2 Registration of Mailing Address. The Owner or several Owners of an individual Homestead and other Members shall have one and the same registered mailing address to be used by the Association for the mailing of Assessment statements, notices, demands and all other communications. Such registered address shall be the only mailing address of a person or persons, firm, corporation, partnership, association or other legal entity or any combination thereof, to be used by the Association. Such registered address of an Owner or other Member shall be furnished by such Members to the Ranch Manager

or Board of Directors within fifteen (15) days after transfer of title, or after a change of address, and such registration shall be in written form and signed by all of the Owners of the Homestead or adjacent property or by such persons as are authorized by law to represent the interest of all of such Owners thereof. Registered addresses may be changed from time to time by similar designation.

10.3 Designation of Voting Representative - Proxy. If a Homestead is owned by one person, his right to vote shall be established by the record title thereto. If title to a Homestead is held by more than one person or by a firm, corporation, partnership, association or other legal entity, or any combination thereof, such Owners shall execute a proxy appointing and authorizing one person or alternate persons to attend all annual and special meetings of Members and to cast the Homestead's one vote, either in person or by proxy. Such proxy shall be effective and remain in force unless voluntarily revoked, amended or sooner terminated by operation of law; provided, however, that within thirty (30) days of such revocation, amendment or termination, the Owners shall reappoint and authorize one person or alternate persons to attend all annual and special meetings as is provided by this Section 10.3. If the several Owners of any Homestead are unable or unwilling to designate a particular Owner to vote, the membership appurtenant to that Homestead shall not be entitled to vote on any Association affairs until such designation is made.

10.4 Delinquency. No Owner who is delinquent in the payment of an Assessment made against him or who fails to comply with any other obligation under the Declaration, these By-Laws, the Articles or rules and regulations, shall have the right to vote in person or by proxy at an annual or special meeting of the Members of the Association during any period or periods of such delinquency or noncompliance. An Owner shall be delinquent in the payment of an Assessment where such Assessment is not paid within twenty (20) days after the due date thereof.

10.5 Good Standing. The requirements herein contained in this Article 10 shall be first met before an Owner of a Homestead shall be deemed in good standing and entitled to vote at an annual or special meeting of Members.

ARTICLE XI

OBLIGATIONS OF THE OWNERS

11.1 Assessments. All Owners shall be obligated to pay the Assessments imposed by the Association. The Assessments shall be fixed in accordance with these By-Laws and the Declaration and shall be due in advance not later than on the tenth (10th) day following

the mailing of the statement to the registered mailing address of the Owner or such other due date as the Board may fix.

11.2 Notice of Lien or Suit. An Owner shall give notice to the Association of every lien or encumbrance upon his Homestead and notice of every suit or other proceeding that may affect the title to his Homestead, and such notice shall be given in writing within five (5) days after the Owner has knowledge thereof.

11.3 Damage to Association Property. A Member shall be obligated to reimburse the Association promptly upon receipt of its statement for any expenditures incurred by it in repairing or replacing any Association property damaged as a result of negligent or other tortious conduct of such Member, a Member of his family, his agent, employee, invitee, licensee or tenant.

11.4 General.

A. Each Member shall comply strictly with the provisions of the recorded Declaration, these By-Laws and amendments thereto, the Articles and any rules and regulations promulgated by the Board of Directors.

B. Each Member shall always endeavor to observe and promote the cooperative purposes for the accomplishment of which Wildcat Ranch was developed.

C. Each Member may use Association property in accordance with the purpose for which it was intended without hindering or encroaching upon the lawful rights of the other Members.

ARTICLE XII
STATEMENT AS TO COMMON EXPENSES

12.1 Statement as to Common Expenses. Upon payment to the Association of a reasonable fee as may be set by the Board of Directors from time to time and upon the written request of any Owner or any Mortgagee or prospective Mortgagee or grantee of a Homestead, the Association shall issue a written statement setting forth the amount of the unpaid Assessments, if any, with respect to the subject Homestead, the amount of the current Assessment and the date that such Assessment becomes or became due, which statement shall be conclusive upon the Association in favor of all persons who rely thereon in good faith. The grantee of any Homestead (i.e., purchaser or other transferee) shall be jointly and severally liable with his grantor (i.e., seller or other transferor) for all unpaid Assessments or other proper charges due the Association prior to, as well as subsequent

to, the date of the recording of the conveyance without prejudice to the rights of said grantee to recover from grantor any Assessments paid. Notwithstanding the foregoing, no Mortgagee shall be personally liable for any assessment or other charges due the Association except in the event such Mortgagee shall acquire title to the Homestead through a foreclosure or otherwise and under such circumstances the Mortgagee shall then be liable for Assessments or other charges due the Association arising on or subsequent to the date such Mortgagee became the record owner of the Homestead.

ARTICLE XIII **NONPROFIT CORPORATION**

13.1 Nonprofit Corporation. This Association is not organized for profit. No Member, Member of the Board of Directors, officer or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to or distributed to, or inure to the benefit of any Member of the Board of Directors; provided, however, always (1) that reasonable compensation may be paid to any Member, director or officer while acting as an agent or employee of the Association for services rendered in effecting one or more purposes of the Association, and (2) that any Member, director or officer may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with administration of the affairs of the Association.

ARTICLE XIV **CORPORATE SEAL**

14.1 Corporate Seal. The corporate seal shall be in such form as shall be approved by resolution of the Board of Directors. Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced. The impression of the seal may be made and attested by either the Secretary or an Assistant Secretary for the authentication of contracts or other papers requiring the seal.

ARTICLE XV **MISCELLANEOUS**

15.1 Declaration Controlling. If any of these By-Laws conflict with any provision of the Declaration, the Declaration shall control.

15.2 Interpretation of the By-Laws. Except for judicial construction, Wildcat Ranch, Ltd. shall until the closing (i.e., recording of the deed) on the sooner to occur of

(i) the sale of the first nine (9) Homesteads or (ii) one year after the sale of the first seven (7) Homesteads by Wildcat Ranch, Ltd. have the exclusive right to construe and interpret these By-Laws. Thereafter, the exclusive right to construe and interpret these By-Laws shall rest with the Association acting by and through its Board. In the absence of any adjudication by a court of competent jurisdiction, the construction and interpretation of the By-Laws shall be final, conclusive and binding as to all persons and property bound by these By-Laws.

15.3 Severability. The provisions of these By-Laws shall be independent and severable, and invalidity or partial invalidity or unenforceability of any provisions or portion hereof shall not affect the validity or unenforceability of any other provision hereof.

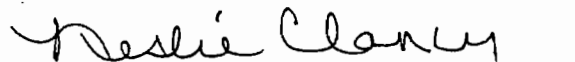
15.4 Submission to Jurisdiction. The By-Laws, the Declaration, the Articles and rules and regulations of the Association shall be construed in accordance with the laws of the State of Colorado and jurisdiction and venue for any court action for enforcement of such documents or collection or other claim shall be with the County or District Court of Pitkin County, Colorado, as the case may be. With respect to any such court action, all Members irrevocably (a) submit to the jurisdiction of the County or District Court of Pitkin County, Colorado, (b) waive any objection to venue, (c) waive any claim that such action has been brought in an inconvenient forum, and (d) waive any right to object to jurisdiction.

ARTICLE XVI **PRIOR BY-LAWS RESTATED**

These By-Laws restate the prior By-Laws of the Association dated May 31, 1991, as amended on April 20, 1993.

The undersigned, Secretary of Wildcat Ranch Association, a Colorado nonprofit corporation, does hereby certify that the above and foregoing By-Laws were duly adopted by the Board of Directors as the By-Laws of said corporation on the 31st day of May, 1991, as amended by an Amendment to the Bylaws approved on April 20, 1993 and that they do now constitute the By-Laws of said corporation.

Dated this 19th day of October, 1995.



Leslie Clancy