

**AMENDED AND RESTATED BYLAWS
OF
STONE CANYON CONDOMINIUM ASSOCIATION, INC.**

TABLE OF CONTENTS

ARTICLE 1. INTRODUCTION AND PURPOSE	1
ARTICLE 2. DEFINITIONS	1
SECTION 2.1 ACT	1
SECTION 2.2 ASSOCIATION	1
SECTION 2.3 BOARD OR BOARD OF DIRECTORS	1
SECTION 2.4 COMMON ELEMENTS	1
SECTION 2.5 COMMON EXPENSES	1
SECTION 2.6 COMMUNITY OR STONE CANYON COMMUNITY	1
SECTION 2.7 CONDOMINIUM	2
SECTION 2.8 DECLARATION	2
SECTION 2.9 GOVERNING DOCUMENTS	2
SECTION 2.10 MEMBER	2
SECTION 2.11 OWNER	2
SECTION 2.12 UNIT	2
ARTICLE 3. MEMBERSHIP AND VOTING	2
SECTION 3.1 MEMBERSHIP AND VOTING	2
SECTION 3.2 SUSPENSION OF MEMBER RIGHTS	2
SECTION 3.3 MEMBER VOTING	2
SECTION 3.4 TRANSFER OF MEMBERSHIP	3
ARTICLE 4. MEETINGS OF MEMBERS	3
SECTION 4.1 ANNUAL MEETINGS	3
SECTION 4.2 BUDGET RATIFICATION MEETINGS	3
SECTION 4.3 SPECIAL MEETINGS	4
SECTION 4.4 RECORD DATE	4
SECTION 4.5 NOTICE OF MEETINGS	4
SECTION 4.6 PLACE OF MEETING	4
SECTION 4.7 QUORUM	4
SECTION 4.8 ADJOURNED AND RECONVENED MEETINGS	4
SECTION 4.9 PROXIES	5
SECTION 4.10 ORDER OF BUSINESS	5
SECTION 4.11 WAIVER OF NOTICE	5
SECTION 4.12 VOTING PROCEDURES	5
SECTION 4.13 VOTING BY MAIL OR ELECTRONIC MEANS IN LIEU OF A MEETING	6
SECTION 4.14 VOTING IN ELECTIONS OF DIRECTORS/OTHER VOTING	6
SECTION 4.15 VOTING LIST	6
SECTION 4.16 LIMITATION ON USE OF VOTING LIST AND MEMBERSHIP LIST	7
ARTICLE 5. BOARD OF DIRECTORS	7
SECTION 5.1 NUMBER OF DIRECTORS	7
SECTION 5.2 QUALIFICATIONS OF DIRECTORS	7
SECTION 5.3 TERM OF OFFICE	8
SECTION 5.4 RESIGNATION	8
SECTION 5.5 REMOVAL OF DIRECTORS	8
SECTION 5.6 VACANCIES	8
SECTION 5.7 COMPENSATION	8
ARTICLE 6. MEETINGS OF THE BOARD OF DIRECTORS	8
SECTION 6.1 LOCATION OF MEETINGS AND OPEN MEETINGS	8
SECTION 6.2 REGULAR MEETINGS	8
SECTION 6.3 SPECIAL MEETINGS	8

SECTION 6.4	ANNUAL MEETINGS.....	9
SECTION 6.5	NOTICE OF BOARD MEETINGS.....	9
SECTION 6.6	WAIVER OF NOTICE.....	9
SECTION 6.7	QUORUM; VOTING.....	9
SECTION 6.8	DIRECTOR PROXIES.....	9
SECTION 6.9	ACTION WITHOUT A MEETING.....	9
ARTICLE 7.	POWERS AND DUTIES OF THE BOARD OF DIRECTORS.....	10
SECTION 7.1	POWERS AND DUTIES.....	10
SECTION 7.2	RESPONSIBLE GOVERNANCE POLICIES.....	11
SECTION 7.3	MANAGING AGENT.....	11
ARTICLE 8.	OFFICERS AND DUTIES.....	11
SECTION 8.1	DESIGNATION AND QUALIFICATION.....	11
SECTION 8.2	ELECTION AND TERMS OF OFFICE.....	11
SECTION 8.3	RESIGNATION AND REMOVAL OF OFFICERS.....	12
SECTION 8.4	VACANCIES.....	12
SECTION 8.5	DUTIES OF OFFICERS.....	12
ARTICLE 9.	ASSOCIATION DOCUMENTS AND RECORDS.....	12
SECTION 9.1	RECORDS.....	12
SECTION 9.2	DISCLOSURE OF RECORDS.....	13
SECTION 9.3	MINUTES.....	13
ARTICLE 10.	INDEMNIFICATION.....	13
SECTION 10.1	OBLIGATION TO INDEMNIFY.....	13
SECTION 10.2	DETERMINATION REQUIRED.....	14
SECTION 10.3	PAYMENT IN ADVANCE OF FINAL DISPOSITION.....	14
SECTION 10.4	NO LIMITATION OF RIGHTS.....	14
SECTION 10.5	DIRECTORS AND OFFICERS INSURANCE.....	14
ARTICLE 11.	AMENDMENT.....	15
SECTION 11.1	AMENDMENT.....	15
ARTICLE 12.	MISCELLANEOUS.....	15
SECTION 12.1	STANDARD OF CONDUCT FOR DIRECTORS AND OFFICERS.....	15
SECTION 12.2	ELECTRONIC COMMUNICATIONS.....	15
SECTION 12.3	FISCAL YEAR.....	16
SECTION 12.4	NOTICES.....	16
SECTION 12.5	CONFLICTS.....	16
SECTION 12.6	WAIVER.....	16
SECTION 12.7	INTERPRETATION.....	16

**AMENDED AND RESTATED BYLAWS
OF
STONE CANYON CONDOMINIUM ASSOCIATION, INC.**

RECITALS

Stone Canyon Condominium Association, Inc., a Colorado nonprofit corporation ("Association"), certifies that:

- A.** The Association desires to amend and restate its Bylaws currently in effect as follows.
- B.** The provisions set forth in these Amended and Restated Bylaws supersede and replace the existing Bylaws and any amendments.
- C.** The Bylaws of the Association are hereby amended by striking in their entirety Articles I through XVI, inclusive, and by substituting the following:

ARTICLE 1. INTRODUCTION AND PURPOSE

These Amended and Restated Bylaws are adopted for the regulation and management of the affairs of the Association. The Association has been organized as a Colorado nonprofit corporation under the Colorado Revised Nonprofit Corporation Act to act as the Association pursuant to the Stone Canyon Declaration, as may be amended from time to time (the "Declaration").

The purposes for which the Association is formed are to operate and govern the community known as Stone Canyon; to provide for the administration, maintenance, preservation and architectural review of the Units and Common Elements within the Stone Canyon Community; and to promote the welfare and recreation of the Owners within the Community.

ARTICLE 2. DEFINITIONS

In supplement of the definitions provided for in the Declaration, the following terms have the meaning set forth below, unless the context requires otherwise:

Section 2.1 Act means the Colorado Common Interest Ownership Act, C.R.S. §38-33.3-101, et seq., as it may be amended.

Section 2.2 Association means and refers to the Stone Canyon Condominium Association, Inc., a Colorado nonprofit corporation, its successors and assigns.

Section 2.3 Board or Board of Directors means the body designated in the Governing Documents to act on behalf of the Association.

Section 2.4 Common Elements mean those portions of the property subject to the Declaration, which are not included within the boundaries of a Unit, as more particularly described in the Declaration.

Section 2.5 Common Expenses mean expenses incurred or anticipated to be incurred by the Association for the general benefit of the Condominium including, but not limited to, those expenses incurred for maintaining, repairing, replacing, and operating the Common Elements.

Section 2.6 Community or Stone Canyon Community means the Stone Canyon Community, as further defined by the recorded Condominium Map and the Declaration.

Section 2.7 Condominium means all that property as more particularly described in Exhibit "A" to the Declaration that is submitted to the provisions of the Act by the Declaration.

Section 2.8 Declaration means and refers to the Condominium Declaration for Stone Canyon Condominiums, as amended, applicable to the Condominium recorded in the office of the Clerk and Recorder of Arapahoe County, Colorado.

Section 2.9 Governing Documents means the Declaration, the Map, the Articles of Incorporation, the Bylaws and rules and regulations of the Stone Canyon Condominium Association, Inc., as they may be amended.

Section 2.10 Member means any Owner. The terms "Member" and "Owner" may be used interchangeably.

Section 2.11 Owner means the record titleholder of a Unit within the Community, but does not include a Mortgage Holder. For purposes hereof, the holder of a tax deed on a Unit shall be deemed the Owner thereof, notwithstanding the fact that there may exist a right of redemption on such Unit.

Section 2.12 Unit means a physical portion of the Condominium intended for individual ownership and use as more particularly described in the Declaration and shown on the recorded Condominium Map and includes the undivided ownership in the Common Elements assigned to the Unit by the Declaration.

ARTICLE 3. MEMBERSHIP AND VOTING

Section 3.1 Membership and Voting. Every person who is an Owner is a Member of the Association. Membership is appurtenant to and may not be separated from ownership of any Unit. Ownership of such Unit shall be the sole qualification for membership. Each Unit is allocated one vote.

Section 3.2 Suspension of Member Rights. During any period in which a Member is in default in the payment of any assessment levied by the Association, the voting rights and the right to use of the recreational facilities of the Member will be deemed suspended by the Board of Directors, without notice or hearing, until the assessment has been paid in full. Voting rights and use rights of the recreational facilities may also be suspended, after notice and an opportunity for a hearing, for a period not to exceed 60 days or during any period of violation of any other provision of the Governing Documents, whichever is greater.

Section 3.3 Member Voting.

(a) Each Member eligible to vote may vote in person or by proxy at all Member meetings.

(b) If only one of several Owners of a Unit is present at a Member meeting, the Owner present is entitled to cast the vote allocated to the Unit.

(c) If more than one of the Owners is present, the vote allocated to the Unit may be cast only in accordance with the agreement of a majority of those Owners. Majority agreement is deemed to exist if any one of the Owners casts the vote allocated to the Unit without protest being made promptly to the person presiding over the meeting by another Owner of the Unit. If co-Owners disagree or attempt to cast more than one vote, no such votes will be counted.

(d) In the absence of express notice to the Board of Directors of the designation of a specific person to cast a vote, the vote of a partnership may be cast by any general partner of that partnership, the vote of a limited liability company may be cast by any manager of that limited liability

company, the vote of a corporation may be cast by any officer of that corporation, and the vote of a trust may be cast by any trustee of that trust.

(e) The chair of the meeting may require reasonable evidence that a person voting on behalf of a partnership, limited liability company, corporation or trust is qualified to vote.

(f) Votes allocated to Units owned by the Association may be cast by the Board of Directors.

Section 3.4 Transfer of Membership. Transfer of memberships will be made on the Association's books only upon presentation of evidence, satisfactory to the Association, of the transfer of ownership of the Unit to which the membership is appurtenant. Prior to presentation of such evidence, the Association may treat the previous Owner as the Member entitled to all rights connected with a membership, including the rights to vote and to receive notice, without liability.

ARTICLE 4. MEETINGS OF MEMBERS

Section 4.1 Annual Meetings. An annual meeting of the Members will be held during each of the Association's fiscal years, at such time, date and place as determined by the Board. At these meetings, the directors will be elected by the Members, in accordance with the provisions of the Bylaws. The Members may transact other business as may properly come before them at these meetings. Failure to hold an annual meeting will not affect the validity of any corporate action and will not be considered a forfeiture or dissolution of the Association.

Section 4.2 Budget Ratification Meetings. Meetings to consider proposed budgets will be called in accordance with the Act. The Act's budget process allows for a veto by a percentage of the membership of a proposed budget adopted by the Board of Directors. The Act's budget process to be followed is as follows:

(a) Effective the first full fiscal year after these Bylaws are adopted and become effective, and for each year thereafter, the Board of Directors of the Association is to prepare and approve a proposed budget at least annually. Each such proposed budget is first prepared and approved by the Board of Directors as a proposed budget.

(b) Within 90 days after the Board of Directors adopts the proposed budget, or such longer time as allowed by the Act, the Board of Directors will mail or deliver a summary of the proposed budget to those entitled to vote and set a date for a special or annual meeting to consider ratification of the proposed budget.

(c) Notice for the meeting at which the budget will be considered must be mailed not less than 10 days or more than 50 days before the meeting, or such longer time as allowed by the Act.

(d) At the meeting, unless Owners holding a majority of the votes in the Association vote to reject the proposed budget, the proposed budget is ratified and becomes the approved budget of the Association.

(e) A quorum is not required at the meeting if the meeting is only a budget meeting. If the meeting is also an annual or special meeting at which other business is to be conducted, a quorum is required for other business to be conducted at the annual or special meeting, but not for ratification of the budget.

(f) In the event the proposed budget is rejected by a majority vote, the budget last ratified is continued until such time as a subsequent budget proposed by the Board of Directors is ratified.

Notwithstanding the budget ratification procedure set forth above, pursuant to the provisions of Article 5, Section 5.7 of the Declaration, if the annual assessment under the proposed budget is more than 15% above the assessment for the prior year, the budget must be approved by a majority of the Owners present and voting at a duly called Association meeting at which at least a quorum of the Owners are present.

Section 4.3 Special Meetings. Special meetings of the Members may be called by the president, by a majority of the members of the Board of Directors or by the secretary upon receipt of a written petition signed by Owners comprising at least 20% of the votes of the Association. Any such written petition by the Owners must identify the special meeting purpose on each page of the petition, which must be a purpose for which the Association membership is authorized to act under the Governing Documents. The form of notice, and the date, time and place of the meeting will be determined by the Board of Directors. If a notice for a special meeting demanded pursuant to a proper petition is not given by the secretary within 30 days after the date the written demand(s) is delivered to the secretary, the person(s) signing the demand(s) may set the time and place of the meeting and give notice, pursuant to the terms of these Bylaws. Any meeting called under this section will be conducted by the President of the Board, or in his/her absence, a person chosen by a majority of the Board.

Section 4.4 Record Date. For the purpose of determining Members entitled to notice of, or to vote at, any Member meeting, or in order to make a determination of such Members for any other proper purpose, the Board of Directors may fix, in advance, a date as the record date for any such determination of Members. The record date will not be more than 50 days prior to the meeting or the event requiring a determination of Members.

Section 4.5 Notice of Meetings. Written notice of each meeting of Members will be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of the notice, postage prepaid, or by hand delivery, at least ten days before, but not more than 50 days before the meeting to each Member entitled to vote, addressed to the Member's address last appearing on the books of the Association, or supplied by a Member to the Association for the purpose of notice. The notice will also be physically posted in a conspicuous place in the Community, if possible. In addition, if electronic means are available, notice will be sent by email to any Owner who requests such delivery and furnishes the Association with his/her e-mail address at least 24 hours before the meeting. The notice will specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting. No matters will be heard nor action adopted at a special meeting except as stated or allowed in the notice. Notice of an annual meeting need not include a description of the purpose(s) except the purpose(s) will be stated with respect to: (a) an amendment or restatement to the Declaration, Articles of Incorporation or Bylaws of the Association; (b) any proposal to remove an officer or director from office; (c) any budget changes; or (d) any other purpose for which a statement of purpose is required by law or the Governing Documents.

Section 4.6 Place of Meeting. Member meetings will be held at the principal office of the Association or at such other place as may be fixed by the Board of Directors and specified in the notice of the meeting.

Section 4.7 Quorum. The presence of 10% of the Members eligible to vote at the beginning of any meeting, in person or by proxy, will constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, and these Bylaws. Once a quorum is established for a meeting, it will conclusively be presumed to exist until the meeting is adjourned and will not need to be reestablished. If the required quorum is not present, the Members who are present will have power to adjourn the meeting from time to time to a later date, until such time as a quorum will be present in accordance with the terms of Section 4.8 below.

Section 4.8 Adjourned and Reconvened Meetings. Any membership meeting may be adjourned, to be reconvened at a later date or time, by vote of the Owners holding a majority of the vote represented at such meeting, regardless of whether a quorum is present. Any business that could have been transacted properly at the original session of the meeting may be transacted at the reconvened

session. No additional notice of such reconvened session will be required if the original session is adjourned for a period not exceeding ten days.

Section 4.9 Proxies.

(a) The vote allocated to a Unit may be cast under a proxy duly executed by an Owner.

(b) All proxies will be in writing and filed with the secretary or designee of the Association at or prior to the meeting.

(c) If a Unit is owned by more than one person, each Owner of the Unit may vote or register protest to the casting of the vote by the other Owners of the Unit through a duly executed proxy. In the event of disagreement between or among co-Owners and an attempt by two or more of them to cast such vote or votes, such vote or votes will not be counted.

(d) An Owner may revoke a proxy given under this section by written notice of revocation to the person presiding over a meeting of the Association.

(e) A proxy is void if it is not dated.

(f) A proxy terminates 11 months after its date, unless it specifies a shorter term or a specific purpose, or upon sale of the Unit for which the proxy was issued.

(g) A proxy holder may not appoint a substitute proxy holder unless expressly authorized to do so in the proxy.

Section 4.10 Order of Business. The Board of Directors may establish the order of business and prescribe reasonable rules for the conduct of all meetings of Members. Failure to strictly follow Robert's Rules of Order will not invalidate any action taken at a meeting.

Section 4.11 Waiver of Notice. Waiver of notice of a membership meeting will be deemed the equivalent of proper notice. Any Member may waive, in writing, any notice of any membership meeting, either before or after such meeting. Attendance at a meeting by a Member, whether in person or represented by proxy, will be deemed a waiver by such Member of improper notice of the date, time, and location thereof and of any specific business being conducted at such meeting, unless such Owner specifically objects to improper notice at the time the meeting is called to order or the Member objects to improper notice of the specific business before the business is put to a vote.

Section 4.12 Voting Procedures.

(a) Votes for contested positions on the Board of Directors will be taken by secret ballot.

(b) At the discretion of the Board or upon request of 20% of the Unit Owners who are present in person or by proxy at a meeting at which a quorum is present, a vote on any matter affecting the Community on which all Unit Owners are entitled to vote will be by secret ballot.

(c) Ballots will be counted by a neutral third party or by a committee of volunteers. Such volunteers will be Unit Owners who are selected or appointed at an open meeting, in a fair manner, by the president or another person presiding during that portion of the meeting. The volunteers will not be Board members and, in the case of a contested election for a Board position, will not be candidates. The results of a vote taken by secret ballot will be reported without reference to Owners' names, addresses, or other identifying information.

(d) Voting may be by voice, by show of hands, by consent, by mail, by electronic means, by proxy, by written ballot, or as otherwise determined by the Board of Directors prior to the meeting or by a majority of the Members present at a meeting; provided, however, if secret balloting is required, the means of voting must protect the secrecy of the ballot.

Section 4.13 Voting by Mail or Electronic Means in Lieu of a Meeting.

(a) In case of a vote by mail or electronic means in lieu of a meeting, the secretary will mail or deliver written notice to all Members at each Member's address as it appears in the records of the Association given for notice purposes. The notice will include: (i) a proposed written resolution setting forth a description of the proposed action, (ii) a statement that Members are entitled to vote by mail or electronic means for or against such proposal, (iii) a date at least ten days after the date such notice will have been given, on or before which all votes must be received at the office of the Association at the address designated in the notice, and (iv) the number of votes which must be received to meet the quorum requirement and the percentage of votes received needed to carry the vote. Voting by mail or electronic means will be acceptable in all instances in the Declaration, Articles or these Bylaws requiring the vote of Members at a meeting.

(b) The Association may conduct elections of directors by mail or electronic means, in its sole discretion, and pursuant to procedures adopted by it; provided however, that any procedures adopted will provide for notice to Members of the opportunity to run for a vacant position and/or nominate any Member of the Association for a vacant position, subject to the nominated Member's consent, and provided that a system is established to maintain the secrecy of ballots in contested elections as required by the Act.

Section 4.14 Voting in Elections of Directors/Other Voting. In an election of directors, the candidates receiving the largest number of votes will be elected. On all other items, the vote of more than 50% of Members voting at a meeting at which at least a quorum is present will constitute a majority and will be binding upon all Members for all purposes except where a higher percentage vote is required in the Declaration, these Bylaws, the Articles of Incorporation as amended, or by law.

Section 4.15 Voting List.

(a) The Association will maintain a list of the names and addresses of all Members and the number of votes each is entitled to vote.

(b) After a record date is fixed for a membership meeting or for determining the Members entitled to vote by written ballot, the secretary will make, at the earlier of ten days before such meeting or two business days after notice of the meeting has been given, a complete list of the Members entitled to be given notice of such meeting or any adjournment thereof. The list will be arranged in alphabetical order and will show the name, address of each Member and number of votes to which each Member is entitled.

(c) For the period beginning the earlier of ten days prior to the meeting or two business days after notice of the meeting is given and continuing through the meeting and any adjournment thereof, this list will be kept on file at the office of the Association. Such list will be available for inspection on written demand by any Member during regular business hours and during the period available for inspection.

(d) If the list is prepared in connection with a written ballot, the list will be available for inspection beginning on the date the first written ballot is delivered and continuing through the time when such written ballots must be received by the Association in order to be counted.

(e) Any Member may copy the list during regular business hours, at the Member's own expense, and during the period it is available for inspection, provided: (i) the Member has been a

Member for at least three months immediately preceding the demand; (ii) the demand is made in good faith and for a purpose reasonably related to the demanding Member's interest; (iii) the Member describes with reasonable particularity the purpose and the records the Member desires to inspect; (iv) the records are directly connected with the described purpose, and (v) the Member pays a reasonable charge covering the costs of labor and material for such copies, not to exceed the estimated cost of production and reproduction.

(f) At all times, the list will be available for inspection and copying in accordance with these Bylaws and the Association's records inspection policy.

Section 4.16 Limitation on Use of Voting List and Membership List. Unless the Board of Directors gives its prior consent, the Association's voting lists and membership list or any part thereof may not be: (a) obtained or used by any person for any purpose unrelated to a Member's interest as a Member; (b) used to solicit money or property unless such money or property will be used solely to solicit the votes of the Members in an election by the Association; (c) used for any commercial purpose; or (d) sold to or purchased by any person.

ARTICLE 5. BOARD OF DIRECTORS

Section 5.1 Number of Directors. The affairs of the Association will be governed by a Board of Directors which will consist of not less than three nor more than seven members, elected or appointed as provided below (the "Board"). Co-Owners may not serve on the Board at the same time. The exact number of directors may be changed by a duly adopted resolution of the Board of Directors; provided, however, staggered terms of directors will be preserved. The Board may only eliminate a director's position at the end of the director's term or if the position is vacant. If as a result of removal or resignation, the total number of Board members is less than three, the Board will be considered properly constituted until such vacancies are filled.

Section 5.2 Qualifications of Directors.

(a) Only one Owner per Unit who is eligible to vote, current in payment of assessments, and otherwise in good standing, may be elected to, or appointed to fill a vacancy on the Board.

(b) If any Unit is owned by a partnership, corporation or trust, any officer, partner or trustee of that entity will be eligible to serve as a director and will be deemed to be a Member for the purposes of these Bylaws.

(c) Any director who is more than 30 days delinquent in payment of any assessment will not be qualified to serve on the Board.

(d) Any director who has unexcused absences from three consecutive Board meetings will not be qualified to serve on the Board. An absence will be excused if the absent Board member notifies the Board President of the planned absence and the reason for the absence at least three days before the meeting, and a majority of the remaining Board members approve the absence as being for a valid purpose.

(e) Any director who is in violation of any provision of the Governing Documents of the Association for more than 30 days will not be qualified to serve on the Board.

(f) Any director who maintains an adversarial proceeding of any type against the Association will not be qualified to serve on the Board.

(g) If a director is not qualified to serve on the Board, the director's position will be deemed vacant.

Section 5.3 Term of Office. The term of office of directors will be two years or until a successor is elected. At the expiration of a director's term, if a successor cannot be elected for any reason, the existing director will continue to hold office and begin serving another term until his or her successor is elected to fill the remainder of such new term, or he or she resigns. The terms of the directors will be staggered.

Section 5.4 Resignation. Any director may resign at any time by giving written notice to the president, to the secretary or to the Board of Directors stating the effective date of the resignation. Acceptance of a resignation will not be necessary to make the resignation effective.

Section 5.5 Removal of Directors.

(a) One or more directors or the entire Board of Directors may be removed at a Special Meeting of Members called pursuant to these Bylaws, with or without cause, by a vote of at least 67% of the Members present and entitled to vote at a duly called meeting. Notice of any meeting of the Members to remove directors will state that the purpose of the meeting, or a portion of that meeting, is to remove one or more directors. Notice will be provided to every Member of the Association, including the directors sought to be removed, as provided in these Bylaws. Directors sought to be removed will have the right to be present at this meeting and will be given the opportunity to speak to the Members prior to a vote to remove being taken. For purposes of this section, no Member may vote more than his or her own vote and the vote of four proxies. However, a director may vote any number of proxies that have been assigned to the Board or officer thereof.

(b) In the event of removal of one or more directors, a successor will be elected by the Members at the meeting to serve for the unexpired term of his or her predecessor.

Section 5.6 Vacancies. Vacancies on the Board caused by any reason (other than removal) may be filled by appointment by a majority vote of the remaining Board at any time after the occurrence of the vacancy, even though the directors present at that meeting may constitute less than a quorum. Each person so appointed will be a director who will serve for the remainder of the unexpired term.

Section 5.7 Compensation. No director will receive compensation for any service they may render as a director to the Association. However, any director may be reimbursed for actual expenses incurred in the performance of Association duties. For purposes hereof, reasonable food and non-alcoholic beverages purchased for Board meetings will not be considered compensation.

ARTICLE 6. MEETINGS OF THE BOARD OF DIRECTORS

Section 6.1 Location of Meetings and Open Meetings. All meetings of the Board of Directors will be open to attendance by Members or their designated representatives, as provided by applicable Colorado law. All meetings of the Board of Directors will be held at the principal office of the Association, or at such other location, within or convenient to the Community as may be fixed by the Board of Directors. Meetings may also be held by conference call or electronic means, if necessary.

Section 6.2 Regular Meetings. Regular meetings of the Board of Directors will be held at such times, place and hour as may be fixed by the Board. The Board may set a schedule of regular meetings by resolution, and no further notice is necessary to constitute regular meetings. Agendas for meetings of the Board of Directors will be made reasonably available for examination by all Members or their representative.

Section 6.3 Special Meetings. Special meetings of the Board of Directors will be held when called by the president of the Association, or by any two directors. If a notice for a special meeting demanded pursuant to this Section is not given by the Board within 30 days after the date the written demand or demands are delivered to the Board, the directors signing the demand or demands may set the time and place of the meeting and give notice, pursuant to the terms of Section 6.5 of these Bylaws.

Only those matters contained in the notice of the special meeting may be discussed, unless all directors are present at the meeting and agree to waive the notice requirement for such other matters. Agendas for special meetings of the Board of Directors will be made reasonably available as provided in Section 6.2 above.

Section 6.4 Annual Meetings. An annual meeting of the Board of Directors may be held, without notice, immediately following and in the same place as the annual meeting of the Members, or at such other date and place as the directors may determine. The purpose of this annual meeting is to elect officers and for the transaction of such other business as may come before the meeting.

Section 6.5 Notice of Board Meetings. Except as provided in Section 6.2 and Section 6.4 above, written notice of each meeting of the Board will be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of the notice, postage prepaid, at least two days before the meeting, or by any other means permitted by the Colorado Revised Nonprofit Corporation Act, including, but not limited to, personal delivery, facsimile, and email delivery, to each Board member, addressed to the Board member's address last appearing on the books of the Association, or supplied by a Board member to the Association for the purpose of notice. The notice will specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 6.6 Waiver of Notice. A waiver of notice of any meeting of the Board of Directors, signed by a director, whether before or after the meeting, will be the equivalent to the giving of notice of the meeting to such director. Attendance by a director at a meeting will constitute waiver of notice of such meeting except when the director attends for the express purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.

Section 6.7 Quorum; Voting. A majority of the directors will constitute a quorum for the transaction of business, unless there are fewer than three directors, in which case all directors must be present to constitute a quorum. One or more directors who participate by means of telephone or electronic communication will be deemed present for establishing a quorum, if all persons so participating can hear each other. The votes of a majority of the directors present at a meeting at which a quorum is present will constitute a decision of the Board unless there are fewer than three directors, in which case, unanimity of the directors is required to constitute a decision of the Board. If at any meeting there will be less than a quorum present, a majority of those present may adjourn the meeting.

Section 6.8 Director Proxies. For the purposes of determining a quorum with respect to a particular issue and for the purposes of casting a vote for or against that issue, a director may execute, in writing, a proxy to be held by another director. The proxy will specify a yes, no, or abstain vote on each particular issue for which the proxy was executed. Proxies which do not specify a yes, no, or abstain vote will not be counted for the purpose of having a quorum present or as a vote on the particular issue before the Board.

Section 6.9 Action without a Meeting. The directors will have the right to take any action in the absence of a meeting, which they could otherwise have taken at a meeting if a notice stating the action to be taken and the time by which a director must respond is transmitted in writing to each member of the Board and each member of the Board, by the time stated in the notice:

- (a) votes in writing for such action; or
- (b) votes in writing against such action, abstains in writing from voting, or fails to respond or vote and fails to demand that action not be taken without a meeting.

The action will be authorized if the number of directors voting in favor of the action is equal to or exceeds the minimum number of votes that would be necessary to take such action at a meeting at which all of the directors then in office were present and voted. An abstention will not be deemed to be a vote in favor or against an action. Any action taken under this section will have the same effect as though taken

at a Board meeting. All signed written instruments necessary for any action taken pursuant to this section will be filed with the minutes of the meetings of the Board. Action taken pursuant to this section has the same effect as action taken at a meeting of directors.

ARTICLE 7. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 7.1 Powers and Duties. The Board may act in all instances on behalf of the Association, except as provided in the Declaration and these Bylaws or the Act. The Board will have, subject to the limitations contained in the Declaration and the Act, the powers and duties necessary for the administration of the affairs of the Association and of the Community, and for the operation and maintenance of the Community as a first class residential community, including the following powers and duties:

- (a) exercise any other powers conferred by the Governing Documents;
- (b) adopt and amend rules and regulations, including penalties for infraction thereof;
- (c) adopt and amend budgets subject to any requirements of the Declaration and the Bylaws;
- (d) keep and maintain full and accurate books and records showing all of the receipts, expenses, or disbursements of the Association;
- (e) collect assessments as provided by the Governing Documents;
- (f) employ a managing agent, independent contractors or employees as it deems necessary, and prescribe their duties;
- (g) institute, defend or intervene in litigation or administrative proceedings or seek injunctive relief for violations of the Governing Documents, and, in the Association's name, on behalf of the Association or two or more Owners, on matters affecting the Community;
- (h) make contracts, administer financial accounts and incur liabilities in the name of the Association;
- (i) acquire, hold, encumber and convey, in the Association's name and in the ordinary course of business, any right, title or interest to real estate, pursuant to the consent requirements set forth in the Governing Documents, if any;
- (j) grant easements, leases, licenses, concessions through or over the Common Elements;
- (k) borrow funds and secure loans with an interest in future assessments in order to pay for any expenditure or outlay required pursuant to the authority granted by the provisions of the recorded Declaration and these Bylaws, and to execute all such instruments evidencing such indebtedness as the Board of Directors may deem necessary and give security therefore, subject to the requirements set forth in the Declaration;
- (l) provide for the indemnification of the Association's directors and any person serving without compensation at the request of the Association, and maintain association professional liability insurance;
- (m) supervise all persons acting on behalf of and/or at the discretion of the Association;

(n) procure and maintain liability and hazard insurance as set forth in the Governing Documents;

(o) cause all persons having fiscal responsibilities for the assets of the Association to be insured and/or bonded, as it may deem appropriate;

(p) appoint such committees as deemed appropriate or as required in the Declaration. Committees will have authority to act only to the extent designated in the Governing Documents or delegated by the Board; and

(q) exercise for the Association all powers, duties, rights and obligations in or delegated to the Association and not reserved to the membership by other provisions of the Governing Documents or the Act.

Section 7.2 Responsible Governance Policies. To the extent procedures are not already set in these Bylaws or the Declaration, The Board of Directors will adopt policies, procedures and rules and regulations concerning:

- (a) collection of unpaid assessments;
- (b) handling of conflicts of interest involving Board members;
- (c) conduct of meetings;
- (d) enforcement of covenants and rules, including notice and hearing procedures and a fine schedule;
- (e) inspection and copying of Association records by Owners;
- (f) investment of reserve funds;
- (g) procedures for the adoption and amendment of policies, procedures, and rules;
- (h) procedures for addressing disputes arising between the Association and Owners;
- (i) obtaining reserve studies and funding reserves; and
- (j) any other policies or procedures required by law or adopted by the Board.

Section 7.3 Managing Agent. The Board may employ a managing agent for the Community, at a compensation established by the Board, to perform duties and services authorized by the Board. Regardless of any delegation to a managing agent, the members of the Board will not be relieved of responsibilities under the Governing Documents or Colorado law.

ARTICLE 8. OFFICERS AND DUTIES

Section 8.1 Designation and Qualification. The officers of the Association will consist of a president, one or more vice-presidents, a secretary, a treasurer and such other officers and assistant officers deemed necessary by the Board of Directors. The president and vice president must be directors. Except for the offices of secretary and treasurer, which may be held by the same person, no person may hold more than one office simultaneously.

Section 8.2 Election and Terms of Office. The officers will be elected by the Board for one year terms at the first meeting of the Board of Directors following each annual meeting of the Members.

Each officer will serve until a successor is elected, the Board of Directors removes the officer, or the officer resigns.

Section 8.3 Resignation and Removal of Officers. Any officer may be removed from office with or without cause by a majority of the Board of Directors. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. A resignation will take effect on the date of receipt of a notice or at any later time specified therein. Acceptance of a resignation will not be necessary to make it effective.

Section 8.4 Vacancies. A vacancy in any office may be filled by appointment by majority vote of the Board. Unless earlier removed, the officer appointed to the vacancy will serve for the remainder of the term of the officer he or she replaces.

Section 8.5 Duties of Officers. The duties of the officers are as follows:

(a) **President.** The president will be the chief executive officer and will have all of the general powers and duties which are incident to the office of president of a Colorado nonprofit corporation including, but not limited to the following: preside at all meetings of the Board of Directors and the Members; see that orders and resolutions of the Board are carried out; sign all contracts, leases and other written instruments; direct, supervise, coordinate and have general control over the day-to-day affairs of the Association.

(b) **Vice President.** The vice president will take the place of the president and perform the president's duties whenever the president is absent or unable to act and will perform other duties imposed by the Board of Directors. If neither the president nor the vice president is able to act, the Board of Directors will appoint another director to act in the place of the president on an interim basis.

(c) **Secretary.** The secretary will record the votes and maintain the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and perform such other duties incident to the office of secretary or as required by the Board.

(d) **Treasurer.** The treasurer will be responsible for the receipt, deposit and disbursement of Association funds and securities and for maintenance of full and accurate financial records; will prepare an annual budget and a statement of income and expenditures to be presented to the membership, and deliver a copy of each to the Members. The treasurer will perform all duties incident to the office of treasurer and such other duties as may be assigned by the Board of Directors.

The duties of any officer may be delegated to the managing agent or another Board member; provided, however, the officer will not be relieved of any responsibility under this Section or under Colorado law.

ARTICLE 9. ASSOCIATION DOCUMENTS AND RECORDS

Section 9.1 Records and the Right to Inspect Records. The Association or its managing agent, if any, will keep and maintain records as required by Colorado law. Records of the Association will be subject to inspection and copying by any Member, at the Member's expense, in accordance with Colorado law and the Association's responsible governance policy regarding inspection and copying of records. Such policy may require advance notice of inspection, specify hours and days of the week during which inspection will be permitted, establish a reasonable maximum time limit for any inspection session, and establish reasonable fees for copies.

Section 9.2 Disclosure of Records.

(a) The Association will provide written notice to all Members of a change in the Association's address, designated agent, or managing agent within 90 days of the change.

(b) The Association will make the following information available to Members within 90 days of the end of the fiscal year:

- (i) the date on which the fiscal year begins;
- (ii) the operating budget for the current fiscal year;
- (iii) a list, by Unit type, of the current regular and special assessments;
- (iv) the annual financial statements, including any amounts held in reserve for the prior fiscal year;
- (v) the results of the most recent available financial audit;
- (vi) a list of the Association's insurance policies, including the insurer's name, policy limits, policy deductibles, additional named insureds, and expiration dates for each policy;
- (vii) the Association's Bylaws, Articles of Incorporation, and rules and regulations;
- (viii) minutes of Board meetings and Member meetings for the prior fiscal year; and
- (ix) the Association's responsible governance policies.

Such information may be posted on a website, kept in a binder or file at the Association's principal place of business, mailed to Members, or personally delivered to Members. The Association will send notice of the availability of such information to each Member within 90 days of the end of the fiscal year. If the information is posted on a website, the Association must send notice to the Members of the web address via first class mail or e-mail.

Section 9.3 Minutes. Minutes or any similar record of the meetings of Members, or of the Board of Directors, when signed by the secretary or acting secretary of the meeting, will be presumed to truthfully evidence the matters set forth therein. A recitation in any such minutes that notice of the meeting was properly given will be prima facie evidence that the notice was given.

ARTICLE 10. INDEMNIFICATION

Section 10.1 Obligation to Indemnify.

(a) The Association will indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative; by reason of the fact that the person is or was a director, officer or committee member of the Association; provided the person is or was serving at the request of the Association in such capacity; and provided that the person: (i) acted in good faith, and; (ii) in a manner that the person reasonably believed to be in the best interests of the Association, and; (iii) with respect to any claimed criminal action or proceeding, had no reasonable cause to believe the conduct was unlawful. The determination of any action, suit or proceeding by judgment, order, settlement or conviction, or upon a plea of *nolo contendere* or its equivalent, will not of itself create a presumption that the person did not act in good faith and in a manner reasonably believed to be in the best interests of the Association and,

with respect to any criminal action or proceeding, had reasonable cause to believe the conduct was unlawful.

(b) Notwithstanding anything in subsection (a) above, unless a court of competent jurisdiction determines that, in view of all circumstances of the case, the person is fairly and reasonably entitled to expenses, no indemnification will be made: (i) in connection with a proceeding by or in the right of the Association, the person has been adjudged to be liable to the Association; or (ii) in connection with any other proceeding charging that the person received an improper personal benefit, whether or not involving action in an official capacity, where the person has been adjudged liable on the basis the person received an improper personal benefit.

(c) To the extent that the person has been wholly successful on the merits in defense of any action, suit or proceeding as described above, the person will be indemnified against actual and reasonable expenses (including expert witness fees, attorney fees and costs) incurred in connection with the action, suit or proceeding.

Section 10.2 Determination Required.

(a) The Board of Directors will determine whether the person requesting indemnification has met the applicable standard of conduct set forth above. The determination will be made by the Board of Directors by a majority vote of a quorum consisting of those members of the Board of Directors who are not parties to the action, suit or proceeding.

(b) If a quorum cannot be obtained as contemplated above or if a quorum has been obtained and the Board so directs, a determination may be made, at the discretion of the Board, by: (i) independent legal counsel selected by a majority of the full Board; or (ii) by the voting Members, but voting Members who are also at the same time seeking indemnification may not vote on the determination.

Section 10.3 Payment in Advance of Final Disposition.

The Association will pay for or reimburse the reasonable expenses as described above in advance of final disposition of the action, suit or proceeding if the person requesting indemnification provides the Board of Directors with:

(a) a written affirmation of that person's good faith belief that he or she has met the standard of conduct described above; and

(b) a written statement that the person will repay the advance if it is ultimately determined that he or she did not meet the standard of conduct described above.

Section 10.4 No Limitation of Rights.

The indemnification provided in this Article will not be deemed exclusive of or a limitation upon:

(a) any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of the Members or disinterested members of the Board of Directors, or otherwise, or

(b) any rights which are granted pursuant to C.R.S. § 38-33.3-101, *et seq.*, and the Colorado Revised Nonprofit Corporation Act, as those statutes may be amended from time to time.

Section 10.5 Directors and Officers Insurance.

The Association will purchase and maintain insurance on behalf of any person who is or was a member of the Board of Directors, the manager, committee members, or anyone acting at the direction of the Board, covering defense and liability expenses arising out of any action, suit or proceeding asserted against the person by virtue of the person's actions on behalf of the Association or at the direction of the

Board, whether or not the Association would have the power to indemnify the person against liability under provisions of this Article.

ARTICLE 11. AMENDMENT

Section 11.1 Amendment.

These Bylaws may be amended by an affirmative vote of a majority of the members of the Board of Directors at a regular or special meeting of the Board at which at least a quorum is present, except for amendments requiring a Member vote under the terms of the Act. Amendments addressing the following matters require the affirmative vote of Members holding a majority of the vote present and voting at a duly called meeting at which a quorum is present or by mail ballot: any amendment to reduce the quorum requirement; or amendment to determine the qualifications, powers and duties, or terms of office of directors (except that the Board may fill vacancies in its membership for the unexpired portion of any term).

ARTICLE 12. MISCELLANEOUS

Section 12.1 Standard of Conduct for Directors and Officers.

Each director and officer will perform his/her duties as a director or officer in good faith, in a manner the director or officer reasonably believes to be in the best interests of the Association, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances. In the performance of his/her duties, a director or officer will be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by: (a) one or more officers or employees of the Association whom the director or officer reasonably believes to be reliable and competent in the matters presented; (b) legal counsel, professional property manager, public accountant, or other persons as to matters which the director or officer reasonably believes to be within such person's professional or expert competence; or (c) a committee of the Association on which the director or officer does not serve if the director reasonably believes the committee merits confidence.

A director or officer will not be considered to be acting in good faith if the director or officer has knowledge concerning the matter in question that would cause such reliance to be unwarranted. A director or officer will not be liable to the Association or its Members for any action the director or officer takes or omits to take as a director or officer if, in connection with such action or omission, the director or officer performs his/her duties in compliance with this Section. A director or officer, regardless of title, will not be deemed to be a trustee with respect to the Association or with respect to any property held or administered by the Association.

The Board of Directors will have the power and authority to adopt additional reasonable standards or rules of conduct for directors and officers which do not conflict with this Section.

Section 12.2 Electronic Communications.

(a) Records and Signatures.

Whenever the Governing Documents require that a document, record or instrument be "written" or "in writing," the requirement is deemed satisfied by an electronic record if the Board of Directors has affirmatively published regulations permitting an electronic record or document as a substitute for a written item.

Whenever these Bylaws require a signature on a document, record or instrument, an electronic signature satisfies that requirement only if: (i) the Board of Directors has affirmatively published regulations permitting an electronic signature as a substitute for a written signature; and (ii) the electronic signature is easily recognizable as a secure electronic signature which is

capable of verification, under the sole control of the signatory, and attached to the electronic document in such a way that the document cannot be modified without invalidating the signature; or (iii) the Board of Directors reasonably believes that the signatory affixed the electronic signature with the intent to sign the electronic document, and that the electronic document has not been modified since the signature was affixed.

(b) Verification and Liability for Falsification.

The Board of Directors may require reasonable verification of any electronic signature, document, record or instrument. Absent or pending verification, the Board may refuse to accept any electronic signature or electronic record that, in the Board's sole discretion, is not clearly authentic. Neither the Board of Directors nor the Association will be liable to any Owner or any other person for accepting or acting in reliance upon an electronic signature or electronic record that the Board reasonably believes to be authentic, or rejecting any such item which the Board reasonably believes not to be authentic. Any Owner or person who negligently, recklessly or intentionally submits any falsified electronic record or unauthorized electronic signature will fully indemnify the Association for actual damages, reasonable attorneys' fees actually incurred and expenses incurred as a result of such acts.

Section 12.3 Fiscal Year.

The Board has the right to establish and, from time to time, change the fiscal year of the Association.

Section 12.4 Notices.

All notices to the Association or the Board will be delivered to the office of the managing agent, or, if there is no managing agent, to the office of the Association, or to such other address as the Board may designate by written notice to all Owners. Except as otherwise provided, all notices to any Owner will be mailed to the Owner's address as it appears in the records of the Association. All notices will be deemed to have been given when mailed or transmitted, except notices of changes of address, which will be deemed to have been given when received.

Section 12.5 Conflicts.

In the case of any conflicts between the Declaration and these Bylaws or the Articles of Incorporation, the terms of the Declaration will control. In the case of any conflicts between the Articles of Incorporation and these Bylaws, the terms of the Articles of Incorporation will control.

Section 12.6 Waiver.

No restriction, condition, obligation or provision contained in these Bylaws will be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 12.7 Interpretation.

The provisions of these Bylaws will be liberally construed to effect the purpose of ensuring that the Community will at all times be operated and maintained in a manner so as to optimize and maximize its enjoyment and utilization by each Member.

CERTIFICATION

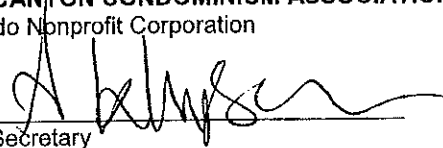
By signature below, the secretary of the Board of Directors certifies these Amended and Restated Bylaws received the approval of a majority of the members present and voting, in person or by proxy, at a duly called Association meeting or by mail ballot.

This 1st day of Jan, 2015

STONE CANYON CONDOMINIUM ASSOCIATION, INC.,
a Colorado Nonprofit Corporation

By:

Secretary

A handwritten signature in black ink, appearing to read 'A. Hansen', is written over a horizontal line. The signature is cursive and extends to the right of the line.