

**BYLAWS  
OF  
THE SNOWFLAKE CONDOMINIUM ASSOCIATION**

**ARTICLE 1 – DEFINITIONS**

1.1 Declaration. As used herein “Declaration” means the Amended and restated Declaration of Covenants, Conditions and Restrictions for the Snowflake Condominium, recorded on December 30, 1999, at Reception No. 614247 in the real property records of Summit County, Colorado.

1.2 Other Definitions. Unless otherwise defined herein, all capitalized terms used herein shall have the meanings given to them in the Declaration.

**ARTICLE 2 – OFFICES**

The Association is a Colorado nonprofit corporation, with its principal office at Snowflake Condominium Association, c/o Carbonate Real Estate, 035 Wheeler Place #102, P.O. Box 3216, Copper Mountain, Colorado 80443-3216. The Association may also have offices and may carry out its purposes at such other places within and outside the State of Colorado as the Executive Board may from time to time deem necessary or appropriate.

**ARTICLE 3 – MEMBERSHIP, VOTING, QUORUM AND PROXIES**

3.1 Membership. The members of the Association shall be those Persons that hold Memberships as set forth in the Articles.

3.2 Voting Rights. The total number of votes to which a Membership is entitled shall be determined in accordance with the Articles.

3.3 Quorum. Except as otherwise required by law or the Articles, the presence in person or by proxy of members entitled to vote more than twenty-five percent (25%) of the total votes allocated to all Memberships which are entitled to vote with respect to a matter shall constitute a quorum for purposes of voting on that matter.

3.4 Proxies. Votes may be cast in person or by proxy. Every proxy must be executed in writing by a member or his duly authorized attorney-in-fact. Such proxy shall be filed with the secretary of the Association before or at the time of the meeting. No proxy shall be valid after the expiration of eleven months from the date of its execution unless otherwise provided in the proxy. If a Condominium Unit is owned by more than one Owner, any such Owner may execute a proxy on behalf of all such Owners, and it will be conclusively presumed for all purposes that such Owner acted with the authority and consent of all Owners with whom such Owner shares the Membership, unless objection thereto is made to the chairperson of the meeting at the time of the vote to which the proxy relates. If more than one proxy is executed for any particular Membership and such proxies contain contrary instructions regarding any vote, no such proxy shall be counted and all such proxies shall be deemed null and void for purpose of the vote as to which such proxies conflict.

3.3 Majority Vote. At any meeting of the members, if a quorum is present, the affirmative vote of a majority of the votes represented at the meeting, in person or by proxy, shall be the act of the

members, unless the vote of a greater number is required by law, the Articles, the Declaration, or these Bylaws.

#### **ARTICLE 4 – ADMINISTRATION**

4.1 Annual Meeting. The annual meeting of the members shall be held each year between August 15 and September 15 at a date and time designated by the Executive Board, or at such other date and time designated by the Executive Board, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting.

4.2 Special Meetings. Special meetings of the members, for any purpose, unless otherwise prescribed by statute, may be called by the President or by a majority of the directors and shall be called by the President at the request of members entitled to vote twenty-five percent (25%) or more of the total votes allocated to all Memberships.

4.3 Place of Meeting. The Executive Board may designate the Association’s principal offices or any place within the State of Colorado, as the place for any annual meeting of the members or for any special meeting called by the Executive Board or the President.

4.4 Notice of Meeting. Written notice of any meeting of the members, stating the place, day and hour of the meeting, and the purpose or purposes for which the meeting is called, shall be delivered personally, by mail, email or by overnight courier to each member entitled to vote at such meeting not less than ten nor more than forty five-days before the date of the meeting. If mailed or delivered by overnight courier, such notice shall be deemed to be delivered when deposited in the United States mail or with the overnight courier, postage prepaid and addressed to the member at the member’s registered address provided to the Association. If emailed, such notice shall be deemed to be delivered when the ‘Send’ command is executed in the originating email system. For the purpose of determining members entitled to notice of or to vote at any meeting, the Executive Board may set a record date for such determination in accordance with the laws of the State of Colorado.

4.5 Order of Business. The order of business at all annual meetings of the members shall normally be as follows:

- (a) Call to order
- (b) Roll call and certification of proxies
- (c) Proof of notice of meeting or waivers of notice
- (d) Reading of minutes of preceding meeting
- (e) Reports of directors and officers
- (f) Reports of committees
- (g) Report of Managing Agent (if any)
- (h) Unfinished business
- (i) Election of directors

(j) General and new business

(k) Adjournment

4.6 Informal Action by Members. Any action required or permitted to be taken at a meeting of the members may be taken without a meeting if a written consent, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote of the members.

## **ARTICLE 5 – EXECUTIVE BOARD**

### 5.1 Number, Tenure and Qualifications.

- (a) The business and affairs of the Association shall be managed by the Executive Board. The Executive Board shall consist of five Directors, three of whom shall be elected by residential members and two of whom shall be elected by Commercial Members.
- (b) Each Residential Director shall be:
  - (i) An individual Owner;
  - (ii) A partner, trustee, officer, director or twenty-five percent shareholder of an organizational Owner.
- (c) Each Commercial Director shall be:
  - (i) An individual Owner; or
  - (ii) A partner, trustee, officer, director or twenty-five percent shareholder of a Commercial Owner; or
  - (iii) A Tenant, or officer or director of a tenant, of a Commercial Member.
- (d) A Director shall automatically cease to be a Director at such time as such Director ceases to meet the above qualifications.
- (e) The Executive Board is a classified board of directors, in which three Directors represent and are elected by Residential Members, and two Directors represent and are elected by Commercial Members. Each director shall serve a staggered three-year term, such that two Directors, one in each class, are elected in successive years and the last Director is elected in the following year, and so forth by the members entitled to vote either in person or by proxy at the annual meeting. Each Director shall hold office until the election and qualification of his successor or until his earlier death, resignation or removal.
- (f) The number of Directors may be changed by amendment of these Bylaws in the manner set forth herein.

- (g) A Director who fails to participate in three or more consecutive board meetings may be removed by a majority vote of the Executive Board, at its option, at a regular or special meeting of the Executive Board. If a Director is removed, the Executive Board may select a replacement for the balance of the term as provided herein.
- (h) A Director may be removed from the Executive Board with or without cause by a majority vote of the members at a duly called membership meeting with a quorum present.

5.2 Resignations; Vacancies. Any Director may resign at any time by giving written notice to the President or to the secretary of the Association. Such resignation shall take effect on receipt of written notice by the Association, unless an effective time is set forth in such notice, in which event such resignation shall take effect at the time specified in such notice. Unless otherwise specified in a resignation notice, the acceptance of such resignation shall not be necessary to make it effective. Any vacancy occurring on the Executive Board by reason of removal, resignation or death or any newly created directorship resulting from any increase in the authorized number of Directors may be filled by the affirmative vote of a majority of the Directors then in office though less than a quorum. A Director elected to fill a vacancy or newly created directorship shall hold office until the next annual meeting of the members.

5.3 Powers. Except as provided in the Declaration, the Article and these Bylaws, the Executive Board may act on behalf of the Association in all instances.

5.4 Managing Agent. The Executive Board may employ a manager or managing agent, or both, for the Association at a compensation established by the Executive Board to perform such duties and services as the Executive Board shall authorize. If, and to the extent that, the Executive Board delegates its powers relating to the collection, deposit, transfer or disbursement of Association funds to a manager or managing agent, or both, such manager or managing agent, or both shall on behalf of and at the cost of the Association:

- (a) Maintain fidelity insurance coverage or a bond in an amount not less than \$50,000 or such higher amount as the Executive Board may require;
- (b) Maintain all funds and accounts of the Association separate from the funds and accounts of any other associations managed by the manager or managing agent, and maintain all reserve accounts of each association so managed separate from operational accounts of the Association; and,
- (c) Have prepared and present to the Association a periodic, but no less frequent than quarterly, accounting for Association funds and a financial statement prepared in accordance with generally accepted accounting principles, and including at a minimum, balance sheets, statements of income and expense, statements of cash flow and changes in fund balances, which accounting and financial statement shall be prepared by the managing agent, a public accountant, or a certified public accountant.

5.5 Regular Meetings. Regular meetings of the Executive Board other than for the election of officers may be held, upon the giving of at least three day's prior written or email notice to each Director, at such time and place as the Executive Board shall determine from time to time, subject to the

requirement that at least two meetings be held each year. Regular meetings of the Executive Board for the election of officers and for such other business as may come before the meeting shall be held without call or formal notice immediately after, and at the same place as, the annual meeting of members, or any special meeting of members. Any business may be transacted at a regular meeting.

5.6 Special Meetings. Special meetings of the Executive Board may be held at any place within the State of Colorado at any time when called by the president, or by two or more directors, upon the giving of at least five days prior notice of the time and place thereof to each Director by leaving such notice with him or her or at his or her residence or usual place of business, or by delivering the notice by email, U.S. mail or overnight courier, postage prepaid, and addressed to him or her at his or her post office address as it appears on the books of the Association, or by facsimile or telephone. Notices need not state the purposes of the meeting. No notice of any adjourned meeting of the Executive Board shall be required.

5.7 Quorum. A majority of the number of Directors fixed by these Bylaws, as amended from time to time, shall constitute a quorum for the transaction of business, but a lesser number may adjourn any meeting. The Executive Board may permit any Director to participate in a meeting, or may conduct a meeting, by any means of communication by which all Directors participating may hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting. When a quorum is present at any meeting, a majority of the Directors in attendance shall, except where a larger number is required by law, the Declaration, the Articles or these Bylaws, decide any question brought before such meeting.

5.8 Waiver of Notice. Before, at or after any meeting of the Executive Board, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Executive Board shall be a waiver of notice by him or her except when such Director attends the meeting for the express purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.

5.9 Informal Action by Directors. Any action required or permitted to be taken at a meeting of the Directors may be taken without a meeting if a written consent, setting forth the action so taken shall be signed by all the Directors entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote of the Directors. An action agreed to by email by a majority of the Directors shall have the force of an action agreed to at a meeting, and shall be recorded in the minutes of the next meeting.

5.10 Committees. The Executive Board may appoint the following committees from among the Directors or members: Executive Committee (must consist only of Directors), Residential Committee, Commercial Committee, Nominations Committee, Maintenance Committee, Audit Committee and such other committees as the Executive Board may determine from time to time.

5.11 Open Meetings. All regular and special meetings of the Executive Board and all meetings of any committee of the Executive Board must be open to attendance by all members of the Association and their representatives, unless the meeting is for the purpose of discussing one or more of the following:

- (a) Matters pertaining to employees of the Association, or involving the employment, promotion, discipline or dismissal of an officer, agent or employee of the Association;

- (b) Consultation with legal counsel concerning disputes that are the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorneys and clients;
- (c) Investigative proceedings concerning possible or actual criminal conduct;
- (d) Matters subject to specific constitutional, statutory or judicially imposed requirements protecting particular proceedings or matters from public disclosure; and
- (e) Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy.

If a meeting is held for any of the foregoing purposes, the chairperson of the meeting must announce such purpose prior to convening the meeting. The minutes of any such meeting must include a reference to its stated purpose.

## **ARTICLE 6 – OFFICERS AND AGENTS**

6.1 General. The officers of the Association shall be a President (who shall be chosen from among the members of the Executive Board), a residential vice president, a commercial vice president, a secretary and a treasurer, each of whom shall be elected for a term of one year at the board meeting after the annual meeting. The Executive Board may appoint such other officers, assistant officers, committees and agents, including assistant secretaries and assistant treasurers, as they may consider necessary or advisable, which other officers and/or assistant officers shall be chosen in such manner and hold their offices for such terms and have such authority and duties as from time to time may be determined by the Executive Board. One person may hold any two offices, except that no person may simultaneously hold the offices of President and secretary. In all cases where the duties of any officer, agent or employee are not prescribed by the Bylaws or by the Executive Board, such officer, agent or employee shall follow the orders and instructions of the President.

6.2 Removal of Officers. The Executive Board may remove any officer, either with or without cause, and select a successor at any regular meeting of the Executive Board, or at any special meeting of the Executive Board called for such purpose.

6.3 Vacancies. A vacancy in any office, however occurring, shall be filled by the executive Board for the unexpired portion of the term.

6.4 President. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Association and of the Executive Board, and shall have the general and active control of the affairs and business of the Association and general supervision of its officers, agents, and employees. The President is designated as the officer with the power to prepare, execute, certify and record amendments to the Declaration on behalf of the Association.

6.5 Vice Presidents. The vice presidents shall assist the President and shall perform such duties as may be assigned to them by the President or by the Executive Board. In the absence of the President, the vice president designated by the Executive Board or (if there is no such designation) designated in writing by the president shall have the powers and perform the duties of the President. If no such

designation shall be made, all vice presidents may exercise such powers and perform such duties. In addition,

- (a) The Residential Vice President shall be a Residential Member, and shall assist the President with regard to issues affecting Residential Units exclusively; and
- (b) The commercial Vice President shall be a Commercial Member, and shall assist the President with regard to issues affecting Commercial Units exclusively.

6.6 Secretary. The secretary shall:

- (a) Keep the minutes of the proceedings of the members and the Executive Board;
- (b) See that all notices are duly given in accordance with the provisions of these Bylaws, the Declaration and as required by law;
- (c) Be custodian of the corporate records and of the seal of the Association and affix the seal to all documents when authorized by the Executive Board;
- (d) Keep at the Association's principal offices a record containing the names and registered addresses and email addresses of all Owners, the designation of the Condominium Unit owned by each Owner, and, if such Condominium unit is mortgaged, the name and address of all Mortgagees; and
- (e) In general, perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him or her by the president or by the Executive Board. Assistant secretaries, if any, shall have the same duties and powers, subject to supervision by the secretary.

6.7 Treasurer. The treasurer shall be the principal financial officer of the Association and shall have the care and custody of all funds, securities, evidences of indebtedness and other personal property of the Association and shall deposit the same in accordance with the instructions of the Executive Board. He or she shall receive and give receipts and acquittances for moneys paid in on account of the Association, and shall pay out of the funds on hand all bills, payrolls and other just debts of the Association of whatever nature upon maturity. He or she shall perform all other duties incident to the office of treasurer and, upon request of the Executive Board, shall make such reports to it as may be required at any time. Some or all of these duties may be delegated to a Managing Agent under the supervision of the treasurer. He or she shall, if required by the Executive Board, give the Association a bond in such sums and with such sureties as shall be satisfactory to the Executive Board, conditioned upon the faithful performance of his or her duties and for the restoration to the Association of all books, papers, vouchers, money and other property of whatever kind in his or her possession or under his or her control belonging to the Association. The insurance premium for such bond shall be an expense of the Association. The treasurer shall have such other powers and perform such other duties as may be from time to time prescribed by the Executive Board or the President. The assistant treasurers, if any, shall have the same powers and duties, subject to the supervision of the treasurer.

## **ARTICLE 7 – RIGHTS AND OBLIGATIONS OF THE OWNERS**

Each Owner shall have the rights, duties and obligations set forth in the Association Documents.

#### **ARTICLE 8 – REGISTRATION OF MAILING ADDRESS**

8.1 Registration by Owners. Each Owner shall register his mailing address and his email address with the Association. All notices or demands to be served upon an Owner shall be delivered personally, by registered or certified mail or by overnight courier, postage prepaid, addressed to such Owner at this registered address. Notwithstanding the foregoing, for a Condominium Unit for which there is more than one Owner, the Owners of the Condominium Unit must designate one Owner to receive notices and demands from the Association and register the name, email address and mailing address of that Owner with the Association. Any notice or demand delivered by the Association to the registered Owner for a Condominium Unit shall be deemed delivered to all of the Owners with whom such Owner shares the Condominium Unit.

8.2 Association Address. All notices and demands to be served on the Association or its Executive Board shall be delivered personally, by registered or certified mail or by overnight courier, postage prepaid, to the following address or such other address as the Association designates for such purpose in a notice duly mailed to all Owners: Snowflake Condominium Association, c/o Carbonate Real Estate – Managing Agent, 035 Wheeler Place #102, P.O. Box 3216, Copper Mountain, Colorado 80443-3216.

#### **ARTICLE 9 – SECURITY INTEREST IN MEMBERSHIP**

Members entitled to vote shall have the right irrevocably to constitute and appoint a Mortgagee their true and lawful attorney-in-fact to vote their Membership in the Association at any and all meetings of the association and to vest in the Mortgagee any and all rights, privileges and powers that they have as members under the Articles and these Bylaws or by virtue of the Declaration. Such proxy shall become effective upon the filing of notice by the Mortgagee with the secretary of the Association at such time or times as the Mortgagee shall deem its security in jeopardy by reason of the failure, neglect or refusal of the Association, the Executive Board or the members to carry out their duties as set forth in the Declaration. A release of the Mortgage covering a Condominium Unit shall operate to revoke such proxy. Nothing herein contained shall be construed to relieve members, as mortgagors, of their duties and obligations as members or to impose upon the Mortgagee the duties and obligations of a member.

#### **ARTICLE 10 – ACCOUNTING PROCEDURES**

10.1 Collections. The Association collects Assessments from the members to provide for the operation, management, maintenance and repair of the Project.

10.2 Priority of Receipts. All payments made by a member to the Association under the Declaration, the Articles, and these Bylaws shall be applied in the following order of priority:

- (a) First, to costs and expenses of collection, enforcement and protection of the Association's rights, including reasonable attorneys' and accountants' fees and disbursements;
- (b) Second, to Assessments levied for Common Expenses incurred by the Association to provide for the operation of the Association and for the operation, management, maintenance and repair of General Common Elements;

- (c) Third, to Assessments levied for Common Expenses incurred by the Association to provide for the operation, management, maintenance and repair of Limited Common Elements and other special assessments levied in connection with expenses incurred by the Association for the benefit of fewer than all of the members; and

#### **ARTICLE 11 – AMENDMENTS**

11.1 By Directors. Except as limited by law, the articles, the Declaration or these Bylaws, the Executive Board shall have the power to make, amend and repeal the Bylaws of the Association at any regular meeting of the Executive board, or at any special meeting called for that purpose at which a quorum is represented. If, however, members make, amend or repeal any Bylaw, the Directors shall not thereafter amend the same in such a manner as to defeat or impair the object of the members in taking such action.

11.2 Members. The members may, by the vote of the holders of at least fifty percent (50%) of the votes of the members entitled to vote, unless a greater percentage is expressly required by law, the Articles, the Declaration or these Bylaws, make, alter, amend or repeal the Bylaws of the Association at any annual meeting or at any special meeting called for the purpose at which a quorum is represented.

#### **ARTICLE 12 – MISCELLANEOUS**

12.1 Seal. The corporate seal of the Association shall be circular in form and shall contain the name of the Association, the year of its organization and the words “Seal, Colorado.”

12.2 Fiscal Year. The fiscal year of the Association shall be such as may from time to time be established by the Executive Board.

#### **CERTIFICATE OF SECRETARY**

I, the undersigned, do hereby certify that:

1. I am the duly elected and acting Secretary of The Snowflake Condominium Association, a Colorado non-profit corporation (“Association”); and
2. The foregoing Bylaws, comprising 9 pages including this page, constitute the Bylaws of the Association duly adopted by the Association, as amended on this date.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the Association this 8<sup>th</sup> day of November, 2010.

(SEAL)

*/s/ Nancy Barnett*  
Nancy Barnett, Secretary