

BYLAWS
OF
THE ENCLAVE ASSOCIATION, INC.

GENERAL

1.1 Purpose of Bylaws. These bylaws are adopted for the regulation and management of the affairs of The Enclave Association, Inc., a Colorado non-profit corporation organized to be and constitute the Association to which reference is made in the Declaration for The Enclave Condominiums (the "Declaration") and to perform functions and hold and manage property as provided in the Declaration and to further the interests of owners of Units in The Enclave Condominiums (the "Project").

1.2 Controlling Laws and Instruments. These bylaws are controlled by and shall always be consistent with the provisions of the Colorado Non-Profit Corporation Act, the Condominium Ownership Act of Colorado, the Declaration, and the Articles of Incorporation of this corporation filed with the Secretary of State of Colorado, as any of the foregoing may be amended from time to time.

OFFICES

2.1 Registered Office and Agent. The corporation shall have and continuously maintain in the State of Colorado a registered office, which may be the same as its principal office, and a registered agent whose business office is identical with such registered office. The initial registered office and the initial registered agent are specified in the Articles of Incorporation. The corporation may change its registered office or change its registered agent, or both, upon filing a statement as specified by law in the office of the Secretary of State of Colorado.

2.2 Principal Office. The principal office of the corporation shall be at The Enclave Condominiums, Snowmass Village, Colorado. The Board of Directors, in its discretion, may change the location of the principal office and may keep and maintain other offices within or without the State of Colorado wherever the business of the corporation may require.

MEMBERS

3.1 Members. The corporation shall have two classes of members.

3.2 Declarant's Special Membership. Enclave Partners, Ltd., a Texas limited partnership ("Declarant"), shall have and be deemed to hold a Special Membership in the corporation for the period of time beginning on the date of incorporation of the corporation and ending on the earlier of the third annual meeting of members of the corporation or the date Declarant owns six or less Units in the Project (the "Period of Declarant's Special Membership"). As the holder of the Special Membership, Declarant shall have the right to elect all members of the Board of Directors of the corporation during the Period of Declarant's Special Membership. As the holder of this Special Membership, the approval of Declarant shall be required as a condition to amendment of the Declaration, amendment of the Articles of Incorporation of

the corporation, amendment of the By-Laws of the corporation, and to merger, consolidation or dissolution of the corporation but such rights shall terminate upon expiration of the Period of Declarant's Special Membership.

3.3 Regular Memberships. There shall be one regular membership in the corporation for each Unit in The Enclave Condominiums as defined in the Declaration. Regular memberships shall be limited to owners of such Units. Each regular membership shall be appurtenant to the fee simple title to a Unit. No regular membership shall be transferred or encumbered except in connection with the transfer or encumbrance of title to the Unit to which the membership is appurtenant and the transfer or encumbrance of title to a Unit shall, subject to the provisions of these Bylaws with respect to transfers of regular memberships on the books of the corporation, automatically operate to transfer or encumber the membership appurtenant to that Unit.

3.4 Voting Rights of Regular Members. Each regular membership shall have one vote for each Point assigned to the Unit to which such membership is appurtenant, as the Point assigned to Units are set forth in the Declaration.

The Board of Directors may suspend the voting rights of a regular membership during any period in which the regular member fails to comply with rules and regulations of the corporation or with any other obligation of such member under the Declaration.

3.5 Transfer of Memberships on Corporate Books. Transfers of regular membership shall be made on the books of the corporation only upon presentation of evidence, satisfactory to the corporation, of the transfer of ownership of the Unit to which the membership is appurtenant. Prior to presentation of such evidence, the corporation may treat the previous owner of the membership as the owner of the membership entitled to all rights in connection therewith, including the rights to vote and to receive notice.

3.6 Co-owners of Memberships. If any membership is held by more than one person or entity, each shall be deemed to have the full power and authority to give a proxy, vote or otherwise act on behalf of such membership. If two or more of the co-owners of a membership wish to grant a proxy, vote or act on behalf of a membership, and cannot agree, the votes and other rights of such membership may, in the discretion of the corporation, be deemed divided among the co-owners of the membership in proportion to their respective interests in the Unit to which the membership is appurtenant.

MEETINGS OF MEMBERS

4.1 Place of Member's Meetings. Meetings of members shall be held at the principal office of the corporation or at such other place, within or without the State of Colorado, as may be fixed by the Board of Directors and specified in the notice of the meeting.

4.2 Annual Meetings of Members. An annual meeting of the members shall be held on the fourth Thursday in December of each year beginning in 1980 at such time of day as is specified in the notice of meeting. The annual meeting shall be held to elect directors and to transact such other business as may properly come before the meeting. If directors are elected by mail as provided elsewhere in these Bylaws, the annual meeting need not be held.

4.3 Special Meetings of Members. Special meetings of the members may be called by the President, the Board of Directors, or by regular members holding not less than 20 percent of the total votes of all members.

4.4 Record Date. For the purpose of determining members entitled to notice of, or to vote at, any meetings of members or in order to make a determination of members of 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 shall be not more than 50 days and not less than 10 days prior to the meeting of members or the event requiring a determination of members.

4.5 Notice of Members' Meetings. Written notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than 10 nor more than 50 days before the date of the meeting, either personally or by mail, by or at the direction of the President or the Secretary or the officers or persons calling the meeting, to each member entitled to vote at such meetings. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the corporation, with postage thereon prepaid.

4.6 Proxies. A member entitled to vote may vote in person or by proxy executed in writing by the member or his duly authorized attorney-in-fact. No proxy shall be valid after 11 months from the date of its execution unless otherwise provided in the proxy.

4.7 Quorum at Members' Meetings. One-third (1/3rd) of the votes entitled to be cast at a meeting, represented in person or by proxy, shall constitute a quorum at any meeting of members. Members present or represented at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of members so as to leave less than a quorum.

4.8 Adjournments of Members' Meetings. Members present at a meeting in person or by proxy may adjourn the meeting from time to time, whether or not a quorum shall be present or represented, without notice other than announcement at the meeting for a period of not to exceed 60 days from any one adjournment. At any such adjourned meeting at which a quorum is present or represented, any business may be transacted which might have been transacted at the meeting as originally called.

4.9 Vote Required at Members' Meetings. A majority of the votes present or represented by proxy at a meeting at which a quorum is present shall be necessary for the adoption of the matter unless a greater proportion is required by law, the Declaration, the Articles of Incorporation or these Bylaws, and except that in the case of elections in which there are more than two candidates a plurality of votes present or represented by proxy shall be necessary for election.

4.10 No Cumulative Voting. There shall be no cumulative voting in elections for directors unless the Articles of Incorporation are amended to so provide.

4.11 Voting of Members By Mail. Voting by mail shall be permitted for election of directors, which shall require in such case at least a majority of the votes which members are entitled to cast in such election. Voting by mail shall be permitted for an amendment to the Articles of Incorporation, for a proposed plan of merger, a proposed plan of consolidation, a proposed dissolution

or a proposed sale, exchange, lease or other disposition of all or substantially all the property and assets of the corporation which shall require, in each such case, the affirmative vote of at least two-thirds of the votes which members are entitled to cast on such question.

4.12 Action of Members Without a Meeting. Any action required to be taken at a meeting of members or any action which may be taken at a meeting of members may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

BOARD OF DIRECTORS

5.1 Powers and Duties of Board. The Board of Directors shall have all the powers set forth in the Declaration, the Articles of Incorporation, these Bylaws, the Colorado Non-Profit Corporation Act and the Condominium Ownership Act of Colorado and all powers necessary or desirable to manage the affairs of the Corporation and to permit the Corporation to fulfill its purposes, exercise its powers, and comply with applicable laws, ordinances and regulations. The Board of Directors shall have the duty, as imposed by the Colorado Non-Profit Corporation Act, the Declaration and the Articles of Incorporation, of managing the affairs of the Corporation. Management by the Board of Directors may be accomplished through committees of the Board, committees of members and through officers, agents and employees.

Without limiting the generality of the foregoing (a) the Board of Directors shall have the powers granted under the Declaration to prepare each year a budget for the next fiscal year of the corporation; to determine the total amount required to be raised each year by regular assessments for the next fiscal year of the corporation; to levy special assessments; to levy supplementary assessments, including power and authority to determine where, when and how assessments shall be paid; and to adopt and enforce rules and regulations governing use of the individual space which is part of Units and governing use of common elements; (b) the Board of Directors, in managing the affairs of the corporation, shall have the power to determine the policy of the corporation in exercising the corporation's powers under the Declaration and otherwise, including policy with respect to the exercise of the powers of the Corporation under the Declaration to act as attorney-in-fact for owners for other purposes; to lease or license use of common elements; to receive, apply and pay insurance proceeds, proceeds of sale of the project, condemnation awards and payments in lieu of condemnation; to restore or sell the Project in the event of partial, substantial or total destruction, condemnation or obsolescence; to collect assessments and foreclose the lien for assessments of the corporation against Units; to enforce rules and regulations by suspension of voting rights of regular members or rights of use of common elements or recreational facilities by owners of Units; to enforce provisions of the Declaration against owners; and to undertake activities, functions, or services for the benefit or to further the interest of all, some or any owners of Units on a self-supporting, special assessment or common assessment basis; and (c) the Board of Directors, in managing the affairs of the corporation, shall have the power to determine the policy of the Corporation in fulfilling the corporation's duties under the Declaration and otherwise, including policy with respect to the duties of the corporation to provide for the care, operation, management, maintenance, improvement, repair and replacement of common elements; to keep and maintain certain books and records; and to obtain and maintain certain insurance.

5.2 Qualifications of Directors. Directors need not be residents of Colorado but, as required by the Condominium Ownership Act, must be members of the corporation. Directors shall be at least 18 years of age.

5.3 Number of Directors. The number of directors of the corporation shall be three (3). The number of directors may be increased or decreased from time to time by amendment to these Bylaws provided that the number of directors shall not be less than three (3) and no decrease in number shall have the effect of shortening the term of any incumbent director.

5.4 Election and Term of Directors. At the first annual meeting of the Association the term of office of one Director shall be fixed for three (3) years. The term of office of one Director shall be fixed at two (2) years, and the term of office of the other one Director shall be fixed at one (1) year. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of three (3) years. The Director shall hold office until their successors have been duly elected and qualified.

5.5 Removal of Directors. At any meeting of members, the notice of which indicates such purpose, any director may be removed in the manner herein provided. The entire Board of Directors or any lesser number may be removed, with or without cause, by vote of a majority of the members then entitled to vote at an election of directors.

5.6 Resignation of Directors. 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 such resignation. Acceptance of such resignation shall not be necessary to make the resignation effective.

5.7 Vacancies in Directors. Any vacancy occurring in the Board of Directors and any directorship to be filled by reason of any increase in the number of directors may be filled by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board of Directors. A director elected or appointed to fill a vacancy shall be elected or appointed for the unexpired term of his predecessor in office. A directorship to be filled by reason of an increase in the number of directors may be filled by the Board of Directors for a term of office continuing only until the next election of directors.

5.8 Executive and Other Committees of Board. The Board of Directors, by resolution adopted by a majority of the directors in office, may designate and appoint an Executive Committee, which shall consist of two or more directors and which, unless otherwise provided in such resolution, shall have and exercise all the authority of the Board of Directors except authority with respect to those matters specified in the Colorado Nonprofit Corporation Act as matters with respect to which such committee may not have and exercise the authority of the Board of Directors.

The Board of Directors, by resolution adopted by a majority of the directors in office, may designate and appoint one or more other committees, each of which shall consist of two or more directors, which committees shall have and exercise such authority of the Board of Directors as shall be specified in any such resolution.

The designation and appointment of any committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed upon it or him by law.

The provisions of these Bylaws with respect to notice of meeting, waiver of notice, quorums, adjournments, vote required and action by consent applicable to meetings of directors shall be applicable to meetings of committees of the Board of Directors.

5.9 Manager of Managing Agent. The Board of Directors, by resolution adopted by a majority of the directors in office, may designate and appoint a manager or a managing agent, or both, which manager or managing agent shall have and exercise those powers and shall fulfill those duties of the Board of Directors as shall be specified in any such resolution. Any such resolution may delegate all or substantially all of the powers and duties of the Board of Directors to any such manager or managing agent but the Board, in delegating powers and duties to any such manager or managing agent, shall not be relieved of its responsibilities under the Declaration.

MEETINGS OF DIRECTORS

6.1 Place of Directors' Meetings. Meetings of directors shall be held at the principal office of the corporation or at such other place, within or without the State of Colorado, as may be fixed by the Board of Directors or the President or Secretary of the corporation and specified in the notice of the meeting.

6.2 Annual Meeting of Directors. An annual meeting of the Board of Directors shall be held on the same date as and immediately following the annual meeting of members, or, if the directors are elected by mail, on a date and at a time designated by the previous Board of Directors or the President or Secretary of the Corporation. The business to be conducted at the annual meeting of directors shall consist of the appointment of officers of the corporation and the transaction of such other business as may properly come before the meeting. If directors are elected at an annual meeting of members, no prior notice of the annual meeting of the Board of Directors to be held on the same date need be given.

6.3 Other Regular Meetings of Directors. The Board of Directors may, by resolution, establish the times and places for regular meetings in addition to the annual meeting of the Board. No prior notice of any such regular meetings established by resolution need be given after establishment thereof.

6.4 Special Meetings of Directors. Special meetings of the Board of Directors may be called by the President or any two members of the Board of Directors.

6.5 Notice of Directors' Meetings. In the case of all meetings of directors for which notice is required, notice stating the place, day and hour of the meeting shall be delivered not less than 3 nor more than 50 days before the date of the meeting, by mail, telegraph, telephone or personally, by or at the direction of the persons calling the meeting to each member of the Board of Directors. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the director at his home or business address as either appears on the records of the corporation, with postage thereon prepaid. If telegraphed, such notice shall be deemed delivered when deposited in a telegraph office addressed to the director at either such address, with all charges thereon prepaid. If telephoned, such notice shall be deemed to be delivered when given by telephone to the director or to any person answering the phone who sounds competent and mature at his home or business phone number as either appears on the records of the corporation. If given personally, such notice shall be deemed to be delivered by delivering a copy of a written notice to, or verbally advising, the director or some person who appears competent and mature at his home or business address as either appears on the records of the corporation.

Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors needs be specified in the notice or waiver of such meeting.

6.6 Quorum of Directors. A majority of the number of directors fixed in these Bylaws shall constitute a quorum for the transaction of business. Directors present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of directors so as to leave less than a quorum.

6.7 Adjournments of Directors' Meetings. Directors present at a meeting of directors may adjourn the meeting from time to time, whether or not a quorum shall have been present, without notice other than an announcement at the meeting, for a period not to exceed 60 days at any one adjournment. At any such adjourned meeting at which a quorum is represented, any business may be transacted which might have been transacted at the meeting originally called.

6.8 Vote Required at Directors' Meetings. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law, the Articles of Incorporation or these Bylaws.

6.9 Action of Directors By Consent. Any action required to be taken at a meeting of directors or any action which may be taken at a meeting of directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors.

6.10 Adoption of Rules and Regulations. Rules and regulations governing the operation and use of the common elements and all other rules and regulations authorized under the Condominium Declaration or these Bylaws shall be adopted or amended by the Board of Directors by any of the methods provided herein for action of the Board of Directors.

OFFICERS

7.1 Officers, Employees and Agents. The officers of the corporation shall consist of a President, one or more Vice Presidents, a Secretary, a Treasurer and such other officers, assistant officers, employees and agents as may be deemed necessary by the Board of Directors for the operation, maintenance, repair and replacement of common elements or any other purpose. Any two or more offices may be held by the same person, except the offices of President and Secretary.

7.2 Appointment, Term and Removal of Officers. The officers shall be appointed by the Board of Directors at the annual meeting of the Board of Directors and shall hold office, subject to the pleasure of the Board of Directors, for one year.

Any officer, employee or agent may be removed by the Board of Directors whenever in the Board's judgment the best interests of the corporation will be served thereby. The removal of an officer, employee or agent shall be without prejudice to the contract rights, if any, of the officer, employee or agent so removed. Election or appointment of an officer, employee or agent shall not of itself create contract rights.

7.3 Compensation of Officers. No officer or director shall have the right to receive any compensation from the corporation for serving as such officer or performing any of the duties of such office except as may be specified in a resolution of the Board of Directors.

7.4 President. The President shall be elected from among the Board of Directors the principal executive officer of the corporation and, subject to the control of the Board of Directors, shall direct, supervise, coordinate and have general control over the affairs of the corporation, and shall have the powers generally attributable to the chief executive officer of a corporation. The President shall preside at all meetings of the Board of Directors and of the members of the corporation.

7.5 Vice Presidents. Vice Presidents may act in place of the President in case of his death, absence or inability to act, and shall perform such other duties and have such authority as is from time to time delegated by the Board of Directors or by the President.

7.6 Secretary. The Secretary shall be the custodian of the records and of the seal of the corporation and shall affix the seal to all documents requiring the same; shall see that all notices are duly given in accordance with the provisions of these Bylaws and as required by law and that the books, reports and other documents and records of the corporation are properly kept and filed; shall keep minutes of the proceedings of the members, Board of Directors and committees of the Board; shall keep at the principal office of the corporation a record of the names and addresses of the members entitled to vote; and, in general, shall perform all duties incident to the office of Secretary and such other duties as may, from time to time, be assigned to him by the Board of Directors or by the President. The Board may appoint one or more Assistant Secretaries who may act in place of the Secretary in case of his death, absence or inability to act.

7.7 Treasurer. The Treasurer shall have charge and custody of, and be responsible for, all funds and securities of the corporation; shall deposit all such funds in the name of the corporation in such depositories as shall be designated by the Board of Directors; shall keep correct and complete financial records and books of account and records of financial transactions and condition of the corporation and shall submit such reports thereof as the Board of Directors may, from time to time, require; and, in general, shall perform all the duties incident to the office of Treasurer and such other duties as may from time to time be assigned to him by the Board of Directors or by the President. The Board may appoint one or more Assistant Treasurers who may act in place of the Treasurer in case of his death, absence or inability to act.

MISCELLANEOUS

8.1 Amendment of Bylaws. Subject to the provisions with respect to Declarant's Special Membership, the members, at a meeting called for that purpose, shall have the power to alter, amend or repeal the Bylaws and to adopt new bylaws by a majority of votes present or represented by proxy at the meeting, if a quorum is present. The Bylaws may contain any provision for the regulation or management of the affairs of the corporation not inconsistent with law, the Declaration or the Articles of Incorporation.

8.2 Waiver of Notice. Whenever any notice is required to be given to any member or director, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Attendance of a member or director at a meeting, either in person or by proxy, shall constitute waiver of notice of such meeting except where the member or director attends for the express purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.

8.3 Books and Records. The corporation shall keep correct and complete books and records of account, including accurate records of the receipts and expenditures affecting general and limited common elements, of its Board of Directors and of the committees having any of the authority of the Board of Directors and shall keep, at its principal office in Colorado, a record of the names and addresses of its members entitled to vote. All books and records of the corporation, including records of receipts and expenditures may be inspected by any member, or his agent or attorney, and any mortgagee of a member for any proper purpose at convenient weekday business hours or at any other reasonable time.

8.4 Statement of Account. Upon payment of a reasonable fee to be determined by the corporation and upon written request of an owner of a Unit or any person with any right, title or interest in a Unit or intending to acquire any right, title or interest in a Unit, the corporation shall furnish a written statement of account setting forth the amount of any unpaid assessments, charges, fines or penalties, if any, due or accrued and then unpaid with respect to the Unit, the owner of the Unit, and such owner's guests and the amount of the assessments for the current fiscal period of the corporation payable with respect to the Unit, which statement shall, with respect to the party to whom it is issued, be conclusive against the corporation and all parties, for all purposes, that no greater or other amounts were then due or accrued and unpaid.

8.5 Annual Reports. The corporation shall file annually with the Secretary of State of Colorado, within the time prescribed by law, an annual report on the forms prescribed and furnished by the Secretary of State and containing the information required by law and shall pay the fee for such filing as prescribed by law.

8.6 Fiscal Year. The fiscal year of the corporation shall begin on November 1 and end on the succeeding October 31.

8.7 Seal. The Board of Directors may adopt a seal which shall have inscribed thereon the name of the corporation and the words "SEAL" and "COLORADO".

8.8 Shares of Stock and Dividends Prohibited. The corporation shall not have or issue shares of stock and no dividend shall be paid and no part of the income or profit of the corporation shall be distributed to its members, directors or officers.

Notwithstanding the foregoing paragraph, the corporation may issue certificates evidencing membership therein and the corporation may pay compensation in a reasonable amount to its members, directors or officers for services rendered, may confer benefits upon its members in conformity with its purposes and, upon dissolution or final liquidation, may make distributions to its members as permitted by law, and no such payment, benefit or distribution shall be deemed to be a dividend or distribution of income or profit.

8.9 Loans To Directors and Officers Prohibited. No loan shall be made by the corporation to its directors or officers and any director or officer who assents to or participates in the making of any such loan shall be liable to the corporation for the amount of such loan until the repayment thereof.

INDEMNIFICATION

9.1 Third Party Actions. The corporation shall 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 (other than an action by or in the right of the corporation) by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and with respect to any criminal action or proceeding, if he had not reasonable cause to believe his conduct was unlawful. The termination of any civil or criminal action, suit or proceeding by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation, nor with respect to any criminal action or proceeding, shall the presumption be created that he had reasonable cause to believe that his conduct was unlawful.

9.2 Derivative Actions. The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of this duty to the corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability and in view of all the circumstance of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

9.3 Automatic Indemnification. If a director, officer, employee or agent of the corporation has been successful on the merits or otherwise in defense of any action, suit or proceedings referred to in paragraphs 9.1 and 9.2 of this Article, or in defense of any claim, issue or matter therein, he shall automatically be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith without the necessity of any such determination that he has met the applicable standard of conduct set forth in paragraphs 9.1 and 9.2 of this Article.

9.4 Determination. Except as provided in paragraph 9.3, any indemnification under paragraphs 9.1 and 9.2 of this Article (unless ordered by a court) shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in paragraph 9.1 and 9.2 of this Article. Such determination shall be made (a) by the Board of

(d) Purchase and pay the cost of insurance including fire insurance on the building and liability, theft and property damage insurance for the corporation and its vehicles and equipment. Insurance coverage does not include the personal property of owners or their guests.

(e) Insure that bedding and linen laundry service and maid service is available to all owners and guests in the Project at generally competitive rates.

(f) Provide accounting and administrative services. This includes preparing the annual budget and providing owners with quarterly financial statements; mailing meeting notices to owners along with periodic newsletters; maintaining records of the corporation including records of the authorized occupants of each unit as provided by each owner; preparing itemized bills of such charges for each owner and/or his guests; and collecting such charges from the owner or guest incurring the charges and disbursing the funds to those entitled to receive same.

(g) Make available certain areas in the building (maintenance and maid service areas, etc.) to the organization that will provide these services within the building. Supervise the organization that is providing these services.

(h) A restrictive amount of simple, routine, low level unit maintenance such as replacing burned out light bulbs, unplugging a clogged plumbing fixture, etc. Any extended maintenance, repair or refurbishing within the Unit is the individual owner's responsibility.

10.2 Assessments, Debts and Obligations Assumed by Members. No assessments, debts or other obligations are expected to be assumed by an owner on his Unit except the obligation to pay regular assessments, and supplementary assessments to the corporation as provided in the Declaration and the obligation to pay property taxes and the assessments of local governmental authorities having jurisdiction. An owner may assume an assessment, debt or other obligation with respect to his Unit without approval or knowledge of the corporation.

10.3 Liens on Common Elements. It is not expected that any liens may be obtained against the general or limited common elements except that liens may be obtained against, and incurred or created by, an individual owner or his agent against the Unit of such owner, including the interest of such owner in general or limited common elements. There is no power or authority granted to the corporation to impose, create or incur any such liens against the general or limited common elements other than the lien for assessments payable by an owner and possible mechanic's liens for work done for the Project.

10.4 No Restrictions on Sale or Lease of Units. There are no restrictions on, or requirements concerning, the sale or lease of a Unit and specifically no right of first refusal on sale and no other restraints on the free alienability of a Unit under or by virtue of the Declaration, the Articles of Incorporation or these By-Laws. However, under the Declaration, a party acquiring title to a Unit is jointly and severally liable with the former

Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceedings, or (b) if such a quorum is not obtainable or even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (c) by the affirmative vote of a majority of the members entitled to vote and represented at a meeting called for such purpose.

9.5 Payment in Advance. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceedings as authorized by the Board of Directors as provided in paragraph 9.4 of this Article upon receipt of a written undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the corporation as authorized in this Article.

9.6 Insurance. The Board of Directors may exercise the corporation's power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, 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 corporation would have the power to indemnify him against such liability hereunder or otherwise.

9.7 Other Coverage. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the Articles of Incorporation, these Bylaws, vote of the membership or disinterested directors, the provisions of the Colorado non-profit Corporation Code or otherwise, and any procedure provided for by any of the foregoing, both as to action in his 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 person.

ADDITIONAL PROVISIONS REQUIRED
BY CONDOMINIUM OWNERSHIP ACT

10.1 Services Provided. Following is a list of the services presently expected to be provided by the corporation which are to be paid for out of regular assessments:

(a) Insure the provision and pay the costs of utility services to the Project including heat, electricity, natural gas, water and sewer. Excluded from this service is the expense of telephone toll charges and separately metered utilities which are billed directly to the using owner and his guests.

(b) Maintain all common elements in a clean safe and attractive condition and good operating order. This includes all common hallways, walkways, stairs, roofs, elevator, common heat, boilers, utility lines and exterior surfaces of the building including washing the exterior surfaces of all windows.

(c) Purchase and maintain at least one vehicle and provide a shuttle service with this vehicle to all owners and guests between the structure and the airport and West Village on a frequency basis to be determined by the Board of Directors.

owner for all assessments, charges, fines or penalties payable with respect to the former owner, or such owner's guests or such owner's Unit which had accrued and were payable at the time of the acquisition of title to the Unit by such party without, however, prejudice to such party's rights to recover any of said amounts from the former owner and the corporation has a lien against the Unit to secure the payment of such amounts.

10.5 Recreational Facilities. There are no major recreational facilities in the Project, for which any fees or charge are payable. The Snowmass Resort Association, Inc. will own the following recreational facilities adjacent to the Project:

<u>Recreational Facility</u>	<u>To Whom Available</u>	<u>Any Fees or Charges?</u>
Swimming pool	Owners and Guests	No
Hydro-Therapy pool	Owners and Guests	No

10.6 Additions to Common Elements. There are no additions to general or limited common elements now planned or to be constructed and therefore no effect on owners of Units in reference to the same.

These Bylaws are adopted as of the 23rd day of May, 1979.
See

Amendments to The Enclave, Inc. Association Bylaws

Proposed changes are bolded and underlined below

4.2 Annual Meetings of Members. An annual meeting of the members shall be held on the fourth Thursday in December of each year beginning in 1980 at such time of day as is specified in the notice of meeting, or upon any other date of the year, to be determined by a simple majority vote of the membership. The annual meeting shall be held to elect directors and to transact such other business as may properly come before the meeting. If directors are elected by mail, as provided elsewhere in these Bylaws, the annual meeting need not be held.

4.3 Special Meetings of Members. Special meetings of the members may be called by the President, the Board of Directors, or by regular members holding not less than 20% of the total votes of all members. The Board will determine on a case-by-case basis whether attendance at a Special Meeting can be by teleconference or other similar equipment. Members who are either physically present or who participate via teleconference or other similar equipment or process are deemed to be in attendance and entitled to cast votes upon any motions properly set forth before the members in attendance, subject to all other stipulations within the Bylaws.

4.5 Notice of Member's Meetings. Written notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than 10 nor more than 50 days before the date of the meeting, either personally, or by mail or by electronic mail, by or at the direction of the President or the Secretary or the officers or persons calling the meeting, to each member entitled to vote at such meetings. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the corporation, with postage thereon prepaid. If sent by electronic mail, such notice shall be deemed to be delivered when electronic mail records of the sending party record the transmittal as "sent."

4.11 Voting of Members by Mail. Voting by mail or electronic mail shall be permitted for election of directors, which shall require in such case at least a majority of the votes which members are entitled to cast in such election. Voting by mail or electronic mail shall be permitted for an amendment to the Articles of Incorporation, for a proposed plan of merger, a proposed plan of consolidation, a proposed dissolution or a proposed sale, exchange, lease or other disposition of all or substantially all the property and assets of the corporation which shall require, in each such case, the affirmative vote of at least two-thirds of the votes which members are entitled to cast on such question.



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5.3 Number of Directors. The number of directors of the corporation shall be a minimum of three (3) and a maximum of five (5). The number of directors may be increased or decreased from time to time by amendment to these Bylaws provided that the number of directors shall not be less than three (3) and no decrease in number shall have the effect of shortening the term of any incumbent director.

5.4 Election and Term of Directors. At the first annual meeting of the Association the term of office of one Director shall be fixed for three (3) years. 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 one (1) year. The initial term of office of the fourth and fifth Directors, if any, shall be three and two years, respectively. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of three (3) years. The Director shall hold office until their successors have been duly elected and qualified.

6.2 Annual Meeting of Directors. An annual meeting of the Board of Directors shall be held on the same date as and immediately following the annual meeting of members, or, if the directors are elected by mail, on a date and at a time designated by the previous Board of Directors or the President or Secretary of the Corporation. The business to be conducted at the annual meeting of directors shall consist of the appointment of officers of the corporation and the transaction of such other business as may properly come before the meeting. If directors are elected at an annual meeting of members, no prior notice of the annual meeting of the Board of Directors to be held on the same date need be given. Members of the Board of Directors who are either physically present or who participate via teleconference or other similar equipment or process are deemed to be in attendance and entitled to cast votes upon any motions properly set forth before those in attendance, subject to all other stipulations within the Bylaws.

6.5 Notice of Directors' Meetings. In the case of all meetings of directors for which notice is required, notice stating the place, day and hour of the meeting shall be delivered not less than 3 nor more than 50 days before the date of the meeting, by mail, telegraph, telephone, electronic mail or personally, by or at the direction of the persons calling the meeting to each member of the Board of Directors. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the director at his home or business address as either appears on the records of the corporation, with postage thereon prepaid. If telegraphed, such notice shall be deemed delivered when deposited in a telegraph office addressed to the director at either such address, with all charges thereon prepaid. If telephoned, such notice shall be deemed to be delivered when given by telephone to the director or to any person answering the phone who sounds competent and mature at his home or business phone number as either appears on the records of the corporation. If sent by electronic mail, such notice shall be deemed to be delivered when



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electronic mail records of the sending party record the transmittal as "sent. If given personally, such notice shall be deemed to be delivered by delivering a copy of the written notice to, or verbally advising, the director or some person who appears competent and mature at his home or business address as either appears on the records of the corporation.

6.8 Vote Required at Directors Meetings. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law, the Articles of Incorporation or these Bylaws. Members of the Board of Directors who are either physically present or who participate via teleconference or other similar equipment or process are deemed to be in attendance and entitled to cast votes upon any motions properly set forth before those in attendance, subject to all other stipulations within the Bylaws.

8.6 Fiscal Year. The fiscal year of the corporation shall begin on October 1 and end on the succeeding September 30.

8.1 Amendment of the Bylaws. Subject to the provisions with respect to Declarant's Special Membership, the members, at a meeting called for that purpose or via a vote by the members in response to an electronic mail notice at the discretion of the Board, shall have the power to alter, amend or repeal the Bylaws and to adopt new bylaws by a majority of votes present or represented by proxy at the meeting or in response to the referenced electronic mail notice, if a quorum is present at the meeting, or by a simple majority of the members, if in response to the referenced electronic mail, as appropriate.

10.1.c. Purchase and maintain at least one vehicle and provide a shuttle service with this vehicle, or in the alternative make arrangements with a third party to provide access to such a transportation service for a reasonable expense to be charged against Association assessments, to all owners and guests between the structure and the airport and West Village on a frequency to be determined by the Board of Directors.

Proposed Change

10.5 Recreational Facilities. There are no major recreational facilities in the Project, for which any fees or charges are payable. (Deletion of subsequent text referring to Snowmass Resort Association, Inc. as owning the pool and hot tub.)



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- Amendments to the Bylaws

Mr. Blumenthal commented that there are many complicated issues for Snowmass Village in the current and upcoming years, and various enclave members have offered to join the Board and share their expertise. Mr. Burns commented that he knows of another association that has nine (9) board members has found the process to be unwieldy.

Mr. Blumenthal made a motion to approve the following amendments to the bylaws. Mr. Klein seconded, and the motion passed. The changes are bolded and underlined below in the following excerpts from the newly approved Bylaws.

5.3 Number of Directors. The number of directors of the corporation shall be a minimum of three (3) and a maximum of **seven (7), with the actual number of Directors to be seated to be determined by a majority of the then seated Board.** The number of directors may be increased or decreased from time to time by amendment to these Bylaws provided that the number of directors shall not be less than three (3), and no decrease in number shall have the effect of shortening the term of any incumbent director.

5.4 Election and Term of Directors. At the first annual meeting of the Association the term of office of one Director shall be fixed for three (3) years. 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 one (1) year. The initial term of office of the fourth and fifth Directors, if any, shall be three and two years, respectively. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of three (3) years. **The initial and successive terms of the sixth (6th) Director shall be three years. The initial term for the seventh (7th) seat shall be for two (2) years, and subsequent terms shall be for three (3) years.** The Each Director shall hold office until their his successors have has been duly elected and qualified, and subsequently elected or appointed, or until resignation of his office.