

**BYLAWS
OF
EAGLERIDGE ESTATES FILING NO. 3 OWNERS ASSOCIATION, INC.**

The following Bylaws correctly set forth the provisions of the Bylaws of **EAGLERIDGE ESTATES FILING NO. 3 OWNERS ASSOCIATION, INC.**, and were duly adopted pursuant to the Colorado Revised Nonprofit Corporation Act:

**ARTICLE I
NAME AND LOCATION**

Section 1.1 Name. The name of the corporation is **EAGLERIDGE ESTATES FILING NO. 3 OWNERS ASSOCIATION, INC.** hereinafter referred to as the “Association”. The Association has been incorporated as a Colorado non-profit corporation pursuant to its Articles of Incorporation (which are incorporated herein by this reference and hereinafter called the “Articles”).

Section 1.2 Principal Office. The principal office of the corporation shall be initially located at 200 West City Center Drive #200, Pueblo, CO 81003, but meetings of Members and Directors may be held at such places within the County of Pueblo as may be designated by the Board of Directors, which shall also be known and referred to sometimes herein as the “Board”.

**ARTICLE II
DEFINITIONS AND ASSOCIATION DOCUMENTS**

Section 2.1 Definitions. All terms which are defined in the Declaration of Covenants, Conditions, Restrictions and Easements for Eagleridge Estates Filing No. 3 (which is incorporated herein by this reference and hereinafter called the “Declaration”) and the Colorado Revised Nonprofit Corporation Act, C.R.S. §7-121-101 et seq. (hereinafter called the “Nonprofit Act”) shall have the same meaning herein.

Section 2.2 Exemption from CCIOA. The Association, its Members, the Declarant, the Lots, the Tracts, the Parcels, and the Community shall not be subject to the Colorado Common Interest Ownership Act (C.R.S. §38-33.3-101, “CCIOA”) as more fully provided in C.R.S. §38-33.3-116 thereof. The Community shall be a planned community exempt from CCIOA except for Sections 105, 106 and 107 as provided therein.

Section 2.3 Association Documents. Each Owner, his or her family members, guests, tenants, contractors and invitees shall comply fully and promptly with the Declaration, the Association’s Articles of Incorporation, these Bylaws, and the Association’s Rules, if any (all of those documents are collectively called the “Association Documents”).

ARTICLE III
MEETING OF MEMBERS

Section 3.1 Membership and Voting Rights. The requirements and conditions of membership and of voting rights shall be as provided in the Declaration and the Articles of Incorporation. In addition, the following shall apply:

(a) Membership. By acquiring title to a Lot, a person or entity automatically consents to becoming a Member of the Association and subject to the rights and duties set forth in the Declaration, the Articles, Bylaws and applicable laws and statutes, subject to the provisions of the Declaration and these Bylaws.

During the Period of Declarant Rights, commencing with the recording of the Declaration and continuing until January 1, 2045 (unless sooner terminated by the Declarant as provided herein), the Declarant may appoint all Officers and members of the Board of Directors, and may remove all Officers and members of the Board of Directors which have been appointed by the Declarant. The Declarant may voluntarily terminate in writing the right to appoint and remove all or a portion of the Officers and members of the Board of Directors before the termination of the Period of Declarant Rights, but in that event, the Declarant may require, for the duration of the Period of Declarant Rights, that specified actions of the Association or Board of Directors, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

After the termination of the Period of Declarant Rights, each Lot shall have one (1) vote on any issue duly submitted to the Members and/or each vacant directorship. Different rights and obligations with respect to voting and all other matters may be set forth in the Declaration, which shall be controlling over C.R.S. §7-127-202 or otherwise. Members may only transfer their memberships and any right arising therefrom as permitted by the Declaration, Articles, and these Bylaws and in accordance therewith. Membership shall automatically transfer upon transfer of title to a Lot. The Association's Board may adopt Rules, if any, regarding any termination, expulsion or suspension of a Member, but such Rules, if any, shall be subject to the provisions of the Declaration and Nonprofit Act (C.R.S. §7-126-303).

(b) Continuation or Termination of Membership. The Member's rights under these Bylaws shall terminate without any Association action whenever such person ceases to own a Lot, but such termination shall not relieve or release any such former Owner from any liability or obligation incurred under or in connection with the Association during the period of ownership and membership in this Association, nor shall such termination impair any rights or remedies which the Board of Directors of the Association or others may have against such former Owner and Member arising out of, or in incident thereto. A Member may not resign from the Association, but may be expelled or suspended or have membership terminated as provided by the Association Documents and C.R.S. §7-126-302; a Member shall remain liable for all assessments, fees, charges and sums, whether past, present or future, despite such expulsion, suspension or termination, and shall not be counted for quorum or approval percentages under the Association Documents. Foreclosure of a

Lot shall include the membership interest attached thereto but such foreclosure shall not be considered a purchase of such interest as prohibited by C.R.S. §7-126-303. No votes allocated to a Lot owned by the Association may be cast or included in calculations as to quorum or percentages in the Association Documents.

(c) Transfer of Membership. A membership in the Association shall not be assigned, encumbered, or transferred in any manner except as an appurtenance to the transfer of title to the Lot to which the membership pertains; provided, however, the rights of membership may be assigned to the holder of a mortgage on a Lot as further security for a loan secured by a lien on such Lot. A transfer of membership shall occur automatically upon the transfer of title to the Lot to which the membership pertains. The Rules, if any, of the Association may, however, contain reasonable provisions and requirements with respect to recording such transfers on the books and records of the Association.

(d) Voting Rights. Cumulative voting is prohibited. The affirmative vote of a majority of the Members in good standing, present at a meeting in person or by proxy, shall be required for decisions and action by the Association, unless otherwise provided in the Association Documents. If only one of the multiple Owners of a Lot is present at a meeting of the Association, such Owner is entitled to cast all the votes allocated to that Lot. Alternatively, if more than one person holds an interest in a Lot, they may appoint one of their co-owners as proxy to cast the vote for that Lot. The vote for such Lot shall be cast as the Owners holding a majority in interest thereof agree, but in no event shall they cast more than the voting rights allocated to that Lot on any one question. If the Owners of such Lot cannot agree as to the manner in which their vote shall be cast when called upon to vote, then they will be treated as having abstained. During this period, each Owner shall retain all other rights and obligations of membership in the Association.

Section 3.2 Annual and Regular Meetings. The first annual meeting of the Members shall be held within one year of the date of incorporation, and each subsequent annual meeting of the Members shall be held during the fourth quarter of each year thereafter at a place, date and time, within the State of Colorado, as the Board of Directors may determine. The Board of Directors may in its sole discretion, set meetings of members to occur on a regular basis (for example, monthly, or quarterly or semi-annually); if and when set, such meetings shall constitute “regular meetings”.

Section 3.3 Special Meetings of Members.

(a) The Association shall hold a special meeting of its Members:

(i) On call of its President or a majority of its Board of Directors or the person or persons authorized by the Bylaws or resolution of the Board of Directors to call such a meeting; or

(ii) If the Association receives one or more written demands for the meeting, stating the purpose or purposes for which it is to be held, signed and dated by Members

holding at least twenty percent (20%) of all votes entitled pursuant to the Bylaws to be cast on any issues proposed to be considered at the meeting.

(b) If not otherwise fixed under C.R.S. §7-127-103 or §7-127-106, the record date for determining the Members entitled to demand a special meeting pursuant to paragraph (a)(ii) above is the date of the earliest of any of the demands pursuant to which the meeting is called, or the date that is sixty (60) days before the date the first such demand is received by the Association, whichever is later.

(c) If a notice for a special meeting demanded pursuant to paragraph (a)(ii) above is not given pursuant to C.R.S. §7-127-104 within thirty (30) days after the date the written demand or demands are delivered to a corporate Officer, regardless of the requirements of paragraph (d) below, a person signing the demand or demands may set the time and place of the meeting and give notice pursuant to C.R.S. §7-127-104.

(d) Special meetings of the Members may be held in or out of this state at the place stated in or fixed in accordance with the Bylaws, or, if not so stated or fixed, at a place stated or fixed in accordance with a resolution of the Board of Directors. If no place is so stated or fixed, special meetings shall be held at the Association's principal office.

(e) Only business within the purpose or purposes described in the notice of the meeting required by C.R.S. §7-127-104(3) may be conducted as a special meeting of the Members.

Section 3.4 Notice of Member Meetings.

(a) The Association shall give to each Member who is entitled to vote at the meeting notice consistent with its Bylaws of meetings of Members in a fair and reasonable manner.

(b) Any notice that conforms to the requirements of paragraph (c) below is fair and reasonable, but other means of giving notice may also be fair and reasonable when all the circumstances are considered.

(c) Notice is fair and reasonable if it is provided as set forth in C.R.S. §7-121-402 or as follows:

(i) The Association notifies its Members by mail or hand delivery to its Members of the place, date, and time of each annual, regular, and special meeting of Members no fewer than ten (10) days, nor more than fifty (50) days before the meeting date, or if notice is mailed by other than first class or registered mail, no fewer than thirty (30) days, nor more than sixty (60) days before the meeting date, and if notice is given by newspaper as provided in C.R.S. §7-121-402(2), the notice must be published five (5) separate times with the first such publication no more than sixty (60) days, and the last such publication no fewer than ten (10) days, before the meeting date. The notice of any Member meeting must state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the

Declaration or Bylaws, any budget changes, and any proposal to remove an Officer or member of the Board.

(ii) Notice of an annual or regular meeting includes a description of any matter or matters that must be approved by the Members or for which the Members' approval is sought under C.R.S. §§ 7-128-501, 7-129-110, 7-130-103, 7-130-201, 7-131-102, and 7-134-102; and

(d) Unless otherwise provided by articles 121 to 137 of the Nonprofit Act or the Bylaws, notice of a special meeting includes a description of the purpose or purposes for which the meeting is called.

(e) Members may waive notice as provided by C.R.S. §7-127-105.

(f) If an annual, regular, or special meeting of Members is adjourned to a different date, time, or place, notice need not be given of the new date, time, or place, if the new date, time, or place is announced at the meeting before adjournment. If a new record date for the adjourned meeting is or must be fixed under C.R.S. §7-127-106, however, notice of the adjourned meeting must be given under this section to the Members of record as of the new record date.

(g) When giving notice of an annual, regular, or special meeting of Members, the Association shall give notice of a matter a Member intends to raise at the meeting if:

(i) Requested in writing to do so by a person entitled to call a special meeting; and

(ii) The request is received by the Secretary or President of the Association at least ten (10) days before the Association gives notice of the meeting.

(h) The Board may fix the record date for determining the Members entitled to notice or to vote at any Members' meeting or to exercise any rights in respect to any lawful action pursuant to C.R.S. §7-127-106 or otherwise. Such record date may not be more than seventy (70) days before the meeting or action requiring a determination of Members occurs. Unless otherwise directed by the Board, the Association shall not be required to prepare the list of names described in C.R.S. §7-127-201.

Section 3.5 Action Taken Without Meeting or by Written Ballot.

(a) Notwithstanding any provision to the contrary, any action required or permitted to be taken at any meeting of Members may be taken without a meeting, prior notice or vote, if Members entitled to vote thereon unanimously agree and consent to such action in writing; such action shall be taken in accordance with C.R.S. §7-127-107 of the Nonprofit Act. Action may also be taken by means of C.R.S. §7-127-109 which is discussed below.

(b) Action may also be taken by means of the procedures set forth herein, or in addition thereto, the Board may authorize voting by written ballots pursuant to C.R.S. §7-127-109; ballots may be cast by e-mail, facsimile or other written or electronic form.

Section 3.6 Quorum.

(a) The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, thirty percent (30%) of the votes in the Association shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting, from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

(b) Once a Member is represented for any purpose at a meeting, including the purpose of determining that a quorum exists, the Member is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting, unless a new record date is or shall be set for that adjourned meeting.

Section 3.7 Proxies.

(a) The vote allocated to a Lot may be cast by a proxy duly executed by an Owner in accordance with these Bylaws and the Nonprofit Act. Proxies must be in writing and filed with the Association's Secretary before the commencement of the meeting.

(b) If only one of the multiple Owners of a Lot is present at a meeting of the Association, such Owner is entitled to cast all the votes allocated to that Lot. If more than one of the multiple Owners are present, the votes allocated to that Lot may be cast only in accordance with the agreement of a majority in interest of the Owners, unless the Declaration expressly provides otherwise. There is majority agreement if any one of the multiple Owners casts the votes allocated to that Lot without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Lot.

(c) Votes allocated to a Lot may be cast pursuant to a proxy duly executed by a Lot Owner. If a Lot is owned by more than one person, each Owner of the Lot may vote or register protest to the casting of votes by the other Owners of the Lot through a duly executed proxy. A Lot Owner may not revoke a proxy given pursuant to this section except by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates eleven (11) months after its date, unless it provides otherwise.

(d) A Member may appoint a proxy by transmitting or authorizing the transmission of a facsimile, e-mail, or other electronic transmission providing a written statement of the appointment to the proxy, to a proxy solicitor, proxy support service organization, or other

person duly authorized by the proxy to receive appointments as agent for the proxy or to the Association; except that the transmitted appointment shall set forth or be transmitted with written evidence from which it can be determined that the Member transmitted or authorized the transmission of the appointment.

(e) An appointment of a proxy is revocable by the Member.

(f) Appointment of a proxy is revoked by the person appointing the proxy if that person:

(i) Attends any meeting and voting in person; or

(ii) Signs and delivers to the Secretary or other Officer or agent authorized to tabulate proxy votes either a writing stating that the appointment of the proxy is revoked or a subsequent appointment form.

Section 3.8 Voting.

(a) Subject to the Declarant's right of appointment and approval, each Lot is allocated the voting rights as set forth in the Declaration.

(b) The Board is entitled to reject a vote, consent, written ballot, waiver, proxy appointment or proxy appointment revocation if the Secretary or other Officer or agent authorized to tabulate the votes, acting in good faith, has a reasonable basis for doubt about the validity of the signature on it or about the signatory's authority to sign for the Owner. The Association and its Officer or agent and the Board and its members who accept or reject a vote, consent, written ballot, waiver, proxy appointment or proxy appointment revocation in good faith and in accordance with the standards of the Nonprofit Act, and these Bylaws are not liable in damages for the consequences of the acceptance or rejection.

Section 3.9 Majority of Members. As used in these Bylaws, the term "majority of Members" shall mean Owners of Lots to which at least fifty-one percent (51%) of the votes in the Association are attached, cast by Members present at a meeting containing a quorum, who must be in good standing with the Association. "Good standing" requires payment in full of all assessments by the Members (except and excluding the Declarant), and full, timely, compliance with all duties under the Declaration and other Association Documents. Unless otherwise provided herein or in the Association Documents, an affirmative vote of a majority of the Members in good standing present, in person or by proxy, shall be required to transact the business of the meeting and shall be valid and binding upon all Members. The number of Members in good standing shall be used for computing voting percentages, quorums and all similar purposes under the Association Documents.

Section 3.10 Voting by Mail. Except for removal of a Director under Section 4.4, the Board may decide that voting of the Owners on any matter required or permitted by the statutes

of Colorado, the Declaration, the Articles of Incorporation, or these Bylaws shall be by written ballot. Pursuant to the Nonprofit Act, including C.R.S. §7-127-109, any action that may be taken at any meeting of Members may be taken without a meeting if the Secretary delivers a written ballot to every Member entitled to vote on the matter. "Delivery" to the Member of the ballot and the Member's return of the completed ballot shall be made by the same methods available for providing notice to a Member set forth in Section 3.4 above, or by e-mail attachment if the address has been provided to the Association.

Section 3.11 Order of Business. The order of business at all meetings of the Members shall be as determined by the Board.

ARTICLE IV BOARD OF DIRECTORS: SELECTION, TERM OF OFFICE

Section 4.1 Number. The property, business and affairs of the Association shall be managed by a Board of Directors. The initial Board of Directors shall be composed of three (3) Directors, who shall be appointed by the Declarant. Notwithstanding any contrary provision of the Association Documents, the Declarant may, during the Period of Declarant Rights as set forth in the Declaration, appoint or remove any Officer of the Association or any member of the Board of Directors of the Association. Following the termination of the right of the Declarant to appoint or remove Directors, the Owners shall elect the Board as provided in the Association Documents. At each annual meeting after the termination of the Period of Declarant Rights, the number of Directors and their terms of office may be increased or decreased by an affirmative vote of a majority of Members at any annual meeting, but such changes shall not be effective until the next annual meeting. Directors must be Owners in good standing at all times with the Association as determined by the other Directors.

Section 4.2 Term of Office.

(a) Directors who are appointed by the Declarant shall continue in office until the termination of the Period of Declarant Rights, unless removed by the Declarant or upon resignation. At the first annual meeting after the termination of the Declarant's right to appoint or remove the Board, the Members shall elect at least one-third (1/3) of the Directors for one-year terms, one-third (1/3) of the Directors for two-year terms, and one-third (1/3) of the Directors for three-year terms, and at each annual meeting thereafter, the Members shall elect the same number of Directors as there are Directors whose terms are then expiring, for terms of three (3) years. The term of any Director filling a vacancy expires at the end of the unexpired term that such Director is filling. Vacancies shall be filled as provided by these Bylaws or, if applicable, C.R.S. §7-128-110 of the Nonprofit Act.

(b) Directors shall serve and shall continue in office until their successors are duly elected and installed. Despite the expiration of a Director's term, a Director continues to serve until the Director's successor is elected, appointed, or designated and qualifies, or until there is a decrease in the number of Directors.

(c) Directors must be Owners in good standing at all times with the Association as determined by the other Directors.

Section 4.3 Resignation. Any Director may resign at any time by giving written notice of such resignation to the President or the Secretary. Unless otherwise specified in such written notice, such resignation shall take effect upon receipt thereof by such Officer. In the event of death or resignation of a Director, his or her successor shall be selected by a majority of the remaining Directors and shall serve for the unexpired term of his or her predecessor.

Section 4.4 Removal.

(a) Notwithstanding any provision of the Declaration or Bylaws to the contrary, the Members by a vote of sixty-seven percent (67%) of all Members of the entire Association which Members must be present in person or by proxy, and entitled to vote at a meeting of the Members called for such purpose, may remove any Director elected by the Members, with or without cause as follows:

(i) The Members may remove one or more Directors elected by them with or without cause.

(ii) Subject to C.R.S. §7-127-208(3), a Director may be removed only if the number of votes cast to remove the Director would be sufficient to elect the Director at a meeting to elect Directors.

(iii) A Director elected by the Members may be removed by the voting Members only at a meeting called for the purpose of removing that Director, and the meeting notice shall state that the purpose, or one of the purposes, of the meeting is removal of the Director. A subsequent special meeting shall be held to elect replacements to any Director(s) removed under subsection (iii).

(iv) An entire Board of Directors may be removed under paragraphs (i) to (iii) above; provided, however, replacements of any Directors so removed may be elected at the removal meeting so long as the notice thereof so indicates and provides the names of candidates proposed to replace any removed Directors.

(v) A Director elected by the Board of Directors may be removed with or without cause by the vote of a majority of the Directors then in office or such greater number as is set forth in the Bylaws; except that a Director elected by the Board of Directors to fill the vacancy of a Director elected by the voting Members may be removed without cause by the voting Members, but not the Board of Directors.

(b) A Director appointed by the Declarant may only be removed by the Declarant. The person removing the Director shall do so by giving written notice of the removal to

the Director and to the Association. A removal is effective when the notice is received by both the Director to be removed and the Association, unless the notice specifies a future effective date.

(c) If, at the beginning of a Director's term on the Board, any Rules, if any, adopted by the Board pursuant to the Bylaws provide that a Director may be deemed to have resigned for failing to attend a specified number of Board meetings, or for failing to meet other specified obligations of Directors, and if such failure to attend or meet obligations is confirmed by an affirmative vote of the Board of Directors, then such failure to attend or meet obligations shall be effective as a resignation at the time of such vote of the Board.

Section 4.5 Vacancies. Vacancies created by removal of a Director of the Board by the Owners pursuant to Section 4.4 shall be filled by a majority of the Board (at a regular or special meeting) remaining after such vote to remove even though the members of the Board present at such a meeting may constitute less than a quorum; provided, however, if the entire Board is removed at once, an election shall be held immediately thereafter at the same meeting and the Owners shall elect an entirely new Board. Each person elected or appointed to the Board shall serve out the term of the member he or she replaced. Thus, if the entire Board consists of three members, and all are removed, the three persons elected shall serve out the terms of the members of the Board removed. Notwithstanding any provision in these Bylaws to the contrary, vacancies of members of the Board who are appointed by the Declarant shall be filled by the Declarant.

Section 4.6 Compensation. No Director shall receive compensation for any service he or she may render to the Association. However, any Director may be reimbursed for his or her actual expenses incurred in the performance of his or her duties. Nothing herein shall prohibit the Association from compensating a member of the Board, or any entity with which a Director of the Board is affiliated, for services or supplies furnished to the Association in a capacity other than as a member of the Board pursuant to a contract or agreement with the Association, provided that the interest of such Director of the Board was made known to the Board prior to entering into such contract and such contract was approved by a majority of the Board, excluding the interested Director of the Board.

Section 4.7 Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors and complies with C.R.S. §7-128-202. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

Section 5.1 Nomination. After the termination of the Declarant's right to appoint or remove the Board, nomination for election to the Board of Directors may be made by a nominating committee or from the floor at the annual meeting or other meeting called for such purpose.

Section 5.2 Election. After the termination of the Declarant's right to appoint or remove the Board, contested election to the Board of Directors shall be held by secret, written ballot at the annual meeting. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted. Directors shall thereafter be elected at the Association's annual meeting. In an election of multiple Directors, that number of candidates equaling the number of Directors to be elected, having the highest number of votes cast in favor of their election, are elected to the Board of Directors. When only one Director is being voted upon, the affirmative vote of a majority of the Members constituting a quorum at the meeting at which the election occurs shall be required for election to the Board of Directors.

ARTICLE VI MEETINGS OF DIRECTORS

Section 6.1 Regular Board Meetings. Regular meetings of the Board of Directors shall be held with such frequency and at such time and place as shall be determined by a majority of the Directors. Notice of regular meetings of the Board of Directors shall be given to each Director personally or by mail, telephone, facsimile, or e-mail, at least three (3) days prior to the day named for such meeting.

Section 6.2 Organizational Board Meeting. The first meeting of a newly elected Board of Directors following the annual meeting of the Members shall be held within ten (10) days thereafter at such place as shall be fixed by the Directors at the meeting at which such Directors were elected and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

Section 6.3 Special Board Meetings. Special meetings of the Board of Directors may be called by the President of the Association, or by any two or more Directors, upon three (3) days' notice to each Director, given personally or by mail, telephone, facsimile, or e-mail, which notice shall state the time, the place and the purpose of the meeting.

Section 6.4 Notice of Board Meetings.

(a) Unless otherwise provided in articles 121 to 137 of the Act or in these Bylaws, regular meetings of the Board of Directors may be held without notice of the date, time, place, or purpose of the meeting. Any meeting may be held as allowed by C.R.S. §7-128-201, including meetings by e-mail, telecommunication, or other electronic means.

(b) Unless the Bylaws provide for a longer or shorter period, special meetings of the Board of Directors shall be preceded by at least three (3) days' notice of the date, time, and place of the meeting. The notice need not describe the purpose of the special meeting unless otherwise required by articles 121 to 137 of the Act or these Bylaws.

Section 6.5 Waiver of Notice for Board Meetings.

(a) A Director may waive any notice of a meeting before or after the time and date of the meeting stated in the notice. Except as provided by paragraph (b) below, the waiver shall be in writing and signed by the Director entitled to the notice. Such waiver shall be delivered to the Association for filing with the corporate records, but such delivery and filing shall not be conditions of the effectiveness of the waiver.

(b) A Director's attendance at or participation in a meeting waives any required notice to that Director of the meeting unless:

(i) At the beginning of the meeting or promptly upon the Director's later arrival, the Director objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice and does not thereafter vote for or assent to action taken at the meeting; or

(ii) If special notice was required of a particular purpose pursuant to C.R.S. §7-128-203(2), the Director objects to transacting business with respect to the purpose for which such special notice was required and does not thereafter vote for or assent to action taken at the meeting with respect to such purpose.

Section 6.6 Consent to Corporate Action. If a majority of the Board, severally or collectively, consent in writing to any action taken or to be taken in the absence of a meeting complying with C.R.S. §7-128-202 (and that number constitutes a quorum), that action so approved shall be a valid corporate action as though it had been authorized at a meeting of the Board. The Secretary shall file these consents with the minutes of the meetings of the Board.

Section 6.7 Meetings by Telecommunication or Other Means. Pursuant to C.R.S. §7-128-201(2), a Director of the Board may attend a meeting of the Board by: (i) using an electronic or telephonic communication method whereby the Director may be heard by the other Directors and may hear the deliberations of the other Directors on any matter properly brought before the Board; or (ii) by participating in "real time" e-mail communication when all Directors are participating in this form of communication. The vote of such Director shall be counted and the presence noted as if that Director was present in person on that particular matter.

Section 6.8 Quorum for Board Meetings.

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

(b) Quorum may also be established pursuant to Section 6.9 of these Bylaws.

(c) A Director who is present at a meeting of the Board of Directors when corporate action is taken is deemed to have assented to all action taken at the meeting unless:

(i) The Director objects at the beginning of the meeting, or promptly upon the Director's arrival, to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to any action taken at the meeting;

(ii) The Director contemporaneously requests that the Director's dissent or abstention as to any specific action taken be entered in the minutes of the meeting; or

(iii) The Director causes written notice of the Director's dissent or abstention as to any specific action to be received by the presiding Officer of the meeting before adjournment of the meeting or by the Association promptly after adjournment of the meeting. The right of dissent or abstention pursuant to this paragraph as to a specific action is not available to a Director who votes in favor of the action taken.

Section 6.9 Proxy Voting by Directors. For purposes of determining a quorum with respect to a particular proposal, and for purposes of casting a vote for or against a particular proposal, a Director may be deemed to be present at a meeting and to vote if the Director has granted a signed written proxy to another Director who is present at the meeting, authorizing the other Director to cast the vote that is directed to be cast by the written proxy with respect to the particular proposal that is described with reasonable specificity in the proxy. Except as provided in these Bylaws, as permitted by C.R.S. §7-128-205(4), Directors may not vote or otherwise act by proxy except as provided by C.R.S. §7-128-202.

ARTICLE VII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 7.1 Powers. The Board of Directors shall have powers set forth in the Association Documents, the Nonprofit Act, and otherwise provided by law or statute, including the following powers:

(a) to exercise all powers granted by the Nonprofit Act or other law or statutes allowed to boards of corporations;

(b) to enforce the Association Documents and to adopt and publish Rules, if any, and to establish penalties for the infraction thereof. Fines may be imposed in such amounts as are determined by the Board. A Rule shall not be in conflict with the Declaration or these Bylaws. A copy of such Rules, if any, may be mailed, e-mailed or delivered by hand to each Lot or placed on the Association's website, if any, upon the adoption thereof or notice thereof may be recorded in the real property records of Pueblo County;

(c) to suspend any Member's right to vote and the right to receive Association services and privileges and to use of any recreational facilities during any period in which such Member shall be in default under the Declaration, including the non-payment of any assessment levied by the Association (except and excluding the Declarant). Such rights may also be suspended after notice and hearing for each infraction of published Rules, if any. A Member who is not in good standing because of any default shall not be entitled to serve on the Board and shall not be counted in computing any percentages required for quorum or an approval under the Association Documents;

(d) to exercise for the Association all powers, duties and authority vested in or delegated to the Board or the Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration, and as are necessary for the administration of the affairs of the Association and for the operation and maintenance of the Community;

(e) to incur such costs and expenses as may be necessary to perform the Association's duties under the Declaration and to keep in good order, condition and repair all of the Association Properties and Maintenance Areas and facilities and all items of common personal property, if any;

(f) to declare the office of a Director of the Board of Directors to be vacant in the event such Director shall be absent from three (3) consecutive regular meetings or violates the Association Documents as provided herein;

(g) to make such distributions as authorized by the Nonprofit Act and the Declaration;

(h) to appoint plans of merger or dissolution as permitted by the Nonprofit Act;

(i) except as limited in the Association Documents, to borrow money, encumber or pledge assets and/or authorize sale of property under C.R.S. §7-132-101 and 102;

(j) to employ a property manager, an independent contractor or such other employees as they deem necessary, and to prescribe their duties; and

(k) to cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fifth (1/5) of the Members who are entitled to vote;

(l) to provide such supervision of all Officers, agents and employees of this Association as the Board deems reasonably necessary and appropriate;

(m) as more fully provided in the Declaration to:

(i) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period; such annual assessment may be collected on an annual basis unless the Board determines otherwise;

(ii) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(iii) impose late charges, undertake collection, and/or foreclose the lien against any property for which assessments are not paid within a time set by the Board after due date or to bring an action at law against the owner personally obligated to pay the same, or both.

(iv) issue, or to cause an appropriate Officer to issue a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment, unless the recipient knows or should know otherwise;

(n) to procure and maintain adequate liability and hazard insurance on the property owned by the Association, insure and keep insured all of the insurable common property or facilities and procure and maintain all other insurance required by the Declaration or deemed advisable by the Board of Directors;

(o) to cause all Officers or employees having fiscal responsibilities to furnish adequate fidelity insurance or bonds as required by the Declaration. The premiums on such insurance or bonds shall be a common expense as may be deemed appropriate by the Board;

(p) to fulfill all obligations of the Board under the Declaration and to make repairs, additions, alterations and improvements in the manner consistent with the Declaration;

(q) to establish a bank account or accounts for the common treasury and for all separate funds which are required or may be deemed advisable and to keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof at any reasonable time by each of the Lot Owners, and to cause an annual accounting for association funds and a financial statement to be prepared and presented to the Association by the managing agent, a public accountant, or a certified public accountant. All persons or Managing Agent shall maintain all funds and accounts of the Association separate from the funds and accounts of other associations managed by the other persons or Managing Agent and shall maintain all reserve accounts of each association so managed separate from operational accounts of such Association;

(r) to meet as often as the Board deems reasonable and appropriate;

(s) grant easements for any period of time, including permanent easements, and grant leases, licenses, and concessions through or over the Community;

(t) provide for the indemnification of the Association's Officers and the Board to the extent provided by law, provide for the indemnification of committee members and others in accordance with these Bylaws to the extent the Board deems just and reasonable, and maintain directors' and officers' liability insurance;

(u) appoint any committee as required or permitted by the Declaration or these Bylaws or as may be deemed appropriate by the Board to carry out its purpose and duties and by resolution, establish committees, permanent and standing, to research, make recommendations or perform any of the above functions under specifically delegated administrative standards as designated in the resolution establishing the committee;

(v) exercise any other power necessary and proper for the governance and operation of the Association;

(w) exercise any other power that may be exercised in the state by a legal entity of the same type as the Association.

Section 7.2 Duties. It shall be the duty of the Board of Directors to exercise reasonable business judgment in the performance of its duties, subject to the provisions and protections of the Declaration and Colorado law and statute.

Section 7.3 No Waiver of Rights. The omission or failure of the Association or any Member to enforce the Declaration, conditions, restrictions, easements, uses, limitations, obligations or other provisions of the Association Documents, shall not constitute or be deemed a waiver, modification or release thereof, and the Board of Directors, the Declarant, the Association or any Member shall have the right to enforce the same thereafter.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 8.1 Enumeration of Offices. The Officers of the Association shall be a President and a Vice-President, both of whom shall at all times be Members of the Board of Directors, and a Secretary and a Treasurer, and such other Officers as the Board of Directors shall, from time to time, elect. The office of Treasurer and Secretary may be held by the same person. The offices of Secretary and Treasurer need not be held by Members of the Board of Directors. The powers and duties of the Officers shall be subject to the provisions and limitations of the Association Documents, and law and statute. An Officer shall be a natural person who is eighteen (18) years of age or older.

Section 8.2 Election of Officers. The initial Officers shall serve until the termination of the Declarant's right to appoint or remove Directors and Officers; thereafter, the election of

Officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 8.3 Term. Each Officer of the Association shall be elected annually by the Board and each shall hold office for one (1) year, unless he or she shall sooner resign, or shall be removed, or otherwise disqualified to serve. Officers shall continue in office until their successors are elected.

Section 8.4 Special Appointments. The Board may elect such other Officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may, from time to time, determine.

Section 8.5 Resignation and Removal of Officers.

(a) Any Officer may be removed from office with or without cause by the Board or by the Declarant during the Period of Declarant Rights.

(b) An Officer may resign at any time by giving written notice of resignation to the Association. A resignation of an Officer is effective when the notice is received by the Association unless the notice specifies a later effective date. If a resignation is made effective at a later date, the Board of Directors may permit the Officer to remain in office until the effective date and may fill the pending vacancy before the effective date with the provision that the successor does not take office until the effective date, or the Board of Directors may remove the Officer at any time before the effective date and may fill the resulting vacancy provided however, the Declarant shall fill any vacancy during the Period of Declarant Rights.

Section 8.6 Vacancies. A vacancy in any office may be filled by appointment by the Board. The Officer appointed to such vacancy shall serve for the remainder of the term of the Officer he or she replaces.

Section 8.7 Powers and Duties. The powers and duties of the Officers are set forth in the Association Documents, the Nonprofit Act, and laws and statutes of the State of Colorado including the following:

(a) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign on behalf of the Association all leases, mortgages, deed and other written instruments and shall co-sign all checks and promissory notes. Further, he or she shall have all of the general powers and duties which are usually vested in the office of president of a corporation, including the power to appoint committees from time to time as he or she may, in his or her discretion, decide is appropriate to assist in the conduct of the affairs of the Association or as may be established by the Board or by the Members of the Association at any regular or special meetings.

(b) The Vice-President shall act in the place and stead of the President in the event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him or her by the Board.

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of any meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) Except to the extent performed by any managing agent, the Treasurer shall receive and deposit in appropriate governmentally insured accounts all moneys of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall co-sign all checks and promissory notes of the Association; keep proper books of account; cause an annual accounting to be made as set forth in the Association Documents; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members. In the event a managing agent has the responsibility of collecting and disbursing funds, the Treasurer shall review the accounts of the managing agent not less often than once each calendar quarter. After the termination of the Period of Declarant Rights, any checks or promissory notes of the Association shall be signed by at least two of the four Officers.

(e) The President and the Secretary may prepare, execute, certify and record amendments to the Declaration on behalf of the Association following their adoption as provided therein.

ARTICLE IX NON-LIABILITY OF OFFICERS AND DIRECTORS

Section 9.1 Contracts. Contracts or other commitments made by the Board of Directors or Officers shall be made as agent for the Association, and they shall have no personal responsibility on any such contract or commitment.

Section 9.2 Indemnification of Officers and Directors. Each Officer and Director of the Corporation, now or hereinafter serving in any such capacity, shall be indemnified by the Corporation against any and all claims and liabilities to which he or she has or shall become subject by reason of serving or having served in any such capacity, or by reason of any action alleged to have been taken, omitted, or neglected by him or her in any such capacity, to the fullest extent allowable by the Articles of Incorporation and by law and statute, including the Nonprofit Act. The right of indemnification herein provided shall not be exclusive of any rights to which any Director or Officer of the Corporation may otherwise be entitled by law or statute; provided, however, this indemnification shall not reduce or impair any insurance coverage. No Director or Officer shall be personally liable to the Corporation or its Members except as otherwise provided by the Nonprofit Act. Directors and Officers shall be indemnified by the Association to the fullest

extent allowed by the Declaration, Articles of Incorporation and these Bylaws and by law and statutes, including C.R.S. §7-129-101 through 107.

Section 9.3 Non-Liability. The Directors, Officers, employees and Members of the Association are not, as such, personally liable for the acts, debts, or obligations of the Association. The provisions of this Article IX shall be additional and supplemental to any and all provisions in the Association Documents, and in statute, law or cases, all of which are incorporated herein by reference, and in the event of any conflict, the broader protection and indemnity shall apply.

Section 9.4 Standards. Except as may be allowed by the Declaration and the Nonprofit Act, Directors and Officers shall comply with the standards set forth in C.R.S. §7-128-401 and §7-128-501 and shall be indemnified as provided therein.

Section 9.5 Actions Other Than by or in the Right of the Association. The Association 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 Association) by reason of the fact that he or she is or was a member of the Board or Officer of the Association, who is or was serving at the request of the Association in such capacity, for expenses (including expert witness fees, attorneys' fees and costs), judgments, fines, amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner which such individual reasonably believed to be in the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. Determination of any 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 he or she 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 his or her conduct was unlawful. Such liability shall be satisfied within thirty (30) days after request therefor if there exists adequate operating funds but, if not, the funds shall be raised by a special assessment of the Owners as quickly as possible, without the need of Owners' approval.

9.6 Actions by or in the Right of the Association. The Association shall indemnify any person who was or is a party or who is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure judgment in its favor by reason of the fact that such person is or was a member of the Board or Officer of the Association or is or was serving at the request of the Association in such capacity, against expenses (including expert witness fees, attorneys' fees and costs) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner which he or she reasonably believed to be in the best interests of the Association; but no indemnification shall be made in respect of any claim, issue or matter as to which such person has been adjudged to be liable for negligence, recklessness, or willful misconduct in the performance of his or her duty in the Association unless, and to the extent that the court in which such action or suit was brought determines upon application that, despite the adjudication of

liability, but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses if such court deems proper. Such liability shall be satisfied within thirty (30) days after request therefor if there exists adequate operating funds but, if not, the funds shall be raised by a special assessment of the Owners as quickly as practical, without the need of Owners' pre-approval.

Section 9.7 Successful on the Merits. Although the indemnification in this Article IX does not require a final determination of non-culpability, to the extent that a member of the Board, Officer, committee member, employee, fiduciary or agent of the Association (collectively or singularly as context requires, "appropriate person") has been wholly successful on the merits in defense of any action, suit or proceeding referred to in this Article IX, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including expert witness fees, attorneys' fees and costs) actually and reasonably incurred by him or her in connection therewith.

Section 9.8 Determination Required. Any indemnification under this Article IX (unless ordered by a court) shall be made by the Association only as authorized by the specific case upon a determination that indemnification of the member of the Board or other appropriate person proper in the circumstances because such individual has met the applicable standard of conduct set forth in this Article IX. Such determination shall be made by the Board by majority vote of a quorum consisting of those members of the Board who were not parties to such action, suit or proceeding or, if a majority of disinterested members of the Board so directs, by independent legal counsel or by Members entitled to vote thereon. Such determination shall be reasonable, based on substantial evidence of record, and supported by a written opinion. The Board shall provide a copy of its written opinion to the Officer or member of the Board or other appropriate person seeking indemnification.

Section 9.9 Payment in Advance of Final Disposition. The Association shall pay for or reimburse the reasonable expenses incurred by a former or current member of the Board, Officer or other appropriate person who is a party to a claim or proceeding in advance of final disposition if: (i) the appropriate person furnishes to the Association a written affirmation of such person's good faith belief that he or she has met the standard of conduct described in this Article IX; (ii) such appropriate person furnishes to the Association a written agreement, executed personally or on the Board member's or Officer's behalf to repay the advance if it is ultimately determined that the Board member or Officer did not meet the standard of conduct; and (iii) a determination is made that the facts then known to those who otherwise would make the determination would not preclude indemnification under this Article. The agreement required in this Article IX shall be an un united general obligation o e appropriate person of the Association and shall be in form, substance and security (if required by the Board) and upon such conditions (e.g. adequate financial ability to repay) as the Board deems appropriate. Such advances shall bear interest at the periodic prime rate, as published in the Wall Street Journal, plus ten (10) points. If the appropriate person is ultimately determined to be culpable and/or not entitled to indemnification and advances, in such case, all costs of the Association, the Board member, Officer, committee member, employee, fiduciary or agent shall be the cost of the particular appropriate person, plus interest as aforesaid.

Section 9.10 No Limitation of Rights. The indemnification provided by this Article IX shall not be deemed exclusive of nor a limitation upon any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of the Members or disinterested members of the Board, or otherwise, nor by any rights which are granted pursuant to the Nonprofit Act. Upon a vote of the Board, the Association may also indemnify a Member appointed by the Board to serve on a committee (when such committee member is not also a member of the Board) upon such terms and conditions as the Board shall deem just and reasonable.

Section 9.11 Directors' and Officers' Insurance. The Association shall purchase and maintain insurance on behalf of any person who is or was a member of the Board or an Officer of the Association or, in the Board's discretion, a member of a committee against any liability asserted against him or her and incurred by such individual in any such capacity or arising out of his or her status as such, whether or not the Association would have the power to indemnify such individual against such liability under provisions of this Article IX. Nothing in this Article IX shall impair or adversely affect any such insurance coverage.

ARTICLE X COMMITTEES

The Board of Directors may appoint and remove such committees as deemed appropriate in carrying out its purpose, including an architectural control committee or other committees pursuant to C.R.S. §7-128-206 of the Nonprofit Act or to appoint itself as any committee under the Declaration or the Nonprofit Act, and to adopt Rules, if any, for procedures and appeals from committees to the Board.

ARTICLE XI BOOKS AND RECORDS

The Association shall make available to Owners and lenders, and to holders, insurers or guarantors of any First Mortgages, current copies of the Declaration, Bylaws, other Rules, if any, concerning the Community, and the books, records and financial statements of the Association. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances. In addition, the Association shall comply with the Nonprofit Act including C.R.S. §7-136-101 through 106. In the event any minutes, books, or records are lost, destroyed, or misplaced, the Association's Secretary is authorized to undertake the replacement or restoration thereof and may provide certified copies of the replaced or restored documents.

ARTICLE XII ASSESSMENTS

As more fully provided in the Declaration, and except and excluding the Declarant, each Member is obligated to pay to the Association annual and special assessments which are both a personal obligation of the Member and secured by a continuing lien upon the property against

which the assessment is made. All annual and special assessments shall be due on the date set by the Board of Directors, and if they are not received by the Association on or before that date, they shall be delinquent. Postmarks of envelopes shall not be honored for purposes of receipt. Any assessments received after the due date shall be subject to a late charge as set by the Board. All payments shall be credited in the following order: late charges, interest, legal fees and expenses of collection, fines, and assessments from the oldest to the most recent.

ARTICLE XIII CORPORATE SEAL NOT REQUIRED

The Association may have a seal in circular form having within its circumference the words: EAGLERIDGE ESTATES FILING NO. 3 OWNERS ASSOCIATION, INC., but a corporate seal is not required for any purpose.

ARTICLE XIV AMENDMENTS

These Bylaws may be amended by the Members at a regular or special meeting, with a quorum present, by a vote of at least sixty-seven percent (67%) of the Members voting (one vote per Lot) who are present in person or by proxy; provided, however, notwithstanding the foregoing, any amendment of these Bylaws shall require the prior written approval of the Declarant during the Period of Declarant Rights and furthermore, the Declarant reserves the following rights, until January 1, 2045 but without the vote of the Owners, to make amendments to these Bylaws: (i) as may be necessary or desirable to implement the Declarant's rights or privileges under the Association Documents or otherwise in the Declarant's sole discretion; (ii) to correct typographical errors or make clarifications in these Bylaws; or (iii) as may be approved in writing by any lender within the Community, including the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Housing Administration or Department of Veterans Affairs, so as to induce any of such lenders or secondary lending entity to make, purchase, sell, issue, or guarantee First Mortgages in the Community, and each Owner, by accepting a deed, mortgage or other instrument affecting a Lot appoints Declarant as his or her attorney-in-fact for purposes of executing in said Owner's name and filing or recording any such amendments to these Bylaws, the Articles of Incorporation and the Declaration, and each deed, mortgage, trust deed, other evidence of obligation or other instrument affecting a Lot and the acceptance thereof shall be deemed to be a grant and acknowledgment of and a consent to the reservation of the power to the Declarant to make, execute and record any such amendments. The Secretary shall retain all ballots for at least one year after approval. Any legal action or other challenge to any amendment shall be barred if not filed in the Pueblo County District Court within one (1) year of the date on which the amendment was approved. The Association's President is authorized to certify that the amendment has been duly approved; filing or recording of the ballots is not required. Upon such certification, the amendment shall be deemed to be duly adopted, fully valid and fully enforceable.

ARTICLE XV
MISCELLANEOUS

Section 15.1 Fiscal Year. Unless the Board otherwise determines, the fiscal year of the Association shall begin on the 1st day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 15.2 Conflict of Documents. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control, and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

Section 15.3 Interpretation. Except as to the rights and powers of the Declarant, its successors and assigns, the Board shall have the sole discretion and authority to interpret the Association Documents and to resolve any dispute as to the interpretation thereof; the Board's interpretation shall be final, conclusive and binding on all persons and parties.

Section 15.4 Implied Rights. The Association and the Board shall have and may exercise any right or privilege given to it expressly by the Association Documents, or reasonably to be implied from the provisions of the Association Documents, or given or implied by law, or which may be necessary or desirable to fulfill its duties, obligations, rights or privileges, unless such are in conflict with the rights or privileges of the Declarant, its successors or assigns.

IN WITNESS WHEREOF, we, being all of the Directors of EAGLERIDGE ESTATES FILING NO. 3 OWNERS ASSOCIATION, INC., have hereunto set our hands this __ day of _____, 20__.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of **EAGLERIDGE ESTATES FILING NO. 3 OWNERS ASSOCIATION, INC.**, a Colorado non-profit corporation, and,

That the foregoing Bylaws constitute the original Bylaws of said Corporation, as duly adopted at a meeting of the Board of Directors thereof, held on the _____ day of _____, 20__.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this _____ day of _____, 20__.

Secretary