

**BYLAWS
OF
VILLAGE AT PAINTED PASTURES PROPERTY OWNERS
ASSOCIATION**

Adopted November 25, 2020

TABLE OF CONTENTS

INTRODUCTION 1

ARTICLE 1 PURPOSE; ASSOCIATION DOCUMENTS..... 1

 1.1 Purpose..... 1

 1.2 Lot Owners Subject to Bylaws..... 1

 1.3 Conformity with Law..... 1

 1.4 Business Offices..... 1

 1.5 Registered Office 1

ARTICLE 2 MEMBERSHIP; VOTING; TRANSFER OF MEMBERSHIP 2

 2.1 Membership 2

 2.2 Voting 2

 2.3 Suspension of Voting Rights..... 2

 2.4 Transfer of Memberships on Association Books 2

ARTICLE 3 ASSOCIATION MEETINGS; QUORUM; PROXIES; BALLOTS 2

 3.1 Place of Meetings..... 2

 3.2 Annual Meeting 2

 3.3 Special Meetings 3

 3.4 Notice of Association Meetings..... 3

 3.5 Waiver of Notice..... 3

 3.6 Adjourned Meetings..... 3

 3.7 Quorum 3

 3.8 Majority Vote..... 3

 3.9 Action Without Meeting/By Written Ballots 3

 3.10 Record Date 4

ARTICLE 4 EXECUTIVE BOARD 4

 4.1 Association Responsibilities 4

 4.2 Number, Qualification and Term 4

 4.3 Powers and Duties..... 4

 4.4 Other Powers and Duties..... 5

 4.5 Election and Term of Office 6

 4.6 Vacancies 6

 4.7 Removal of Directors..... 6

 4.8 Organizational Meeting..... 6

 4.9 Regular Meetings 7

 4.10 Special Meetings..... 7

 4.11 Waiver of Notice..... 7

 4.12 Quorum and Voting 7

4.13	Compensation	7
4.14	Executive and Other Committees	7
4.15	Meetings by Telephone.....	7
4.16	Action Without A Meeting	8
ARTICLE 5 OFFICERS AND AGENTS.....		8
5.1	Numbers and Qualifications.....	8
5.2	Election and Term of Office	8
5.3	Removal	8
5.4	Vacancies	8
5.5	Authority and Duties of Officers	8
ARTICLE 6 INDEMNIFICATION.....		9
6.1	Indemnification of Directors, Officers, Etc.....	9
6.2	Mandatory Indemnification.....	10
6.3	Advance of Expenses	10
6.4	Determination and Authorization of Indemnification.....	10
6.5	Insurance	11
6.6	Other Indemnification.....	11
6.7	Right to Impose Conditions to Indemnification.....	11
6.8	Notice to Members of Indemnification.....	11
6.9	Non-Liability of the Directors, Board, Officers, and Declarant.....	11
ARTICLE 7 EVIDENCE OF OWNERSHIP; MAILING ADDRESS.....		11
7.1	Proof of Ownership.....	11
7.2	Registration of Mailing Address.....	11
ARTICLE 8 BOOKS AND RECORDS		12
ARTICLE 9 AUTHENTICATED ELECTRONIC REPRESENTATION.....		12
ARTICLE 10 MISCELLANEOUS		12
10.1	Account Books, Minutes.....	12
10.2	Fiscal Year	12
10.3	Conveyances and Encumbrances	12
10.4	Conflicts of Interest.....	12
10.5	Loans to Directors and Officers Prohibited	13
10.6	Amendments	13
10.7	Share of Stock and Dividends Prohibited	13
10.8	Limited Liability	13
10.9	Execution of Documents.....	13
10.10	Severability	13

INTRODUCTION

These are the Bylaws of Village at Painted Pastures Property Owners Association, Inc. (the "Association") which shall operate under the Colorado Revised Nonprofit Corporation Act, as amended (C.R.S. § 7-121-01, *et seq.*) (the "Corporation Act"), and the Colorado Common Interest Ownership Act, as amended (the "Act") C.R.S. § 38-33.3-101, *et seq.*

Terms are defined in the Declaration for Painted Pastures Subdivision recorded on _____, at Reception No. _____ in in the Garfield County records (the "Declaration"), the Final Subdivision Plat of the Village at Painted Pastures, recorded _____, at Reception No. _____ in the Garfield County records (the "Subdivision Plat") and in the Association's Articles of Incorporation (the "Articles"), as the same shall be supplemented and amended from time to time, shall have the same meaning herein, unless otherwise defined herein. In the event any term in the Articles or Bylaws conflicts with usage found in the Declaration, the terms used in Declaration shall control. The word "Member" or "Members" as used in these Bylaws means and shall refer to the Lot Owner or Lot Owners of any lot within the Village at Painted Pastures Subdivision (as defined in the Declaration).

ARTICLE 1. PURPOSE; ASSOCIATION OFFICES

1.1. Purpose. The purpose for which the Association is formed is to:

(a) Serve as the Association to manage the affairs for the Owners of Lots within the Village at Painted Pastures Subdivision ("Subdivision") as depicted on the Subdivision Plat recorded in the Office of the Clerk and Recorder of Garfield County, Colorado, and to perform all obligations and duties of the Association and to exercise all rights and powers of the Association, as specified in the Declaration; and

(b) Promote the health, safety, welfare, and common benefit of the Lot Owners and residents of the Subdivision.

1.2. Lot Owners Subject to Bylaws. All present or future Lot Owners, tenants, future tenants or any other person that might use in any manner the Lots are subject to the terms and provisions set forth in these Bylaws. The mere acquisition or rental of any Lot, or the mere act of occupancy of any Lot will signify that these Bylaws are accepted, ratified, and will be complied with.

(a) Conformity with Law. These Bylaws shall be construed consistently with the Declaration and all applicable Colorado laws, including but not limited to the applicable portions of the Act and to the Colorado Revised Nonprofit Corporation Act, as the same may be amended from time to time (hereinafter, "Nonprofit Corporation Act").

1.3. Business Offices. The principal office of the Association shall be determined by the Board from time to time.

1.4. Registered Office. The registered office of the Association may but need not be the same as the principal office. The registered office address and the principal office address for the Association may be changed from time to time by the Board.

ARTICLE 2.
MEMBERSHIP; VOTING; TRANSFER OF MEMBERSHIP

2.1. Membership. Ownership of a Lot is required in order to qualify for membership in this Association. Any person, on becoming an Owner of a Lot, shall automatically become a Member of this Association and be subject to these Bylaws. Such membership shall terminate without any formal Association action whenever such person ceases to own a Lot, but such termination shall not relieve or release any such former Lot Owner from any liability or obligation to the Association or impair any rights or remedies which the Association may have against such former Lot Owner arising out of or in any way connected with ownership of a Lot and membership in the Association. No certificates of stock shall be issued by the Association.

2.2. Voting.

- (a) Votes are allocated and exercised among the Members as set forth in the Declaration.
- (b) Votes allocated to a Lot may be cast under a proxy duly executed by a Lot Owner. A proxy need not be a Member. All proxies must be in writing and may be either general or for a particular meeting.
- (c) The Declarant, its successors or assigns, may exercise the voting rights allocated to Lots owned by it.
- (d) Cumulative voting in the election of the Board shall not be permitted.

2.3. Suspension of Voting Rights. During any period in which a Member is in default of the obligation for payment of any assessment or other sum(s) required under the Declaration and duly levied by the Association, and such default continues for a period of ninety (90) calendar days subsequent to the first due date applicable to the amount past due, all voting interests appurtenant to such Member's Lot may be suspended by the Board, after written notice thereof to the Member in default and giving such Member an opportunity to be heard by the Board prior to suspension. Suspension, if imposed, shall continue until all past due amounts have been paid in full. Voting rights may also be suspended, after notice and a hearing before the Board, for violation of any other provisions of the Declaration, these Bylaws, the Articles, or any rules and regulations of the Association.

2.4. Transfer of Memberships on Association Books. Transfers of memberships shall be made on the books of the Association only upon presentation of evidence satisfactory to the Association of the transfer of ownership of the Lot to which the membership is appurtenant. Recordation of an instrument of conveyance with the county clerk and recorder shall constitute satisfactory evidence, and such other instrument(s) as the Board may deem satisfactory. Prior to presentation of such evidence, the Association may treat the previous Owner of the Lot as the Member entitled to all rights in connection therewith, including the right to vote and to receive notices.

ARTICLE 3.
ASSOCIATION MEETINGS; QUORUM; PROXIES; BALLOTS

3.1. Place of Meetings. Meetings of the Members shall be held at such place within the Town of Silt, County of Garfield, State of Colorado, or such other location as the Board may determine, so long as such alternate location is reasonably convenient to the Members.

3.2. Annual Meeting. The annual meetings of the Association shall be held each year on such date as shall be selected by the Board, provided that such meeting shall occur in each year no later than six (6)

months after the end of the Association's fiscal year. At such meetings, the Members may transact such business of the Association as may properly come before the meeting. At each annual Meeting, and subject to the terms of the Declaration and the Articles, members of the Board shall be elected by ballot of the Members in accordance with the provisions of Article 4 of these Bylaws and with the Declaration. The Members may transact such other business as may properly come before them at these meetings.

3.3. Special Meetings. Special meetings of the Association may be called by the President of the Association, by a majority of the members of the Board, or by or upon written demand (stating the purpose or purposes for which it is to be held) signed and dated by Members constituting at least twenty-five percent (25%) of the votes in the Association entitled to be cast on matters coming before the Members.

(a) Notice of Association Meetings. It shall be the duty of the Secretary of the Association to cause notice of meetings of the Members of the Association to be hand-delivered or sent prepaid by United States mail to the address of each Member or to any other mailing address designated in writing by a Member, not less than ten (10) nor more than sixty (60) days in advance of a meeting. Notice by mail shall be deemed given, if not actually received earlier, at 5:00 p.m. on the third business day after the date it is deposited with the United States Postal Service. The notice of any 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, the Articles or to these Bylaws, and any proposal to remove an officer or member of the Board.

(b) Waiver of Notice. Any Member may, at any time, waive notice of any meeting of the Association in writing, and the waiver shall be deemed the same as receipt of notice. A waiver of notice, signed by any of the Members before, at, or after any meeting shall be a valid substitute for notice for such Members signing a waiver of notice. The certificate of the Secretary of the Association that notice was properly given as provided in these Bylaws shall be prima facie evidence thereof

(c) Adjourned Meetings. If any meeting of the Association cannot be convened because a quorum has not attended or if the business of the meeting cannot be concluded, then in that event, a majority of the Members who are present, either in person or by proxy, may adjourn the meeting from time to time for periods of no longer than one (1) week until a quorum is obtained or until a conclusion can be reached. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

(d) Quorum. Except as otherwise provided in these Bylaws or in the Declaration, the presence at the beginning of any meeting of the Association in person or by proxy of fifty percent (50%) of the votes entitled to be cast shall constitute a quorum present throughout the meeting.

3.4. Majority Vote. The vote of a majority of the Members present in person or by proxy at a meeting at which a quorum shall be present shall be binding upon all Members for all purposes except where a higher percentage vote is required in the Declaration, these Bylaws or by law.

3.5. Action Without Meeting/By Written Ballots. Any action that may be taken at any annual, regular, or special meeting of Members may be taken without a meeting if the Association delivers a written ballot to every Member entitled to vote on the matter. Action taken under this section has the same effect as action taken at a meeting of members and may be described as such in any document.

(a) A written ballot shall: (i) set forth each proposed action; and (ii) provide an opportunity to vote for or against each proposed action.

(b) Approval by written ballot pursuant to this section shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

(c) All solicitations for votes by written ballot shall: (i) indicate the number of responses needed to meet the quorum requirements; (ii) state the percentage of approvals necessary to approve each matter other than election of Directors; (iii) specify the time by which a ballot must be received by the nonprofit corporation in order to be counted; (iv) be accompanied by written information sufficient to permit each person casting such ballot to reach an informed decision on the matter.

(d) An executed written ballot delivered to the Association may not be revoked.

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

ARTICLE 4. EXECUTIVE BOARD

4.1. Association Responsibilities. The Association has responsibility to manage the Common Elements as described in the Declaration and depicted on the Subdivision Plat and to perform the duties of the Association as set forth herein, acting through an Executive Board (as used herein, the term "Board" shall mean and refer to the Executive Board), the members of which shall be referred to as "Directors." In the event of any dispute or disagreement between any Members relating to the Association, or any questions of interpretation or application of the provisions of the Declaration or Bylaws, such dispute or disagreement shall be submitted to the Board. The determination of such dispute or disagreement by the Board shall be binding on each and all such Members, subject to the right of Members to seek other remedies provided by the Declaration or by law after such determination by the Board.

(a) Number, Qualification and Term. During the period of Declarant Control, the Board shall be composed of at least three (3) but not more than five (5) persons selected and appointed by the Declarant. After the termination of Declarant Control, the Board shall be composed of three (3) persons elected from among the Lot Owners, as provided in the Declaration. In the case of Declarant or other Corporate or partnership Lot Owners, the officers, directors, employees, partners or agents of such entities may be members of the Board. The number of Directors may be increased by amendment of these Bylaws; provided, however, that the number of Directors shall not be increased to more than five (5). Notwithstanding the foregoing, during the period of Declarant Control (as defined in the Declaration), there may be one (1) or more members of the Board who shall be appointed by the Declarant or otherwise elected as provided by the Act. The term of each Director shall be determined by the Declarant during the period of Declarant control. Thereafter, terms shall be three (3) years, except that a term of one (1) or two (2) years may be established upon the initial appointment of a Director in order that terms of all Directors are staggered.

(b) Powers and Duties. The Board shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the Lots within the Subdivision and related Common Elements. The Board may do all such acts and things as are not by law, the Articles, these Bylaws, or the Declaration either prohibited or directed to be exercised and done by the Members directly.

- 4.2. Other Powers and Duties. The Board shall be empowered and shall have the duties as follows:
- (a) To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Declaration, in the Articles, and these Bylaws;
 - (b) To establish, make and enforce compliance with such reasonable rules and regulations as may be necessary for the operation, use and occupancy of Lots and Common Elements within the Subdivision with the right to amend same from time to time. A copy of such rules and regulations shall be delivered or mailed to each Member promptly upon the adoption thereof;
 - (c) To oversee the maintenance and repair all of the Common Elements and all items of personal property, if any, used in the enjoyment of the entire Subdivision;
 - (d) To obtain and maintain to the extent obtainable all policies of insurance required by the Declaration;
 - (e) To periodically fix, determine, levy and collect the Assessments to be paid by each of the Members towards the Common Expenses of the Association and to adjust, decrease or increase the amount of the Assessments, refund any excess Assessments to the Members or credit any excess of Assessments over expenses and cash reserves to the Members against the next succeeding assessment period; to levy and collect Special Assessments in accordance with the provisions of the Declaration, whenever in the opinion of the Board it is necessary to do so in order to meet increased operating or maintenance expenses or costs, or additional capital expenses, or because of emergencies;
 - (f) To impose penalties and collect delinquent assessments by suit or otherwise and to enjoin or seek damages from a Lot Owner as is provided in the Declaration and these Bylaws;
 - (g) To protect and defend the Association from loss and damage by suit or otherwise;
 - (h) To borrow funds and to give security therefore in order to pay for any expenditure or outlay required pursuant to the authority granted by the provisions of the Declaration or these Bylaws and to execute all such instruments evidencing such indebtedness as the Board may deem necessary or desirable. Corporate property may be purchased, conveyed or encumbered for security of monies borrowed by authority of the Association and/or the Board. Conveyance or encumbrances shall be evidenced by such documents deemed necessary by the Board which documents shall be executed by the President and by the Secretary or the Treasurer or an Assistant Secretary or an Assistant Treasurer, or by such other person or persons to whom such authority may be delegated by the Board.;
 - (i) To enter into contracts within the scope of their duties and powers, provided, however, that any management and employment contracts or contracts between the Association and the Declarant or its affiliates entered into while a majority of the members of the Board is appointed by the Declarant, must provide for termination by either party without payment of a termination fee on no less than ninety (90) days' notice to the other party;
 - (j) To establish bank accounts that are interest bearing or non-interest bearing, as may be deemed advisable by the Board;
 - (k) To keep and maintain detailed, full and accurate books and records showing in chronological order all of the receipts, expenses or disbursements pursuant to appropriate

specificity and itemization and to permit inspection thereof as is provided in the Declaration, and, upon the request of any Agency or upon the vote of Members representing an aggregate ownership percentage interest of at least fifty-one percent (51 %) of the Common Elements, to cause a complete audit to be made of the books and records by a competent certified public accountant;

(l) To prepare and deliver annually to each Member a statement showing all receipts, expenses or disbursements since the last such statement;

(m) To designate and remove the personnel necessary for the operation, maintenance, repair and replacement of the Common Elements;

(n) To suspend the voting rights of a Member for failure to comply with these Bylaws or the rules and regulations of the Association or with any other obligations of the Lot Owners pursuant to the Declaration; and

(o) In general, to carry on the administration of the Association and to do all of those things necessary and/or desirable to govern and operate Village at Painted Pastures Property Owner's Association, except as expressly prohibited by the Act.

4.3. Election and Term of Office. Subject to the Declarant's right to appoint and remove officers and members of the Board during the period of Declarant Control as set forth in the Declaration, members of the Board shall be elected by a majority of the Members voting at the annual meeting of the members of the Association. The initial term of one (1) Director of the Board shall be for one (1) year, the initial term of one (1) Director of the Board shall be for two (2) years and the initial term of one (1) Director of the Board shall be for three (3) years and thereafter until such Director's successor is duly elected and qualified, unless such Director is removed in the manner hereinafter provided. At each annual meeting the members shall elect the same number of Directors whose terms are expiring at the time of each election for a three (3) year term.

(a) Vacancies. Subject to the Declarant's right to appoint and remove officers and members of the Board during the period of Declarant Control as set forth in the Articles, vacancies in the Board caused by any reason other than the removal of a Director by a vote of the Association shall be fulfilled by election by the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a Director until a successor is duly elected and qualified at the next annual meeting of the Association

(b) Removal of Directors. At any annual or special meeting of the Association, duly called, any one (1) or more of the Directors may be removed (except those appointed by the Declarant), with or without cause, by the vote of Members representing an aggregate Lot ownership interest of at least sixty-seven percent (67%) of the Members present and entitled to vote at any such meeting and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Members shall be given an opportunity to be heard at the meeting. Notwithstanding the foregoing, only the Declarant may remove a Director appointed by the Declarant.

(c) Organizational Meeting. The first meeting of a newly elected Board shall be held within thirty (30) days of such election 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 to convene such meeting, providing a majority of the new Board shall be present at such organizational meeting.

(d) Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least two (2) such meetings shall be held each year. Notice of regular meetings of the Board shall be given to each Director, personally or by mail, telephone, telegraph or teletype, at least three (3) days prior to the day named for such meeting.

(e) Special Meetings. Special meetings of the Board may be called by the President, on his own initiative, on three (3) days' notice to each Director, given personally, or by mail, telephone, telegraph or teletype, which notice shall set forth the, time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice on receipt of a written request to call such a special meeting from at least two (2) Directors.

(f) Waiver of Notice. Before or at any meeting of the Board, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

(g) Quorum and Voting. A majority of the directors shall constitute a quorum for the transaction of business at any meeting of the Board, and the affirmative vote of a majority of the directors present in person at a meeting at which a quorum is established shall be the act of the Board, unless a greater number of votes is required by the Declaration, these bylaws, or the Nonprofit Corporation Act. If less than a quorum is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice other than an announcement at the meeting, until a quorum shall be present. No director may vote or act by proxy at any meeting of directors unless permitted by law.

4.4. Compensation. Directors shall not receive compensation for their services as such, although the reasonable expenses of attendance at Board meetings may be paid or reimbursed by the Association. Directors shall not be disqualified from receiving reasonable compensation for services rendered to or for the benefit of the Association in any other capacity.

4.5. Executive and Other Committees. By one or more resolutions, the Board may designate from among the directors an executive committee, and from among the Members of the Association one or more other committees, each of which, to the extent provided in the resolution establishing such committee, shall have and may exercise authority of the Board by the Declaration or by the Nonprofit Corporations Act. The Board may delegate its responsibility for design review (see paragraph 7.1(c) of the Declaration) only to the extent expressly permitted under the Declaration. The Board may delegate the responsibility for investigating violations of the Governing Documents by Lot Owners to a qualified, disinterested person or entity. The Board may delegate the function of collection of assessments and keeping books of account for the Association to a qualified person or entity. The delegation of authority to any committee shall not operate to relieve the Board or any director from duties and responsibilities imposed by the Declaration, under these bylaws or by law. Rules governing procedures for meetings of any committee of the Board shall be as established by the Board in conformity with the Nonprofit Corporation Act.

4.6. Meetings by Telephone. Members of the Board may participate in a meeting of the Board by means of conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

4.7. Action Without a Meeting. Any action required or permitted to be taken at a meeting of the Board, or any committee thereof, may be taken without a meeting in accordance with applicable provisions of the Declaration and the Nonprofit Corporations Act.

ARTICLE 5. OFFICERS AND AGENTS

5.1. Numbers and Qualifications. The officers of the Association shall be a president, a secretary, and a treasurer. The Board may also elect such other officers, assistant officers and agents, including chairman of the Board and assistant officers, as the Board may determine necessary or appropriate from time to time. The same individual may simultaneously hold more than one office in the Association. The president must be elected from the directors of the Association but the other officers need not be directors of the Association. All officers except secretary and treasurer must be Members of the Association or a Members' designee and must be natural persons at least eighteen years of age. A Member who owns more than one Lots may designate one person to serve as an officer for every Lot owned by such Member. The duties of secretary and treasurer may be delegated to a managing agent approved by the Board.

5.2. Election and Term of Office. The officers of the Association shall be elected by the Board each year at its annual meeting following the annual meeting of the Members and election of directors. If the election of officers is not held at such meeting of the Board, such election shall be held as soon thereafter as practicable. Each officer shall hold office for one year or until such officer's successor shall have been duly elected and shall have qualified, or until such officer's earlier death, resignation or removal.

5.3. Removal. Any officer or agent may be removed by the Board at any time whenever, in the Board's judgment, the best interests of the Association will be served thereby.

5.4. Vacancies. Any officer may resign at any time by giving written notice to the president or to the Board. An officer's resignation 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 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 may remove the officer at any time before the effective date and may fill the resulting vacancy. A vacancy in any office, however occurring, may be filled by the Board for the unexpired portion of the term. An officer who resigns or is removed or whose appointment has expired may deliver to the secretary of state for filing a statement to that effect pursuant to the Nonprofit Corporation Act.

5.5. Authority and Duties of Officers. The officers of the Association shall have the authority and shall exercise the powers and perform the duties specified below and as may be additionally specified by the president, the Executive Board, the Declaration, these bylaws, or otherwise by law, except that in any event each officer shall exercise such powers and perform such duties in accordance with applicable law.

(a) President. The president shall, subject to the direction and supervision of the Executive Board: (i) be the chief executive officer of the Association and have general and active control of its affairs and business and general supervision of its officers, agents and employees; (ii) preside at all meetings of the Members and of the Executive Board; (iii) see that all orders and resolutions of the Board are carried into effect; (iv) appoint such committees as permitted and as he or she may deem appropriate to assist in the conduct of the Association's affairs; (iv) execute, certify and record duly-adopted amendments to the Declaration, rules and regulations of the Association, these bylaws, and the Articles of Incorporation, but only as duly approved and adopted by the Association; and (v) perform all other duties incident to the office of president and as from time to time may be assigned to such office by the Board.

(b) Secretary. The secretary shall perform or cause to be performed the following: (i) keeping the minutes of the meetings and proceedings of the Members, the Executive Board and any committees of the members or the Board; (ii) seeing that all notices are duly given in accordance with the provisions of these Bylaws, the Declaration, or otherwise as required by law; (iii) serving as custodian of Association records; (iv) keeping at the Association's registered office or principal place of business within Garfield County, Colorado a record containing the names and addresses of all Members; and (v) in general, performing all duties incident to the office of secretary and such other duties as from time to time may be assigned to such office by the president or by the Board. Assistant secretaries, if any, shall have the same duties and powers, subject to supervision by the secretary. With the Board's approval, the powers and duties of secretary may be delegated in full or in part to a managing agent.

(c) Treasurer. As the principal financial officer of the Association, the treasurer shall perform or cause to be performed the following: (i) retaining care and custody of all Association funds, securities, evidences of indebtedness and other personal property and managing the same in accordance with the instructions of the Board; (ii) receiving and giving receipts and acquittances for moneys paid on account to the Association, and paying out of the funds on hand all bills, payrolls and other just debts of the Association of whatever nature upon maturity; (iii) being the principal accounting officer of the Association and as such prescribing and maintaining the methods and systems of accounting to be followed, keeping complete books and records of account, preparing and filing all local, state and federal tax returns and related documents, prescribing and maintaining an adequate system of internal audit, and preparing and furnishing to the president and the Board statements of account showing the financial position of the Association and the results of its operations; (iv) upon request of the Board, making such reports to it as may be required at any time; and (v) performing all other duties incident to the office of treasurer and such other duties as from time to time may be assigned to such office by the president or the Board. Assistant treasurers, if any, shall have the same powers and duties, subject to the supervision by treasurer. With the Board's approval, the powers and duties of treasurer may be delegated in full or in part to a managing agent.

(d) Managing Agent. The Board shall require any managing agent for the Association to maintain fidelity insurance or to execute to the Association a bond in an amount as required by law or as set by the Board, with such sureties as shall be satisfactory to the Board, conditioned upon the faithful performance of such managing agent's duties and for the restoration to the Association of all books, papers, vouchers, money and other property of whatever kind in such agent's possession or under such agent's control belonging to the Association. Any managing agent or other delegatee of functions from the Executive Board or an officer shall maintain all funds and accounts of the Association separate from the funds and accounts of other associations, if any, managed by the agent and shall maintain all reserve accounts of the Association so managed separate from operational accounts of the Association, and shall prepare and present to the Association an annual accounting for Association funds and a financial statement for the Association.

ARTICLE 6. INDEMNIFICATION

6.1. Indemnification of Directors, Officers, Etc. The Association shall indemnify to the fullest extent permitted by law 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, and whether formal or informal (other than an action by or in the right of the Association), because the person is or was a director, officer, committee member, employee, fiduciary, or other agent of the Association. The Association shall indemnify the person to the fullest extent permitted by law against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and

reasonably incurred by the person in connection with such action, suit, or proceeding if the person's conduct was in good faith and the person reasonably believed his/her conduct was in the best interests of the Association (in the case of conduct in an official capacity with the Association) or not opposed to the best interests of the Association (in all other cases) and if the person had no reasonable cause to believe his or her conduct was unlawful (in the case of any criminal proceeding). The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent is not, of itself, determinative that the person did not meet the standard of conduct set forth above. Notwithstanding any other provisions set forth above, no person shall be indemnified under this section in connection with a court proceeding by or in the right of the Association in which the person was found and adjudged to be liable to the Association on the basis that he or she derived an improper personal benefit.

6.2. Mandatory Indemnification. The Association shall indemnify any person who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which the person was a party because the person is or was a director, officer, committee member, employee, fiduciary, or other agent of the Association, for the reasonable expenses incurred by him or her in connection with the proceeding, including but not limited to attorneys' fees and costs.

6.3. Advance of Expenses. The Association shall pay for or reimburse the reasonable expenses incurred by 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, and whether formal or informal (other than an action by or in the right of the Association), because the person is or was a director, officer, committee member, employee, fiduciary, or other agent of the Association in advance of final disposition of the proceeding if the person furnishes to the Association a written affirmation of the person's good faith belief that the person has met the standard of conduct described in Section 6.1, the person furnishes to the Association a written undertaking, executed personally or on the person's behalf, to repay the advance if it is ultimately determined the person did not meet the standard of conduct (which undertaking need not be secured and may be accepted without reference to financial ability to make repayment), and a determination is made that the facts then known to those making the determination would not preclude indemnification under this Article 6. Determinations and authorizations of payments under this Section 6.3 shall be made in the manner specified in Section 6.4, below.

6.4. Determination and Authorization of Indemnification. The Association may not indemnify a person under Section 6.1 unless authorized in the specific case after a determination has been made that indemnification of the person is permissible in the circumstances because the person has met the standard of conduct set forth in that section. The Association shall not advance expenses to a person under Section 6.3 unless authorized in the specific case after the written affirmation and undertaking required by that section are received and the determination required by that section has been made. The determinations required by this Section 6.4 shall be made by the Board by a majority vote of those present at a meeting at which a quorum is present, and only the vote of those directors not parties to the proceeding shall be counted in satisfying the quorum; or, if a quorum cannot be obtained, by a majority vote of a committee of the Board designated by the Board, which committee shall consist of two or more directors not parties to the proceeding (except that directors who are parties to the proceeding may participate in the designation of directors for the committee). If a quorum cannot be obtained as set forth above and a committee cannot be established as set forth above, or, even if a quorum is obtained or a committee is designated, if a majority of the directors constituting such quorum or such committee so directs, the determination required to be made regarding the standard of conduct shall be made by independent legal counsel selected by a vote of the Board or the committee in the manner specified above, or, if a quorum of the full Board cannot be obtained and a committee cannot be established, by independent legal counsel selected by a majority vote of the full Board, or by the members, but members who are also directors and who are at the time seeking indemnification may not vote on the determination. Authorization of indemnification and advance of expenses shall be made in the same manner as the determination that indemnification or advance of expenses is permissible, except that, if the determination that indemnification or advance of expenses is

permissible is made by independent legal counsel, authorization of indemnification and advance of expenses shall be made by the body that selected such counsel.

6.5. Insurance. The Association may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, fiduciary, or other agent of the Association against liability asserted against or incurred by the person in that capacity or arising from his or her status as a director, officer, employee, fiduciary, or agent, whether or not the Association would have power to indemnify the person against the same liability under Sections 6.1 and 6.2 above.

6.6. Other Indemnification. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which any person may be entitled under the Articles of Incorporation, any agreement, any other provision of these Bylaws, vote of the members or disinterested directors or otherwise, and any procedure provided for by any of the foregoing, both as to action in such person's official capacity and as to action in another capacity while holding such office.

6.7. Right to Impose Conditions to Indemnification. The Association shall have the right to impose, as conditions to any indemnification provided or permitted in this Article, such reasonable requirements and conditions as the Board or members may deem appropriate in each specific case, including but not limited to any one or more of the following: (a) that any counsel representing the person to be indemnified in connection with the defense or settlement of any action shall be counsel that is mutually agreeable to the person to be indemnified and to the Association; (b) that the Association by counsel shall have the right, at its option, to participate in the defense or settlement of any claim or proceeding made, initiated or threatened against the person to be indemnified; and (c) that the Association shall be subrogated, to the extent of any payments made by way of indemnification, to all of the indemnified person's right of recovery, and that the person to be indemnified shall execute all writings and do everything necessary to assure such rights of subrogation to the Association.

6.8. Notice to Members of Indemnification. If the Association indemnifies or advances expenses to a person under this Article 6 in connection with a proceeding by or in the right of the Association, the Association shall give written notice of the indemnification or advance to the Members with or before the notice of the next Members' meeting. If the next Member action is taken without a meeting at the behest of the Board, such notice shall be given to the Members at or before the time for such action.

6.9. Non-Liability of the Directors, Board, Officers, and Declarant. Neither the Board nor officers of the Association, nor Declarant shall be personally liable to the Lot Owners for any mistake or judgment or for any acts or omissions of any nature whatsoever as Directors, Board, officers, or Declarant, except for any acts or omissions found by a court to constitute gross negligence or fraud.

ARTICLE 7. EVIDENCE OF OWNERSHIP; MAILING ADDRESS

7.1. Proof of Ownership. Every Lot Owner, upon acquiring title to a Lot, shall furnish to the Association's managing agent or to the Secretary of the Association, evidence of ownership of the Lot (*e.g.*, a copy of the Lot Owner's vesting deed), and the Owner's principal mailing address (if different from the street address of the Lot), which information shall remain of record with the Association and which the Owner shall update promptly upon any change in information.

7.2. Registration of Mailing Address. The Association shall maintain a principal mailing address for each Lot as furnished by the Owner(s) thereof, regardless of the number of Owners of such Lot, with such principal mailing address to be used by the Association for mailing of assessment account statements, notices, demands and all other communications from or on behalf of the Association. If a Lot Owner fails, refuses or neglects to furnish or update a principal mailing address, the Association is authorized to use the

street address of the Owner's Lot for sending assessment account statements, notices, demands and all other communications from or on behalf of the Association.

**ARTICLE 8.
BOOKS AND RECORDS**

The Association shall make available to Owners current copies of the Declaration, Articles of Incorporation, these Bylaws, the rules and regulations of the Association, books, records and financial statements of the Association, except that: the Board may at any time(s) determine that items or parts of items are confidential and shall not be made available – *e.g.*, to protect the privacy or confidentiality of Owners, complainants or applicants, or the attorney-client privilege; and the Owners conducting inspection(s) of any such documents shall pay all costs associated therewith. "Available" shall mean available for inspection, upon advance request of no less than seven (7) business days, during normal weekday business hours or under other reasonable circumstances.

**ARTICLE 9.
AUTHENTICATED ELECTRONIC REPRESENTATION**

Notwithstanding anything to the contrary contained in these Bylaws, to the extent permitted or not otherwise prohibited by applicable law, the Association may use technology or electronic representation in completing its duties and responsibilities. In this regard, any reference in these Bylaws to action, attendance, representation, notice, quorum, voting or acknowledgement, as well as any and all other matters, may be conducted by authenticated electronic activity and, to the extent permitted by applicable law, the provisions of these Bylaws shall be deemed to include provisions which permit such authenticated electronic activity.

**ARTICLE 10.
MISCELLANEOUS**

10.1. Account Books, Minutes. The Association shall keep books of account and records for its operations and shall also keep minutes of the proceedings of its Members, Board of Directors and Committees. Minutes or any similar records of the meetings of Members or of the Board of Directors or of any Committee, when signed by the Secretary or the person designated as acting secretary of the meeting, shall be presumed to truthfully evidence the matters set forth therein. A recitation in any such minutes that notice of the meeting was properly given shall be prima facie evidence that the notice was given.

10.2. Fiscal Year. The fiscal year of the Association shall be as established by the Board.

10.3. Conveyances and Encumbrances. Property of the Association may be assigned, conveyed or encumbered by such officers of the Association as may be authorized to do so by the Board and by law, and such authorized persons shall have power to execute and deliver any and all instruments of assignment, conveyance and encumbrance as permitted by law; however, the sale, exchange, lease or other disposition of all or substantially all of the property and assets of the Association shall be authorized only in the manner prescribed by the Declaration, by the Articles of Incorporation and/or by applicable law.

10.4. Conflicts of Interest. If any person who is a director, officer or agent of the Association becomes aware that the Association intends to enter into any business transaction directly or indirectly with such person, any member of such person's family, or any entity in which such person has any legal, equitable or fiduciary interest or position, including without limitation as a director, officer, shareholder, partner, beneficiary or trustee (but as to ownership only in the event of ownership exceeding ten percent), such person shall: (a) immediately inform those charged with approving the transaction on behalf of the Association of such person's interest or position; (b) assist the persons charged with making the decision

by disclosing all material facts within such person's knowledge that bear on the advisability of such transaction from the standpoint of the Association; and (c) abstain from voting on the decision to enter into such transaction.

10.5. Loans to Directors and Officers Prohibited. No loans shall be made by the Association to any of its directors, officers, employees or agents. Any director or officer who assents to or participates in the making of any such loan shall be personally liable to the Association for the amount of such loan until it is repaid.

10.6. Amendments. The Board of Directors shall have the power to alter, amend or restate these Bylaws or any provision herein, or to adopt new Bylaws, without Member consent. Notwithstanding the foregoing, no alteration or amendment shall result in a change that is inconsistent with or conflicts with the terms and provisions of the Declaration or the Nonprofit Corporations Act, or change the rights, privileges, preferences, restrictions, conditions, or allocation of interests pertaining to membership in the Association. Further, the Members, at a meeting called for that purpose, shall also have the power to alter, amend or restate these Bylaws or any provision herein, or to adopt new Bylaws. If, however, the Members shall make, amend or repeal any provision of the bylaws, the Executive Board shall not thereafter amend the same in such manner as to defeat or impair the object of the Members in taking such action, without further vote of the Members. The Bylaws may contain any provision for the regulation or management of the affairs of the Association not inconsistent with the Declaration, the Articles of Incorporation, the Nonprofit Corporations Act or other applicable law.

10.7. Share of Stock and Dividends Prohibited. The Association shall not have or issue shares of stock and no dividend shall be paid, and no part of the income of the Association shall be distributed to its Members, Directors, or Officers. Notwithstanding the foregoing, upon dissolution or final liquidation thereof, the Association, may make distributions as permitted by the Declaration, the Articles of Incorporation or by law; but no such payment, benefit or distribution shall be deemed to be a dividend or distribution of income or profit.

10.8. Limited Liability. Except as may otherwise be provided by law or as provided in the Declaration and/or the Articles of Incorporation, the Association, the Board, and any officer, director, member, agent or employee of any of the same, shall not be liable to any Person for any actions taken or omissions made in the performance of such person's duties.

10.9. Execution of Documents. The Board, except as the Declaration, these Bylaws or the Articles of Incorporation may otherwise provide, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name and on behalf of the Association, and such authority may be general or confined to specific instance. Unless so authorized by the Board, no director, officer, agent, member or employee shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount.

10.10. Severability. The invalidity of any provision of these Bylaws shall not affect the other provisions hereof, and in such event these Bylaws shall be construed in all respects as if such invalid provision were omitted.

CERTIFICATION

The undersigned hereby state that they, in their below-described capacities, are authorized to certify the foregoing Bylaws as constituting the Bylaws of the Association, as duly approved and adopted on the 25th Day of November, 2020.

Date: November 25, 2020

VILLAGE AT PAINTED PASTURES
PROPERTY OWNERS ASSOCIATION



By: John Tallichet, as President

Attest:

Date: November 25, 2020



By: John Tallichet, as Secretary