

- These Bylaws adopted November 4<sup>th</sup>, 2002, replace and supersede all previous Bylaws of The Prospector Fractional Owners' Association.
- Amendments to the Bylaws are listed on the last page.

## **BYLAWS OF THE PROSPECTOR FRACTIONAL OWNERS' ASSOCIATION**

The name of the corporation shall be The Prospector Fractional Owners' Association ("Owners Association").

### **ARTICLE I OBJECT**

Section 1.1 **Purpose.** The purpose for which the Owners Association is formed is to govern the Fractional Ownership Project ("The Prospector") situated in the County of Pitkin, State of Colorado, described in the Fractional Estate Declaration for The Prospector.

Section 1.2 **Acceptance.** All present or future Fractional Owners ("Owner"), tenant, future tenants or any other person that might use the facilities of the Condominium, The Prospector, in any manner are subject to the regulations set forth in these Bylaws. The mere acquisition of any interest in a Fractional Estate or the rental of a Use Week(s) in the Condominium or the mere act of occupancy of any of The Prospector Units will signify that these Bylaws are accepted, ratified and will be complied with.

Section 1.3 **Definitions.** The following terms when used in these Bylaws shall have the meanings ascribed to them in Article I of the Declaration for The Prospector: "Declarant," "Residence," "Declaration," "Project," "Map," "Common Elements," "Limited Common Elements," "Condominium Unit," or "Lodge Unit," "Common Expenses," "Fractional Owner," "Fractional Unit," "Maintenance Week," "Use Week," "Fractional Owners' Association."

### **ARTICLE II MEMBERSHIP, VOTING, MAJORITY OF OWNERS', QUORUM. PROXIES**

Section 2.1 **Membership.** Any person on becoming an Owner of a Fractional Estate ("Prospector Unit") shall automatically become a member of the Owners' Association and be subject to these Bylaws. Such membership shall terminate without any formal Owners' Association action whenever such person ceases to own a Prospector Unit, but such termination shall not relieve or release any such former Owner from any liability or obligation incurred through or in any way connected with the Owners' Association during the period of such ownership and membership in the Owners' Association, or impair any rights or remedies which the Board of Managers of the Owners' Association or others may have against a former Owner and member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto. Members in good standing are defined as current in all of their financial obligations to The Prospector, including but not limited to assessments, and in compliance with current rules and regulations.

Section 2.2 **Voting.** The Owners' of each Prospector Unit shall be entitled to a vote, the size of which vote shall be based upon the undivided interest of the Owner as tenant-in-common in The Prospector Unit. The aggregate of all the undivided interests submitted to and making up the total of The Prospector Units shall be considered one hundred percent (100%) for such voting purposes. Except as otherwise specifically provided, an affirmative vote of the members representing a majority of the total votes present, either in person or by proxy, shall be required to transact business. Only members in good standing shall be entitled to vote.

Section 2.3 **Quorum.** Except as otherwise provided in these Bylaws, the presence in person or by proxy of members holding thirty percent (30%) of the votes entitled to be cast shall constitute a quorum. An affirmative vote of a majority in interest of the members present, either in person or by proxy, shall be sufficient to transact the business of the meeting.

Section 2.4 **Adjourned Meetings.** If any meeting of the members of the Owners' Association cannot be organized because a quorum of thirty percent (30%) has not attended, the members present, either in person or by proxy, may adjourn said meeting until a future date not to exceed ten (10) days, at which time a quorum of twenty percent (20%) shall be required to transact the business of the meeting. In the event that at such second meeting a quorum of twenty percent (20%) has not attended, the members present, either in person or by proxy may adjourn said meeting until a future date not to exceed ten (10) days, at which time a quorum of ten percent (10%) shall be required to transact the business of the meeting.

Section 2.5 **Proxies.** Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

### **ARTICLE III ADMINISTRATION**

Section 3.1 **Owners' Association Responsibilities.** The Prospector Owners will constitute the Owners' Association, who will have the responsibility of administering The Prospector through a Board of Managers and Managing Agent.

Section 3.2 **Place of Meetings.** Meetings of the Owners' Association shall be held at such places as the Board of Managers may determine.

Section 3.3 **Annual Meetings.** The first annual meeting of the Owners' Association at which the Owners shall elect the Board of Managers, shall be held within one hundred twenty (120) days after (i) the date by which title to one hundred percent (100%) of The Prospector Units have been sold, or (ii) August 1, 1989, or (iii) notice from Declarant of the exercise of its option to turn over control of the Owners' Association to the Owners, whichever first occurs. Thereafter, the annual meeting of the Owners' Association shall be held on a day and at a time designated by the Board of Managers of each succeeding year.

Section 3.4 **Special Meetings.** It shall be the duty of the President to call a special meeting of the Owners' Association as directed by resolution of the Board of Managers or upon presentation to the Secretary of a petition signed by the Owners representing at least one-third of all votes. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. Any such meeting shall be held within thirty (30) days after receipt by the President of such resolution or petition.

Section 3.5 **Notice of Meetings.** It shall be the duty of the Secretary to mail a notice each annual or special meeting, stating the purpose thereof as well as the time and place it is to be held, to each Owner of record, at least ten (10) days but not more than thirty (30) days prior to such meeting. The mailing of a notice by regular mail shall be considered notice thereof.

Section 3.6 **Performance of Functions by Declarant.** Until all of the Fractional Estates in the Project, as expanded, have been sold (meaning title to said Fractional Estate have been conveyed by the Declarant), or until August 1, 1989, whichever first occurs, the rights, duties and functions of the Board of Managers shall, at the Declarant's option, be exercised by a Board of Managers consisting of three (3) individuals appointed by Declarant who need not be Fractional Owners. The Declarant shall have the option at any time to turn over control of the Board of Managers to the Fractional Owners upon sixty (60) days prior notice.

#### **ARTICLE IV BOARD OF MANAGERS**

Section 4.1 **Number and Qualifications.** Until the first annual meeting of the Owners' Association at which the Owners shall elect the Board of Managers as provided in Section 3.3 hereof, the affairs of the Owners' Association shall be governed by a Board of Managers appointed by the Declarant. At the first meeting of the Owners' Association at which the Owners elect the Board of Managers, there shall be elected to the Board of Managers five (5) Owners. Thereafter the Board of Managers may consist of six (6) Owners.

Section 4.2 **Election of the Board Members.** The respective candidates for the Office of Manager shall be elected by members who own The Prospector Units. A majority of the eligible votes cast, either in person or by proxy, shall determine an election of a Manager. Every candidate shall be a member in good standing, and shall not be delinquent in payment of Owners' Association assessments, or in any other financial obligations to The Prospector.

Section 4.3 **Powers and Duties.** The Board of Managers shall have the power and duties necessary for the administration of the affairs of the Owners' Association and for the operation and maintenance of a first-class Condominium Project.

Section 4.4 **Other Powers and Duties.** Without limitation, the Board of Managers shall be empowered and shall have the duties as follows:

- i. To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Declaration and supplements thereto, submitting the properties to the provisions of the Colorado Condominium Ownership Act;
- ii. To establish, make and enforce compliance with such reasonable House Rules as may be necessary for the operation, use and occupancy of The Prospector with the right to amend same from time to time. The Prospector Owners may, either at any annual meeting or at a special meeting called for such purpose, amend the House Rules and may adopt new House Rules. House Rules amended or adopted by The Prospector Owners may only be changed by The Prospector Owners. A copy of all such House Rules shall be delivered or mailed to each member promptly upon adoption thereof;
- iii. To at all times keep The Prospector in good order, condition and repair;
- iv. To fix, determine, levy and collect assessments for Common Expenses to be paid by each of the Owners, which fee includes the proration for Common Expenses of the entire premises and The Prospector; to adjust, decrease or increase the amount of the assessments for Common Expenses based on current needs and past operating history, provided that no increase in such assessments shall be effective until thirty (30) days prior written notice thereof, including an explanation of the reason(s) for such increase, shall have been provided to each Owner; to levy and collect special assessments whenever in the opinion of the Board of Managers 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;

- v. To maintain a working capital account which shall be treated as an escrow-account for all Owners;
- vi. To collect delinquent assessments by suit or otherwise and to enjoin or seek damages from an Owner as is provided in the Declaration and these Bylaws;
- vii. To protect and defend the entire premises from loss and damage by suit or otherwise;
- viii. To borrow funds for any purpose in connection with their duties and to execute all such instruments evidencing such indebtedness as is expressly authorized, including mortgages and other security agreements;
- ix. To establish a bank account or accounts for the common treasury and all separate funds which are required or may be deemed advisable;
- x. 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 time by each of The Prospector Owners and their mortgagees;
- xi. To adopt and enforce a collection policy for the collection of delinquent assessments and/or any other financial obligations to the Owners' Association: such policy may include, but not be limited to, a restriction of the Owner's use and ability to reserve the unit while assessments are in arrears; that the Owners' Association has the power to rent the unit and apply proceeds from the rental to the past due assessments until the assessments are current; and to do whatever acts are necessary to prevent the Owner from using the unit while the assessments are delinquent;
- xii. To meet at least semi-annually;
- xiii. To designate the personnel necessary for the maintenance and operation of The Prospector Units through a Managing Agent;
- xiv. In general, to carry on the administration of this Owners' Association and to do all of those things necessary and reasonable for operation of The Prospector; and
- xv. Each Manager will be required to discharge that Manager's duty as a Manager (including a member of the committee of the Board), and each officer having discretionary authority will charge their duties as follows: (1) in good faith, (2) with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, and (3) in a manner, the Manager or officer reasonably believes to be in the best interests of the corporation.

**Section 4.5 No Waiver of Rights.** The omission or failure of the Owners' Association or any Owner to enforce the covenants, conditions, restrictions, easements uses, limitations, obligations or other provisions of the Declaration, the Bylaws or the regulations and House Rules adopted pursuant thereto, shall not constitute or be deemed a waiver, modification or release thereof, and the Board of Managers or the Managing Agent shall have the right to enforce the same thereafter.

**Section 4.6 Managing Agent.** The Board of Managers shall employ for the Owners' Association a Managing Agent at a compensation established by the Board to perform the duties listed in Section 4.4; provided, however, that an agreement for professional management of The Prospector may not exceed three (3) years and shall provide for termination by either party without payment of a termination fee on sixty (60) days or more written notice, or with cause and without payment of

termination fee on thirty (30) days or more written notice. The Contract of Employment shall specify the Managing Agent's duties of management and maintenance.

**Section 4.7 Election and Term of Office.** Elections will be held annually. Terms of office will be for three (3) years. One-third of the Board of Managers shall be elected annually for three-year terms, beginning with the Year 2002. The Managers shall hold office until their qualified selectors have been elected or appointed.

**Section 4.8 Vacancies.** Vacancies on the Board of Managers caused by any reason other than the removal of a Manager by a vote of the Owners' Association shall be filled by vote of the majority of the remaining managers, even though they may constitute less than a quorum; and each person so appointed shall serve for the remainder of the term he or she is replacing. Each vacancy shall be filled consistent with the qualifications set forth in Section 4.1.

**Section 4.9 Removal of Managers.** Any Board Manager who becomes delinquent in payment of Owners' Association assessments shall be removed from the Board of Managers by a majority vote of the Board. At any regular or special meeting of the Owners' Association duly called, any one or more of the Managers may be removed with or without cause by a majority in ownership interest of the Owners, and, consistent with the qualification set forth in Section 4.1, a successor may be elected at that time to fill the vacancy thus created. Any Manager whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting.

**Section 4.10 Organization Meeting of Managers.** The Board of Managers shall hold an organization meeting within ten (10) days after the annual meeting of the Owners' Association at such place as shall be fixed by the Board of Managers at said annual meeting, and no notice shall be necessary to the incumbent or the newly elected Managers in order legally to constitute such meeting, provided a majority of the whole Board shall be present.

**Section 4.11 Regular Meetings.** Regular meetings of the Board of Managers may be held at such time and place as shall be determined by a majority of the Managers, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Managers shall be given to each Manager, personally or by mail, telephone or electronic mail, at least thirty (30) days prior to the day named for such meeting.

**Section 4.12 Special Meetings.** Special meetings of the Board of Managers may be called by any two (2) Managers on twenty-four (24) hour notice to each Manager, given personally or by mail, telephone or electronic mail, which notice shall state the time, place and purpose of the meeting.

**Section 4.13 Waiver of Notice.** Before or at any meeting of the Board of Managers, any Manager may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to giving of such notice. Attendance by a Manager at any meeting of the Board of Managers shall be a waiver of notice by any Manager of the time and place thereof. If all Managers are present at any meeting of the Board of Managers, no notice shall be required and any business may be transacted at such meeting.

**Section 4.14 Board of Managers Quorum.** At all meetings of the Board of Managers, a majority of the Managers shall constitute a quorum for the transaction of business, and the acts of the majority of the Managers present at a meeting at which a quorum is present shall be the acts of the Board of Managers. If, at any meeting of the Board of Managers, there be less than a quorum present, the majority of those present shall adjourn the meeting. A Manager may attend a meeting of the Board of Managers by telephone or other electronic medium.

Section 4.15 **Fidelity Bonds.** The Board of Managers may require that all officers and employees of the Owners' Association handling or responsible for Owners' Association funds furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Owners' Association.

## **ARTICLE V FISCAL MANAGEMENT**

Any Owner or First Mortgagee shall have the right to inspect all records maintained by or on behalf of the Board of Managers during convenient business hours upon ten (10) days prior written notice.

## **ARTICLE VI COMMITTEES**

The Board of Managers may appoint the following Committees: Executive Committee, Nominations Committee, Maintenance Committee, Audit Committee and such other Committees as in the judgment of the Board of Managers are necessary.

## **ARTICLE VII OFFICERS**

Section 7.1 **Designation.** The Officers of the Owners' Association shall be a President, a Vice-President, a Secretary, and a Treasurer, all of whom shall be elected by and from the Board of Managers, and such assistant officer positions as the Board of Managers may, from time to time, direct be filled. Assistant Officers need not be Board Members. The Office of Assistant Secretary need not be a member of the Owners' Association or a Board Member.

Section 7.2 **Election of Officers.** The Officers of the Owners' Association shall be elected annually by the Board of Managers at the organization meeting of each Board of Managers and shall hold office at the pleasure of the Board of Managers.

Section 7.3 **Removal of Officers.** Upon an affirmative vote of a majority of all of the members of the Board of Managers, any officer may be removed, as an officer, either with or without cause, and their successor elected at any regular meeting of the Board of Managers, or any special meeting of the Board for such purpose.

Section 7.4 **President.** The President shall be the chief executive officer of the Owners' Association. He/She shall preside at all meetings of the Owners' Association and of the Board of Managers. He/She shall have all of the general powers and duties which are usually vested in the office of President of an Association, including but not limited to the power to appoint committees from among The Prospector Owners except as is otherwise provided in these Bylaws, as he/she may in his/her discretion decide is appropriate.

Section 7.5 **Vice President.** The Vice President shall have all the powers and authority and perform all the functions and duties of the President, or if the President is unable to exercise such powers and functions or perform such duties for any reason.

Section 7.6 **Secretary.** The Secretary shall keep all the minutes of the meetings of the Board of Managers and the minutes of all meetings of the Owners' Association; shall have charge of such books and papers as the Board of Managers may direct; and shall, in general, perform all the duties incident to the Office of Secretary.

The Secretary shall compile and keep up to date at the principal office of the Owners' Association a complete list of members and their registered mailing addresses. Such list shall also show the number or other appropriate designation of the Use Week(s) owned by such member opposite each member's name. Such list shall be open to inspection by members and other persons lawfully entitled to inspect the same at reasonable times during regular business hours.

Section 7.7 **Treasurer.** The Treasurer shall cause to be furnished to him/her monthly a copy of the receipts and disbursements in proper accounting form. The Treasurer may delegate the responsibility for the deposit of all moneys and all valuable effects to the Managing Agent, and the Treasurer, from time to time, shall review such deposits.

### **ARTICLE VIII INDEMNIFICATION OF OFFICERS, MANAGERS AND MANAGING AGENTS**

Section 8.1 **Indemnification.** The Owners' Association shall indemnify each Manager, Officer, Managing Agent, their respective successors, personal representatives and heirs, against all losses, costs and expenses, including counsel fees, reasonably incurred by them in connection with any action, suit or proceeding to which they may be made a part by reason of being or having been a Manager, Officer, or Managing Agent of the Owners' Association, except as to matters as to which such person(s) shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Owners' Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his/her duty as such Manager, Officer or Managing Agent in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Manager, Officer or Managing Agent may be entitled.

Section 8.2 **Common Expense.** All liability, loss, damage, cost and expense incurred or suffered by the Owners' Association by reason of or arising out of or in connection with the foregoing indemnification provisions, shall be treated and handled by the Owners' Association as a Common Expense.

### **ARTICLE IX OBLIGATION OF THE PROSPECTOR OWNERS**

Section 9.1 **Notice of Lien or Suite.** Owners shall give notice to The Prospector Owners' Association of every lien or encumbrance upon their Unit at The Prospector, other than the taxes and special assessments, and notice of every suit or other proceeding which may affect the title to their Unit, and such notice shall be given within five (5) days after the Owner has knowledge thereof.

Section 9.2 **Damage.** Owners shall be obligated to reimburse the Owners' Association promptly upon receipt of a statement for any expenditure incurred by the Owners' Association in repairing, replacing or restoring any General Common Element or the interior or any part of Unit damaged as a result of their negligence of their tenants or agents.

Section 9.3 **Mechanic's Lien.** Each Owner agrees to indemnify and to hold each of the other Owners harmless from any and all claims of mechanic's lien filed against other Units and the appurtenant General Common Elements for labor, materials, services or other products incorporated in the Owner's Unit. In the event such a lien is filed and/or a suit for foreclosure of mechanic's lien is commenced, the Board of Managers may require such Owner to deposit with the Owners' Association cash or negotiable securities equal to one and one-half (1-1/2) of the amount of such claim plus interest for one (1) year together with the sum of One Hundred Fifty Dollars (150.00), which latter sum may be

used by the Owners' Association for any losses, costs and expenses incurred, including attorneys' fees. Except as is otherwise provided, such sum or securities shall be held by the Owners' Association pending final adjudication or settlement of the claim or litigation. Disbursements of such funds or proceeds shall be made by the Owners' Association to insure payment of or on account of such final judgment or settlement. Any deficiency shall be paid by the subject Owner, and failure to so pay shall entitle the Owners' Association to make such payment, and the amount thereof shall be a debt of the Owner and a lien against the Owner's Unit which may be foreclosed as is provided in the Declaration. All costs, losses and expenses incurred by the Owners' Association shall be forthwith reimbursed to it by such Owner(s).

**Section 9.4 General.**

A. Each Owner shall comply strictly with the provisions of all legal and other documents affecting his/her Unit and the General Common Elements, including these Bylaws.

B. Each Owner shall always endeavor to observe and promote the cooperative purposes for which The Prospector was built.

**Section 9.5 Use of Units.** All Units shall be utilized only for residential occupancy by the Unit Owner, family and guests and by persons renting the Unit(s).

**Section 9.6 Use of General Common Elements and Limited Common Elements.** Each Owner may use the General Common Elements and the Limited Common Elements of The Prospector in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the Owners. Such General and Limited Common Elements include hot tubs, saunas and sun deck. Use of such facilities shall not involve any fee or charge in addition to the regular assessment. Each Owner in The Prospector shall be entitled to the use of those parts of the General Common Elements such as walks and other such facilities, all of which are intended to enhance the utility and value of each of the Condominium Units in The Prospector.

**Section 9.7 Right of Entry.**

A. An Owner shall grant the right of entry to the Managing Agent or to any person authorized by the Board of Managers in case of an emergency originating in or threatening his/her Unit, whether the Owner is present at the time or not.

B. An Owner shall permit other Owners, or their representatives, when so required, to enter his Unit for purposes of performing installations, alterations or repairs to the mechanical or electrical services, provided that request for entry is made in advance and that such entry is at a time convenient to the Owner. In case of an emergency, such right of entry shall be immediate.

**ARTICLE X  
AMENDMENTS TO BYLAWS**

These Bylaws may be amended by majority vote of all the Board of Managers of the Owners' Association at a meeting duly constituted for such purpose. The Owners may, at any annual meeting, or at a special meeting called for such purpose, amend these Bylaws. Any such amendment adopted by the Owners may only be changed by the Owners.

## **ARTICLE XI MORTGAGES: SALES**

Section 11.1 **Notice to Owners' Association.** An Owner who intends to sell or mortgage his/her Unit shall notify the Owners' Association through the Managing Agent or the Secretary of the Board of Managers prior thereto, giving the name and address of his Purchaser or Mortgagee. The Owners' Association shall maintain such information in its files.

Section 11.2 **Notice of Unpaid Assessments.** The Owners' Association shall report any unpaid assessments due from Owner(s) within ten (10) days of the request of an Owner, Purchaser or Mortgagee of a Unit.

## **ARTICLE XII EVIDENCE OF OWNERSHIP, REGISTRATION OF MAILING ADDRESS, AND REQUIRED PROXIES**

Section 12.1 **Proof of Ownership.** Any person on becoming a Unit Owner shall furnish to the Managing Agent or Board of Managers a photocopy of a certified copy of the recorded instrument vesting that person with an interest or ownership which instrument shall remain in the files of the Owners' Association. A member may be deemed not to be in good standing and may be denied the right to vote at any annual meeting or at a special meeting of members unless this requirement is met first.

Section 12.2 **Registration of Mailing Address.** Unit Owners shall by written notice to the Owners' Association specify his/her mailing address to be used by the Owners' Association and/or Managing Agent for the mailing of statements, notes, demands and other communications.

Section 12.3 **Required Proxies.** If title to a Prospector Unit is held by more than one person or by a firm, corporation, partnership, cooperative association, association, other legal entity or any combination thereof, such Unit Owners shall execute a proxy appointing and authorizing one (1) person or alternate persons to attend all annual and special meetings of members and there at to cast whatever vote the Unit Owner might cast if personally present. Such proxy shall be effective and remain in force unless voluntarily revoked, amended or sooner terminated by operation of law; provided, however, that within thirty (30) days after such revocation, amendment or termination, the Unit Owner shall reappoint and authorize one person or alternate persons to attend all annual and special meetings as is provided by this section. The requirements contained in this Article XII shall be first met before a Unit Owner shall be deemed in good standing and entitled to vote at any annual or special meeting of members.

## **ARTICLE XIII ABATEMENT AND ENDORSEMENT OF VIOLATIONS BY UNIT OWNERS**

The violation of any rule or regulation adopted by the Board of Managers, or the breach of any Bylaw, or the breach of any provisions of the Declaration, shall give the Board of Managers or the Managing Agent the right, in addition to any other rights set forth therein (i) to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions thereof, and the Board of Managers or Managing Agent shall not be deemed liable for any manner of trespass or any other civil or legal violation; and (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach.

**ARTICLE XIV  
NON-PROFIT**

This Owners' Association is not organized for profit. No member, member of the Board of Managers or person from whom the Owners' Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Owners' Association be paid as salary or compensation to, or inure to the benefit of any member of the Board of Managers; provided, however, always (i) that reasonable compensation may be paid to any member or Manager while acting as an agent or employee of the Owners' Association for services rendered in effecting one or more of the purposes of the Owners' Association; and (ii) that any member or Manager may be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Owners' Association.

**ARTICLE XV  
EXECUTION OF DOCUMENTS**

The persons who shall be authorized to execute any and all instruments of conveyance under the provisions of the Declaration shall be President, Secretary or Assistant Secretary of the Owners' Association, and the same persons shall be authorized to execute promissory notes as is provided in Section 4.4, paragraph viii, of these Bylaws.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands this 4<sup>th</sup> day of November , 2002 .

BOARD OF MANAGERS

\_\_\_\_\_  
\_\_\_\_\_  
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\_\_\_\_\_  
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KNOW ALL MEN BY THESE PRESENTS: That the undersigned Secretary of the Corporation does hereby certify that the above and foregoing Bylaws were duly adopted by the Managers of said Corporation on the \_\_\_\_ day of \_\_\_\_\_ , 20\_ , and that they do now constitute the Bylaws of said Corporation.

ATTEST:

\_\_\_\_\_  
Secretary

**Record of Board Actions to amend the Bylaws of The Prospector**

Minutes of November 4, 2002, p.1 – Updated bylaws reflecting: (1) minor grammatical changes, i.e., “he” to read “he/she,” “Association” to read “Owners’ Association,” “telegraph” to read “electronic mail,” etc., and (2) recent Board actions were presented to the Board of Managers. A motion to approve the updated Bylaws as presented was carried unanimously.

Minutes of July 1, 2002, p. 1 – Article IV, Board of Managers; Section 4.1, Number and Qualifications  
The section was amended to read: “Until the first annual meeting of the Owners’ Association at which the Owners shall elect the Board of Managers as provided in Section 3.3 hereof, the affairs of the Owners’ Association shall be governed by a Board of Managers appointed by the Declarant. At the first meeting of the Owners’ Association at which the Owners elect the Board of Managers, there shall be elected to the Board of Managers five (5) Owners Thereafter the Board of Managers may consist of six (6) Owners.”

Minutes of July 1, 2002, p. 1 – Article IV, Board of Managers; Section 4.7, Election and Term of Office  
The section was amended to read: “Elections will be held annually. Terms of office will be for three (3) years. One-third of the Board of Managers shall be elected annually for three-year terms, beginning with the Year 2002. The Managers shall hold office until their qualified successors have been elected or appointed.”

Minutes of May 18, 2002, p. 2 – Article IV, Board of Managers, Section 4.9, Removal of Managers  
A phrase in the first sentence was changed to read: “Any Board Manager who becomes delinquent in payment of Association assessments shall be removed from the Board of Managers by a majority vote of the Board.”

Minutes of November 12-13, 1999, p. 4 – Article III, Administration; Section 3.3, Annual Meetings  
The last sentence of Section 3.3 of Article III was changed to read “Thereafter, the annual meetings of the Association shall be held on a day and at a time designated by the Board of Managers of each succeeding year.”