AMENDED AND RESTATED BYLAWS
OF
RCC-BG CONDOMINIUM ASSOCIATION, INC.
a nonprofit corporation
under the laws of the State of Colorado

The following constitute the amended and restated Bylaws of RCC-BG CONDOMINIUM ASSOCIATION, INC., a Colorado nonprofit corporation (the "Association"), as adopted by the Executive Board effective December 18, 2002.

ARTICLE I.
PURPOSES, ASSENT OF MEMBERS, AND DEFINITIONS

1.1 Purposes. The primary purposes for which the Association is organized is to manage, administer, operate and maintain RCC-BG Condominiums (the "Project") to be located on and within Lot D-4, Bachelor Gulch Village Filing No. 3, Third Resubdivision of Tract D, according to the Plat recorded August 21, 2000 as Reception No. 737191, County of Eagle, State of Colorado. The Project will be created by and in accordance with the Declaration of Condominium (the "Declaration") and the condominium map to be filed in the records of the Clerk and Recorder of Eagle County, Colorado.

The purposes of the Association are also (i) to preserve, protect and enhance the value and amenities of the Project; (ii) to promote the health, safety and welfare of the Owners of Units and Residence Interests (collectively, the "Owners") in the Project; and, (iii) to provide for the use and enjoyment of the Project by the Owners, all in accordance with the Declaration and the Association Documents, the Colorado Common Interest Ownership Act and the Colorado Revised Nonprofit Corporation Act, each as amended, revised or supplemented from time to time.

1.2 Assent. All present or future Owners, guests, tenants, or any other persons using the facilities of the Project in any manner are subject to these Bylaws and any rules adopted by the Executive Board pursuant to these Bylaws. The mere acquisition, rental or use of any of the Units or Residence Interests within the Project or the mere act of occupancy or possession of any of those Units or Residence Interests shall constitute an acceptance and ratification of these Bylaws and an agreement to comply with said rules.

1.3 Definitions. Unless otherwise specified, capitalized terms used in these Bylaws shall have the same meanings in these Bylaws as such terms have in the Declaration and the Articles of Incorporation of the Association.

1.4 Governing Law and Documents. The Project and the Association shall be governed by the Association Documents, the Colorado Common Interest Ownership Act (the "Act") and the Colorado Revised Nonprofit Corporation Act (the "RNC Act"). If it should appear that any of the provisions hereof are in conflict with any rule of law or statutory provision of the State of Colorado, including the Act or the RNC Act, then such provisions of these Bylaws shall be deemed inoperative and null and void insofar as they may be in conflict therewith, and shall be deemed modified to conform to such rule of law.

ARTICLE II.
MEMBERSHIP

2.1 Membership. Every Owner shall be a member of the Association for the period of the Owner's ownership of the Unit or Residence Interest. There shall be no more than one membership per Unit or Residence Interest, as applicable. Membership in the Association shall be appurtenant to, and may not be separated from, ownership of a Unit or Residence Interest.

2.2 Representation on Executive Board. If title to a Unit or Residence Interest is held by a firm, corporation, partnership, association, or other legal entity or any combination thereof, or if any individual or entity shall have title to more than one Unit or Residence Interest, then in either case, that individual or entity may appoint, by a writing furnished to the Association, a delegate to represent each such Unit or Residence Interest as a candidate for, and if elected, as a member of, the Executive Board in the manner described below. Such delegate shall not vote as a member of the Association unless such person shall be appointed by a proxy executed in conformance with Sections 3.6 and 3.7 of these Bylaws to cast the voting interest of the Unit or Residence Interests which he represents.

2.3 Responsibilities of Members. Any person, including Declarant, on becoming an Owner of a Unit or Residence Interest, shall automatically become a member of the Association and be subject to these Bylaws. Such membership shall terminate without any formal Association action whenever such person ceases to own a Unit or Residence Interest, but such termination shall not relieve or release any such former Owner from any liability or obligation incurred under, or in any way connected with, the Association during the period of such ownership, or impair any rights or remedies which the Executive Board, the Association or others may have against such former Owner arising out of ownership of the Unit, Residence Interest and membership in the Association and the covenants and obligations incident thereto.

2.4 Membership Certificates. No certificates of stock shall be issued by the Association but the Executive Board may, if it so elects, issue membership cards or other certificates of ownership or membership to Owners. Membership cards and certificates of ownership or membership shall be surrendered to the Executive Board of the Association whenever ownership of the Unit or Residence Interest shall terminate.

2.5 Membership. There shall be one class of membership in the Association consisting of all Owners, including Owners of Units as well as Residence Interests therein, and including the Declarant so long as Declarant continues to own an interest in a Unit. For matters pertaining exclusively to the Club Units or the Plan of Fractional Ownership, the group of Owners consisting of all of the Club Owners including the Declarant, so long as Declarant continues to own a Residence Interest, shall be entitled to the exclusive vote on such matters.

2.6 Voting Rights. The Association shall not have a vote with respect to any Unit that may be owned by it. Declarant shall be entitled to vote with respect to Units owned by it. Members of the Association may exercise such voting rights subject to and in accordance with the provisions below and those of the Declaration.

2.6.1 General Common Elements. Each Unit shall be allocated a vote for the purpose of matters relating to the General Common Elements or the Project as a whole, equal to the Allocated Interest-General of such Unit as set forth in the Declaration.

2.6.2 Limited Common Elements-Club. Each Club Unit shall be allocated a vote for the purpose of matters relating to the Limited Common Elements-Club, equal to the Allocated Interest-Club of such Unit as set forth in the Declaration.

2.6.3 Voting of Residence Interest. The votes with respect to each Unit which is further subdivided into Residence Interests will be allocated to the Owners of the Residence Interests comprising such Unit on the same basis as each Owner's fractional interest in the Unit; meaning, by way of example and not of limitation, that if a Unit is divided into Residence Interests constituting a 1/12 share of such Unit, then each Owner of a Residence Interest therein shall be entitled to cast 1/12 of the vote with respect to such Unit.

2.7 Fairness Standard. The Executive Board, the officers of the Association and the Association shall have the duty to represent the interests of the Owners in a fair and just manner on all matters that may affect any or all of the Owners. In upholding their duties, the Executive Board, the officers and the Association shall be held in their decisions, including, without limitation the determination of whether a matter should be for the independent consideration of the Club Committee, to the standards of good faith and reasonableness with respect to such matters, taking into account the effect, if any, of the matter on the Project as a whole.

ARTICLE III.
MEETINGS OF MEMBERS

3.1 Place of Meeting. Meetings of the Association members shall be held at such place, within or without the State of Colorado, which is readily accessible at reasonable cost to the largest possible number of members as the Executive Board may determine, by resolution, in the best interests of all Owners.

Any or all of the members may participate in a meeting of the members by, or the meeting may be conducted through the use of, any means of communication by which all persons participating in the meeting may hear each other during the meeting. A member participating in a meeting by this means is deemed to be present in person at the meeting.

3.2 Annual Meeting. The first annual meeting of the Association members shall be held within one year after the closing of the escrow for the first sale of a Unit or Residence Interest or within sixty (60) days after conveyance of twenty-five percent (25%) of the Units to Owners other than Declarant, whichever occurs first. The scheduling and holding of such first annual meeting shall not affect the method and manner for the appointment of Directors by Declarant as provided by the Declaration and these Bylaws. Thereafter, the annual meetings of the Association members shall be held on a date and at a time selected by the Executive Board in each succeeding year. Regular meetings of the Association shall be held at least once every twelve months. The purposes of the annual meetings are for the election of Directors and the transaction of such other business of the Association as may properly come before the meeting.

3.3 Special Meetings. Special meetings of the Association members may be called, unless otherwise provided by law, (a) if the meeting is a meeting of all Owners, then by the President, a majority of the Executive Board, the Chairman of the Executive Board or the members having an ownership interest in the General Common Elements representing five percent (5%) of the total ownership interests in the General Common Elements held by Owners other than Declarant, or (b) if the meeting will affect only the interests of the Club Owners, then by action of the President, a majority of the Executive Board, the Chairman of the Executive Board or the Club Owners having an ownership interest in the General

Common Elements representing five percent (5%) of the total ownership interests in such General Common Elements held by Club Owners other than Declarant.

If a special meeting of all Owners is called by members having an ownership interest in the General Common Elements or, in the case of the Club Owners, in the Limited Common Elements-Club as provided in the paragraph immediately above, the request shall be submitted by such members in writing, specifying the general nature of the business proposed to be transacted, and shall be delivered personally or sent by registered mail or by telegraphic or other facsimile transmission to the President, any Vice-President or the Secretary of the Association. The officer receiving the request shall cause notice to be promptly given to the members entitled to vote, that a meeting will be held, and the date for such meeting, which date shall be not less than thirty (30) nor more than fifty (50) days following the receipt of the request. If the notice is not given within twenty (20) days after receipt of the request, the persons requesting the meeting may give the notice.

3.4 Notice of Meetings. Written notice given in accordance with the Declaration to the members and stating the place, day, and hour of each meeting, and the purpose or purposes for which the meeting is called, shall be delivered and effective not less than thirty (30) nor more than fifty (50) days before the date of the meeting, by or at the direction of the President or the persons calling the meeting as provided under these Bylaws, to the registered address for notice (as provided in the Declaration) of each Unit and Residence Interest entitled to be represented by a vote at such meeting. The notice of any meeting at which Directors are to be elected shall include the names, addresses and brief biographical sketches of those who are nominees at the time the notice is sent to members.

Notwithstanding any other provision herein, if less than one-third (1/3) of the total voting power of the Association is in attendance in person or by proxy at any meeting of the Association, only those matters of business, the general nature of which was given in the notice of the meeting may be voted upon by the members of the Association.

3.5 Adjourned Meetings. If any meeting of Association members cannot be organized because a quorum, as defined below in Section 3.8, has not attended, the presiding officer shall adjourn the meeting sine die.

3.6 Proxies. Votes may be cast in person or by proxy, but no proxy shall be valid after eleven (11) months from the date of its execution unless otherwise expressly provided in the proxy. Proxies shall be filed with the Executive Board of the Association at or before the appointed time of each meeting. The Executive Board shall have the power and authority to approve the form of proxy used and, at minimum, such form shall provide for the approval or disapproval of each order of business proposed to be acted upon by the Association and shall also include the following: (i) identification of the Unit or Residence Interest to which the proxy relates; (ii) the name of the holder of the proxy (which must be only one individual); (iii) the scope of the power granted by the proxy; (iv) the duration of the power conveyed by the proxy; (v) the signature of all Owners of record of the Unit or Residence Interest; and (vi) that the vote of the member shall be cast in accordance with the choice specified. A member may submit a proxy by telegram, teletype or other electronic transmission, or as otherwise permitted by the RNA.

3.7 Designation of Voting Representative—Proxy. If title to a Unit or Residence Interest is held by more than one individual, or by a firm, corporation, partnership, association, or other legal entity, or any combination thereof, a proxy may be executed and filed with the Association in accordance with Section 3.6 of these Bylaws appointing and authorizing one person or alternate persons to attend all annual and special meetings of the Association members and to cast the vote allocated to that Unit or

Residence Interest. In the absence of a proxy, the vote allocated to the Unit or Residence Interest shall be suspended in the event more than one person seeks to exercise the right to vote on any one matter. In the event that a vote is cast by a member on behalf of such member's Unit or Residence Interest without objection at the meeting at which such vote is cast by any other Owner of such Unit or Residence Interest, then such person shall be deemed for all purposes under the Declaration and these Bylaws to be the duly and validly appointed representative for all Owners of the Unit or Residence Interest. The Association and the Executive Board shall be entitled to rely on the authority of such Owner to vote with respect to the Unit or Residence Interest. Unless an objection is raised at or before the time at which a vote is cast, the vote cast by such person shall be deemed validly cast on behalf of all of the Owners of such Unit or Residence Interest and shall bind such other Owners. In the event co-Owners disagree on the manner in which a vote shall be cast, the co-Owners shall be deemed to have abstained.

3.8 Quorum and Voting.

3.8.1 Except as otherwise provided in these Bylaws, the presence in person or by proxy of (i) the Association members other than the Declarant possessing twenty percent (20%) of all votes owned by Owners other than Declarant and entitled to be cast at a meeting of all members ; and (ii) Declarant during the Declarant Control Period, shall together constitute a quorum, and such members present in person or by proxy shall constitute the members entitled to vote upon any issue presented at a meeting of all members at which a quorum is present.

3.8.2 The presence in person or by proxy of (i) the Club Owners other than Declarant possessing twenty percent (20%) of all votes owned by Owners other than Declarant and entitled to be cast at a meeting of such members; and (ii) the Declarant during the Declarant Control Period, shall together constitute a quorum, and such members present in person or by proxy shall constitute the members entitled to vote upon any issue presented at a meeting of the members of the Club Owners at which a quorum is present.

3.8.3 A majority of votes entitled to be cast by members present in person or by proxy shall be sufficient to make decisions binding on all Owners or of the Club Owners, as applicable, unless a different number or method of voting is expressly required by statute or by the Declaration, the Articles of Incorporation or these Bylaws.

3.8.4 At any meeting of the members of the Association at which a quorum is present, a quorum shall be deemed to exist throughout such meeting until it is adjourned.

3.8.5 If any meeting cannot be held because a quorum is not present, no business shall be conducted and the presiding officer shall, without delay, adjourn the meeting sine die.

3.9 Voting by Association Members. To the extent a matter is required by the Declaration, these Bylaws or the Act to be submitted to the vote of the members of the Association, all members shall be entitled to participate in the vote on such matters unless a majority of the voting Directors of the Executive Board determine that a particular matter affects exclusively the Club Owners, in which case the Executive Board may give notice of a meeting of the Club Owners, and conduct a vote on the matter affecting only the Club Owners in order to protect the legitimate, valid interest of such Owners.

ARTICLE IV.
EXECUTIVE BOARD

4.1 Number and Qualification.

4.1.1 The affairs of the Association shall be managed by an Executive Board who need not be Members of the Association. The initial Executive Board shall consist of three (3) Directors. After the expiration of the Declarant Control Period, the Executive Board shall consist of three (3) to seven (7) directors as determined by the Executive Board.

4.1.2 Where ownership interests are owned by corporations, or other legal entities the officers, directors, employees or other representatives of said corporations or legal entities shall be eligible to serve on the Executive Board on behalf of the corporation or legal entities.

4.2 Declarant Control. Notwithstanding anything to the contrary provided for in the Declaration or these Bylaws, Declarant shall be entitled during the Declarant Control Period (defined below) to appoint and remove the members of the Association's Executive Board and the officers of the Association, subject to the following restrictions:

4.2.1 At the first annual meeting of the Association not less than twenty-five percent (25%) of the members of the Executive Board shall be elected by Owners other than Declarant, one of which must be elected solely by the votes of Club Owners other than the Declarant.

4.2.2 Not later than sixty (60) days after conveyance by Declarant of fifty percent (50%) of the Units to Owners, not less than one-third (1/3) of the members of the Executive Board shall be elected by Owners other than Declarant, one of which must be elected solely by the votes of Club Owners other than the Declarant.

4.2.3 Not later than the termination of the Declarant Control Period, the Owners shall elect an Executive Board of a least three (3) members , at least a majority of whom shall be Owners other than Declarant or designated representatives of Owners other than Declarant.

4.2.4 After the Declarant Control Period, and as long as the Declarant owns an interest in the Project, Declarant reserves the right to annually elect one (1) Director or twenty-five percent (25%) of the Directors, whichever is greater.

4.2.5 The Declarant Control Period is hereby defined as the period of time commencing on date of incorporation of the Association and terminating on the earliest of the following events: (i) sixty (60) days after conveyance by Declarant of seventy-five percent (75%) of the Units to Owners, (ii) two (2) years after the last conveyance of a Unit or Residence Interest by Declarant in the ordinary course of business, or (iii) the date on which Declarant voluntarily relinquishes such power evidenced by a notice recorded in the Office of the Clerk and Recorder for Eagle County, Colorado. For purposes of these Bylaws, a Unit which is subdivided into Residence Interests shall be deemed conveyed to an Owner other than Declarant for purposes of determining Declarant control only after conveyance of one hundred percent (100%) of the Residence Interests in such Unit.

4.3 Club Committee. After expiration of the Declarant Control Period, and for each year thereafter if a majority of the Executive Board has not been elected by the Club Members, the Executive Board shall create a committee ("Club Committee") of the Executive Board comprised of three (3) Club Owners, including all Directors elected solely by Club Owners. The Club Committee shall have the sole and exclusive authority to vote with respect to all matters which relate solely to the Club Units and the Limited Common Elements-Club. Notwithstanding the foregoing, amendments to the rules and regulations of the Association shall require the majority vote of the Executive Board.

In the event of a bona fide dispute among members of the Executive Board as to whether a matter relates solely to the Club Units or Limited Common Elements-Club, the Directors shall use their good faith, reasonable judgment in determining such matter and the determination as to whether a matter should be for the independent consideration of the Club Committee and not for consideration of the entire Executive Board, shall require the affirmative vote of a majority of the Executive Board.

If the Executive Board is not able to determine whether a matter should be for the consideration of the entire Executive Board or the Club Committee, such matter shall be handled in accordance with the procedures set forth in the Declaration.

Notwithstanding any other provision in the Declaration or these Bylaws to the contrary, in the event of an emergency requiring immediate action by the Executive Board, the entire Executive Board shall participate in the decision to take such action as is necessary to advance the interests of the Project as a whole pending a determination as to whether the matter should be independently considered by the Club Committee, at which time such Directors as are determined to be entitled to participate in the decision shall resolve the issue. The term Executive Board as used herein shall include the Club Committee when applicable.

4.4 Initial Executive Board. The names and addresses of the persons who are to initially act in the capacity of Directors until their successors are duly elected and qualified shall be set forth in the organizational minutes of the Association.

4.5 Terms of Office of Initial Board. The Directors initially appointed shall serve at the election of the Declarant in accordance with Section 4.2.

4.6 Terms of Office of Subsequent Boards. Subject to the requirements of Section 38-33.3-303 of the Act, every Director appointed or elected to replace the members of the Executive Board appointed by Declarant during the Declarant Control Period shall serve a term of one year. Elections of Directors shall be conducted as provided in Section 4.7 below. The Directors shall hold office until their successors have been elected and qualified. An individual elected by members other than the Declarant during the Declarant Control Period may not serve as a Director for more than six (6) consecutive years.

4.7 Board Elections. Upon the events listed in Section 4.2 above requiring that certain member(s) of the Executive Board be elected by the Owners other than Declarant, a special meeting of the Association shall be called to hold elections for persons to replace such resigning members of the Executive Board.

4.8 Nominations. Nominations of candidates for the Executive Board may be made by any members in the Association (including persons who are then members of the Executive Board). Subject to the requirements of Section 4.2 above, the candidate or candidates receiving the largest percentage of all votes of members shall be elected to fill the number of available seats on the Executive Board. Cumulative voting shall not be allowed.

4.9 Removal of Directors. At any regular or special meeting of the Association duly called at which a quorum of members exists, any one or more of the Directors may be removed with or without cause by a vote of sixty-seven percent (67%) of the votes of the members present and entitled to be cast at such meeting; provided, however, that any Director elected by the Declarant may be removed only by the Declarant, and provided further than any Director elected by Owners other than Declarant may be removed only by Owners other than Declarant. Successors may then and there be elected by the members to fill the vacancies thus created. Any Director whose removal has been proposed shall be given an opportunity to be heard at the meeting. The Executive Board shall designate by resolution or motion when such regular or special meeting shall be held after such meeting is properly set or called in accordance with these Bylaws and Colorado law.

4.10 Vacancies. Any vacancy occurring on the Executive Board may be filled by the affirmative vote of a majority of the remaining Directors, though less than a quorum of the Executive Board. The term of any Director so elected shall be coincident with the term of the replaced Director.

4.11 Quorum of Directors.

4.11.1 A majority of the number of Directors shall constitute a quorum for the transaction of business on behalf of the entire Association. Any act by a quorum of all Directors shall be an act of the Executive Board except when a higher standard is required, pursuant to the Declaration or the Act.

4.11.2 A majority of the number of the Directors comprising the Club Committee shall constitute a quorum for the transaction of business on behalf of the Club Owners, as permitted herein and in the Declaration.

4.12 Place and Notice of Directors' Meetings. Any regular or special meetings of the Executive Board may be held at such place within the Project or as close thereto as reasonably possible, which place may be designated by the Executive Board from time to time, and upon such notice as the Executive Board may prescribe. Notice of the time and place of regular meetings shall be communicated in writing to each Director not less than thirty (30) days prior to the meeting. Notice of time and place of special meetings and of the nature of any special business to be considered shall be given to each Director by written notice give by first-class mail at least fifteen (15) days prior to the scheduled time of such meeting. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except when a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Before, at, or after any meeting of the Executive Board, any member of the Executive Board may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Executive Board need be specified in the waiver of notice of such meeting. The Executive Board 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 members of the Executive Board. Any action so approved shall have the same effect as though taken at a meeting of the Executive Board.

4.13 Means of Conducting Meetings. The Executive Board may participate in a meeting by means of a 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.

4.14 Action Without Meeting. Any action required or permitted to be taken at a meeting of the Executive Board may be taken without a meeting if each and every member of the Executive Board in writing either:

4.14.1 Votes for such actions, or votes against such action or abstains from voting; and

4.14.2 Waives the right to demand that a formal meeting be held.

4.15 Powers and Duties. The Executive Board shall have the powers and duties necessary for the administration of the affairs of the Association. The Executive Board may do all such acts and things which are not specifically required to be done by the members of the Association by law, the Declaration, the Articles of Incorporation of the Association, or these Bylaws.

4.16 Other Powers and Duties. Without limiting the generality of the powers and duties set forth in Section 4.15 of these Bylaws, and subject to the provisions of the Association Documents, the Act and the RNC Act, the Executive Board shall be empowered and shall have the powers and duties as follows:

4.16.1 To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations, and all other provisions set forth in the Declaration.

4.16.2 To adopt and amend from time to time administrative rules and regulations governing the use and operation of the Common Elements as provided in the Declaration.

4.16.3 To keep in good order, condition, and repair all the Common Elements and all items of personal property, if any, used in the enjoyment of the Project in accordance with the terms of the Declaration. No approval of the Owners is required for expenditures for these purposes.

4.16.4 To designate and remove personnel necessary for the operation, maintenance, repair, and replacement of the Common Elements in accordance with the terms of the Declaration.

4.16.5 To obtain and maintain in effect the insurance coverage specified in the Declaration and such other insurance coverages that the Executive Board deems prudent in the exercise of its reasonable business judgment to the extent that insurance is available from reputable carriers at costs which are not demonstrably unreasonable. If the Executive Board or officers delegate their powers relating to collection, deposit, transfer, or disbursement of Association funds, or disbursement of Association funds to other persons or to a Managing Agent, the other persons or the Managing Agent shall maintain insurance coverage or a bond in an amount of not less that fifty thousand dollars ($50,000) or such higher amount as the executive board may require.

4.16.6 To fix, determine, levy, and collect the prorated Annual Assessments to be paid by each of the members towards the gross expenses of the Project or the Limited Common Elements, as the case may be, and to adjust, decrease, or increase the amount of the Assessments, and to credit any excess of Assessments over expenses and cash reserves to the members either by (i) crediting such surplus against the next succeeding Assessment period; (ii) applying such surplus to reserves; or (iii) refunding such surplus to the Owners, all in accordance with the terms and provisions of the Declaration.

4.16.7 To levy and collect Special Assessments whenever, in the opinion of the Executive Board, it is necessary to do so in order to meet unanticipated operating or maintenance expenses or costs, or additional capital expenses, or because of emergencies, and further subject to the requirement that all Special Assessments shall be based on a budget adopted in accordance with the terms of the Declaration prior to levying a Special Assessment.

4.16.8 To collect delinquent Assessments by suit or otherwise and to enjoin or seek damages from an Owner; to enforce a late charge of fifteen percent (15%) of the amount outstanding or such other charge as the Executive Board may fix by rule from time to time in connection with Assessments remaining unpaid more than 15 days from due date for payment thereof (provided such late charge is not in excess of any amounts permitted by law); and to collect interest on unpaid Assessments in accordance with the Declaration at the Maximum Rate in effect on the date the obligation to pay such interest arises.

4.16.9 To protect and defend the Project from loss and damage by suit or otherwise.

4.16.10 To borrow funds in order to pay for any expenditure or outlay required for the Project or portion of the Project and to authorize the appropriate officers to execute all such instruments evidencing such indebtedness as the Association may deem necessary; provided, however, that the Association shall not borrow more than one hundred thousand dollars ($100,000) or cause the Association to be indebted for more than one hundred thousand dollars $100,000 at any one time without the prior approval of a majority vote of the members, or the Club Owners if such indebtedness affects such Owners, present and entitled to vote at a meeting of members at which a quorum is present.

4.16.11 To dedicate, sell, or transfer all or any part of the Common Elements to any public, governmental, or quasi-governmental agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. The Act currently restricts the conveyance or encumbrance of the Common Elements pursuant to Section 38-33.3-312 of the Act.

4.16.12 To enter into contracts within the scope of their duties and powers, including, without limitation, contracts with any District or other homeowners' associations or entities to provide services for the benefit of members and their families, guests, tenants and invitees.

4.16.13 To establish a bank account for the treasury and for all separate funds which are required or may be deemed advisable by the Executive Board. Association funds shall not be commingled (i) with funds managed by the Management Company on behalf of other associations; or (ii) with its own funds. Reserves shall be maintained in separate accounts designated for such purposes separate and apart from operating accounts.

4.16.14 To keep and maintain full and accurate books and records showing all of the receipts, expenses, or disbursements of the Executive Board and to permit examination thereof by Owners and their Mortgagees at convenient weekday business hours.

4.16.15 To prepare and deliver annually to each member a statement showing all receipts, expenses, or disbursements since the last such statement, including depreciation and other tax information.

4.16.16 To promulgate, administer and enforce regulations concerning the parking spaces.

4.16.17 In general, to perform all other acts permitted under the Act, to carry on the administration of the Association and to do all those things necessary and responsible in order to carry out the communal aspects of condominium ownership and proper governance and operation of the Association, in all accordance with the Declaration.

The Directors shall also have the following specific powers and duties with respect to the Club Units, Residence Interests and Plan of Fractional Ownership:

4.16.18 Establish the annual budget for the Plan of Fractional Ownership and levy and collect assessed amounts (i.e. the Club Assessment) from Club Members.

4.16.19 Cause each Club Unit to be maintained in a first class manner and condition. The Directors shall have the authority to determine the color scheme, decor and furnishing of each Club Unit as well as the proper time for refurbishment, redecorating and replacement thereof, which authority may be delegated to the Managing Agent.

4.16.20 Coordinate the plans of Club Members for moving their personal belongings into and out of the Club Units with a view toward scheduling such moves so that there will be a minimum of inconvenience to other Club Members.

4.16.21 Acquire and hold title to all Club Unit Furnishings as Limited Common Elements – Club on behalf of the Club Members. The Directors shall have the right to deal with, repair, refinish and replace, Club Unit Furnishings for time to time for all purposes and no Club Member shall have any individual ownership right, title or claim thereto other than the right to use and enjoy such Club Unit Furnishings during authorized residency of a Club Unit.

4.16.22 Bill each Club Member for the expense of occupancy of a Club Unit which the Directors determine are the individual expenses (i.e. Personal Assessments) of the particular Club Member, including, but not limited to, long-distance and other extraordinary telephone charges, personal charges, extraordinary repairs or charges for damage to the Club Unit, its furniture, furnishings, equipment, fixtures, appliances and carpeting caused by a Club Member or his guest, other charges rendered by the Managing Agent on behalf of the particular Club Member, and maid service in addition to the standard maid service provided for each Use Period and included within the Club Assessment provided for in this Article.

4.16.23 Comply with the terms, covenants and conditions of the Affiliation Agreement.

4.16.24 Comply with the Reservation Procedures as adopted by the Program Manager.

4.16.25 Establish, enforce, modify and amend such rules and regulations as the Residential Directors deem necessary or desirable, specifically including but not limited to fines and restrictions on use and occupancy if a Club Member is not current on Assessments or is otherwise in violation of the provisions of the Association Documents.

4.16.26 Enforce the remedies for non-payment of the Club Assessments set forth in the Declaration.

4.16.27 Impose and receive any payments, fees, or charges for the use, rental, or operation of the Limited Common Elements-Club.

4.16.28 Act as the designated agent of each Club Member for service of process in the State of Colorado with respect to each Club Member's interest in the Plan of Fractional Ownership; provided, however, that in the event the Association seeks to serve process on any Club Member, service of process shall be by personal service on the individual Club Member or by publication as provided by the Colorado Rules of Civil Procedure.

4.17 Managing Agent. The Executive Board may delegate all or any part of its powers and duties to one or more Managing Agents, including Declarant or affiliates of Declarant or either of them. If a Plan of Fractional Ownership has been created with respect to the Units, the Executive Board shall designate a Managing Agent. Notwithstanding the delegation by the Executive Board to a Managing Agent, the Executive Board shall not be relieved of its responsibilities under the Declaration. A management agreement providing for automatic renewals shall be terminable (i) at the expiration of the initial term, or (ii) at the expiration of any renewal term, if the Association by the vote or written assent of a majority of the voting power of the Association residing in Owners other than Declarant determines not to renew the management agreement.

4.18 Directors' Compensation. Directors shall not be paid any compensation for their services performed as such Directors unless a resolution authorizing such remuneration shall have been adopted by the Association and approved by the members thereof. Each member of the Executive Board shall receive reimbursement for reasonable transportation, meals, and lodging expenses for attendance at any regular or special meeting of the Executive Board or for other actual expenses incurred in connection with the performance of the duties as a member of the Executive Board.

4.19 Open Meetings. Regular and special meetings of the Board shall be open to all members of the Association provided, however, that members who are not on the Executive Board may not participate in any deliberation or discussion unless expressly so authorized by the vote of a majority of a quorum of the Executive Board. The Executive Board may, with the approval of a majority of a quorum of the Directors, adjourn a meeting and reconvene in executive session to discuss and vote upon the following limited matters: (a) matters pertaining to employees of the Association or involving the employment, promotion, discipline, or dismissal of an officer, agent, or employee of the Association; (b) consultation with legal counsel concerning disputes that are the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client; (c) investigative proceedings concerning possible or actual criminal misconduct; (d) matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosure; or (e) any matter the disclosure of which would constitute an unwarranted invasion of individual privacy. The nature of any and all business to be considered in executive session shall first be announced in open session.

4.20 Minutes and Policies. The Executive Board shall have the power and duty to (i) make a copy of the written minutes of any meeting of the Executive Board available at the business office of the Association for all Members within sixty (60) days after the adjournment of such meeting and (ii) provide each Owner within sixty (60) days prior to the beginning of each fiscal year, a statement of the Association's policies and practices relative to the enforcement of its remedies against Owners for defaults in the payment of any amounts due to the Association, including, without limitation, the recording and foreclosing of liens against Residence Interests

ARTICLE V.
OFFICERS AND THEIR DUTIES

5.1 Enumeration of Officers. The officers of the Association shall be a President, Vice-President, Secretary, Treasurer and such other officers as the Executive Board may from time to time by resolution create. The President must be a member of the Executive Board.

5.2 Election of Officers. The election of officers shall take place at the first meeting of the Executive Board and thereafter at the first meeting of the Executive Board following each annual meeting of the members. The action of the Executive Board in electing officers (except during the Declarant Control Period) shall require the approval of a majority of voting Directors.

5.3 Term. The officers of the Association shall be elected annually by the Executive Board and each shall hold office for one year unless such officer shall sooner resign, or shall be removed or otherwise disqualified to serve.

5.4 Special Appointments. The Executive 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 Executive Board may from time to time determine.

5.5 Resignation and Removal. Any officer may be removed from office with or without cause by a majority of voting Directors of the Executive Board. Any officer may resign at any time by giving written notice to the Executive Board or the President. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

5.6 Vacancies. A vacancy in any office may be filled by appointment by the Executive Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

5.7 Multiple Offices. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the offices of president and vice-president shall not be held by the same person, nor shall the offices of president and secretary be held by the same person.

5.8 Duties. The duties of the officers are as follows:

5.8.1 President. The President shall: preside at all meetings designated for all Association members and the Executive Board; see that orders and resolutions of the Executive Board are carried out; sign all leases, mortgages, deeds, and other written instruments; sign all promissory notes; and exercise and discharge such other duties as may be required of the President by the Executive Board.

5.8.2 Vice-President. The Vice-President shall: preside at the meetings; act in the place and stead of the President in the event of his absence, inability, or refusal to act; and exercise and discharge such other duties as may be required of the Vice-President by the Executive Board.

5.8.3 Secretary. The Secretary shall: record the votes and keep the minutes of all meetings and proceedings of the Executive Board and the Association; keep the original Association Documents; keep originals or copies of all contracts, leases, agreements and instruments to which the Association is a party; keep the corporate stamp or seal of the Association and place it on all papers requiring said stamp or seal; serve notice of meetings of the Executive Board and of the members; keep appropriate current records showing the members of the Association together with their addresses; and perform such other duties as required by the Executive Board.

5.8.4 Treasurer. The Treasurer shall: receive and deposit in appropriate bank and other financial accounts all monies and assets of the Association and shall disburse such funds as directed by resolution of the Executive Board; sign all checks of the Association unless the Executive Board specifically directs otherwise; keep proper books of account; at the direction of the Executive Board, cause an annual accounting of the Association funds and a financial statement to be prepared and presented to the Association by a public accountant at least once every fiscal year; and prepare an annual budget and the financial 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.

ARTICLE VI.
INDEMNIFICATION OF DIRECTORS AND OFFICERS

To the extent permitted by law and consistent with the articles of incorporation of the Association, the Association shall indemnify every Director, officer, employee and agent of the Association and every person who serves at the request of the Association as a manager, director, officer, employee, fiduciary or agent of any other foreign or domestic corporation or of any partnership, joint venture, trust, or other enterprise or employee benefit plan against any liability asserted against or incurred by such person in any such capacity or arising out of that person's capacity as such. The indemnification permitted under this Article shall not extend, in any event, to any act or omission occurring prior to the date of incorporation of the Association nor shall it extend to any act or omission resulting from the willful or wanton behavior or gross negligence of such person.

In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been culpable of such acts or omissions whether resulting from willful or wanton behavior or gross negligence in the performance of such person's duties for the Association. The foregoing rights shall not be exclusive of other rights to which such Director or officer or other person may be entitled. All liability, loss, damage, cost, and expense arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as a Common Expense.

ARTICLE VII.
BYLAWS AND DECLARATION

7.1 Amendments to the Bylaws. The Bylaws may be altered, amended or rescinded by not less than two-thirds (2/3) of all the Directors until the first election of a majority of Directors by Owners other than the Declarant. Thereafter, the Bylaws may be altered, amended or rescinded by not less than (i) a majority of all the Directors, (ii) a majority vote of the members of the Association present, in person or by proxy, and entitled to vote at a duly called meeting of the Association at which a quorum is present, and (iii) a majority vote of the members of the Association, other than Declarant, present, in person or by proxy, and entitled to vote at a duly called meeting of the Association at which a quorum is present; provided, however, that the percentage of the voting power of the Association necessary to amend a specific clause or provision of these Bylaws shall not be less than the percentage of affirmative votes prescribed for action to be taken under that clause or provision.

If a proposed alteration, amendment or rescission to the Bylaws only affects the Club Owners, such alteration, amendment or rescission shall require (i) a majority vote of all the Directors, (ii) a majority vote of the Club Owners present, in person or by proxy, and entitled to vote at a duly called meeting of the Association at which a quorum is present, and (iii) a majority vote of the Club Owners, other than Declarant present, in person or by proxy, and entitled to vote at a duly called meeting of the Association at which a quorum is present; provided, however, that the percentage of the voting power of the Association necessary to amend a specific clause or provision of these Bylaws shall not be less than the percentage of affirmative votes prescribed for action to be taken under that clause or provision

7.2 Amendments to the Declaration. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of the Declaration. The certificate shall be executed by the President or Vice President and attested by the Secretary or Assistant Secretary of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the public records of Eagle County.

7.3 Compliance With State Law. These Bylaws are to be governed by and construed according to the laws of the State of Colorado. If it should appear that any of the provisions hereof are in conflict with any rule of law or statutory provision of the State of Colorado, then such provisions of these Bylaws shall be deemed inoperative and null and void insofar as they may be in conflict therewith, and shall be deemed modified to conform to such rule of law.

Notwithstanding any provision in the Declaration or these Bylaws of the Association, no term pertaining to voting requirements in the Declaration or in these Bylaws shall be construed so as to violate the Act.

7.4 Conflict Between Documents. In the case of any conflict between or among the Association Documents, the Declarations shall control over the Articles of Incorporation, the Articles of Incorporation shall control over these Bylaws and the Bylaws shall control over the rules and regulations.

ARTICLE VIII. NONPROFIT CORPORATION

The Association is not organized for profit. No member of the Association, member of the Executive Board, or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operations of the Association, and, except in the event of termination and dissolution of the Association, in no event shall any part of the funds or assets of the Association be paid as a dividend, or be distributed to, or inure to the benefit of, any member of the Executive Board. The foregoing, however, shall neither prevent nor restrict the following: (1) reasonable compensation may be paid to any member or Director acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association; (2) any member or Director may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association; (3) reasonable compensation for officers and directors as approved by the Association; and (4) the distribution of any proceeds of insurance or resulting from the condemnation, sale or termination of the Project as described in the Declaration.

ARTICLE IX. OBLIGATIONS OF THE OWNERS

9.1 Assessments. Except as otherwise provided in the Declaration, all Owners shall be obligated to pay the Assessments imposed by the Association to meet the Common Expenses. Unless otherwise determined by the Association, the Annual Assessments, and any Special Assessments which are to be paid in periodic installments, shall be paid periodically in advance and shall be due and payable to the Association at its principal office, or as the Association may otherwise direct in any Management Agreement, without notice (except as otherwise required by the Declaration), on the first day of the payment period. A member shall be deemed to be in good standing and entitled to vote at any annual or special meeting of members, within the meaning of these Bylaws, if, and only if, he shall have fully paid all Assessments made or levied against him and the Unit or Residence Interest owned by him.

9.2 Registration of Mailing Address. All Owners of each Unit or Residence Interest shall have one and the same registered mailing address to be used by the Association for mailing of notices, demands, and all other communications; and such registered address shall be the only mailing address of a person or persons, firm, corporation, partnership, association, or other legal entity or such combination thereof to be used by the Association. Such registered address of an Owner or Owners shall be furnished by such Owners to the secretary of the Association within five days after transfer of title; and such registration shall be in written form and signed by all of the Owners of the Unit or Residence Interest or by such persons as are authorized by law to represent the interests of all Owners thereof. If no such address is registered or if all of the Owners cannot agree, then the address shown on the deed to the Unit or Residence Interest shall be deemed their registered address for the purposes of this Section until another registered address is furnished as required under this Section. If the Unit is the registered address of the Owners (provided, however, that the Unit may not be the registered address of the Owner of any Residence Interest), then any notice shall have been deemed to be duly given if it is delivered to any person occupying that Unit or, if such Unit is unoccupied, if the notice is held and available for the Owners at the principal office of the Association. The registered address may be changed from time to time by designation in accordance with this Section.

9.3 Use of General Common Elements and Limited Common Elements. Each Owner shall use the Common Elements in accordance with the purpose for which they are intended without hindering or encroaching upon the lawful rights of the other Owners. The Association shall have the right to restrict the use and enjoyment of any Common Elements by Owners of Residence Interests to the time period covered by the applicable Residence Interest and so long as such Owners in fact occupy a Unit pursuant to the Residence Interest during such period.

9.4 Assessments, Debts, and Other Obligations By Unit Owner. The Assessments, debts, and other obligations assumed by the Owner include the following:

9.4.1 The duty of Owners as set forth in the Declaration to reimburse the Association for repair or replacement of Common Elements, when such repair or replacement is occasioned by the negligent or willful act or omission of said Owner, his family members, employees, guests, or invitees.

9.4.2 The duty to pay all Annual, Special, Personal and Default Assessments provided for and governed by the Declaration and levied for any purpose authorized by the Declaration.

9.4.3 The responsibility for each Owner, other than an Owner of a Residence Interest, to obtain that insurance related to his Unit provided for in the Declaration.

9.4.4 The duty to pay any separately metered or assessed utility costs and ad valorem taxes and special assessments levied by the State of Colorado or any political subdivision thereof on an Owner's Unit.

9.4.5 The duty to indemnify and hold harmless each of the other Owners and the Association, pursuant to the Declaration, from any liability arising from the claim of any mechanics' liens against an Owner's Unit or Residence Interest or against the Common Elements.

9.4.6 The duty to adhere to and comply with all use restrictions of the Declaration.

9.4.7 The burdens imposed by the easements set forth in the Declaration.

9.4.8 The obligation to submit to the appointment of the Association as attorney in fact for purposes of dealing with the Project upon its damage, destruction, or obsolescence as provided in the Declaration.

9.4.9 The restrictions, limitations, and prohibitions relative to partitioning, severing ownership interests in the Common Elements, and leasing and sale of Units or Residence Interests as set forth in the Declaration.

9.4.10 Such other duties and obligations as may be imposed under the Declaration or these Bylaws and other Association Documents.

ARTICLE X.
COMMITTEES

The Executive Board of the Association may appoint such committees as deemed appropriate in carrying out its purposes.

ARTICLE XI.
BOOKS AND RECORDS; STATEMENT OF ACCOUNT

11.1 Inspection. The records of receipts and expenditures of the Executive Board, including records of receipts and expenditures affecting General Common Elements, Limited Common Elements-Club, and other books, records and papers of the Association, including the Declaration, the Articles of Incorporation, and these Bylaws, as well as any Management Agreement and any rules and regulations of the Association shall be available for inspection during convenient weekday business hours by the Owners and their lenders and to holders, insurers or guarantors of First Mortgages at the principal office of the Association, where copies may be purchased at reasonable cost. The records shall be made available for inspection at the office where the records are maintained. The inspection may be made in person or by an agent or attorney, and shall include the right to copy and make extracts.

The Executive Board shall establish reasonable rules with respect to: (i) notice to be given to the custodian of records by the Owners desiring to make the inspection; (ii) hours and days of the week when such an inspection may be made; and (iii) payment of the cost of reproducing copies of documents requested by Owners. The Association may, as a condition to permitting a member to inspect the membership register or its furnishing information from the register, require that the member agree in writing not to use, or allow the use, of information from the membership register for commercial or other purposes not reasonably related to the regular business of the Association and the member's interest in the Association.

Each Director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make extracts and copies of documents; however, the Association may, as a condition to permitting a Director to make extracts or copies, require that the Director agree in writing not to use, or allow the use, of information from the records for commercial or other purposes not reasonably related to the regular business of the Association.

11.2 Statement of Account. Upon fourteen (14) calendar days' notice to the relevant Managing Agent, if any, or to the Executive Board, and payment of a reasonable fee, any Owner shall be furnished a statement of the Owner's account setting forth the amount of any unpaid Assessments or other charges due and owing from such Owner, together with such other information available pursuant to the Declaration.

ARTICLE XII.
CORPORATE SEAL

The Association shall have a seal or stamp in circular form having within its form the words: "RCC-BG Condominium Association, Inc."

ARTICLE XIII.
FISCAL YEAR

The fiscal year of the Association shall begin on a date to be determined by action of the Executive Board, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE XIV.
MANDATORY BINDING ARBITRATION

Unless otherwise addressed herein, internal disputes arising from the eration of the Project among the Declarant, the Association, the Owners, their respective agents and assigns, or any or all of them, must be submitted first for resolution through binding arbitration in accordance with the Declaration.