

**BYLAWS OF  
GRAND ELK OWNERS ASSOCIATION**

**[Restated, with Amendments Adopted Though September 8, 2018]**

**ARTICLE 1.00  
NAME**

The name of the corporation is the Grand Elk Owners Association, a Colorado Nonprofit Corporation, organized under the Colorado Revised Nonprofit Corporation Act (the “Act”) and hereinafter referred to as the Association.

**ARTICLE 2.00  
PURPOSES**

The purposes for which this Association is formed are as set forth in its Articles of Incorporation and in the Master Declaration of Protective Covenants for Grand Elk Ranch & Club (the “Declaration”). The words and terms used in these Bylaws shall have the same meaning as in the Declaration.

**ARTICLE 3.00  
RIGHTS OF THE ASSOCIATION**

This Association may exercise any and all rights or privileges given to it under the Articles of Incorporation, the Declaration, these Bylaws, or as may otherwise be provided by law, and may also exercise every other right or privilege reasonably to be inferred therefrom or necessary or convenient to effectuate any such right or privilege.

**ARTICLE 4.00  
MEMBERS; MEETINGS**

**4.01 Qualifications and Rights.** There shall be one class of membership and the qualifications and rights are set forth in the Declaration.

**4.02 Attendance at Meetings.** Any or all of the members may participate in an annual, regular, or special 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. Any member desiring to attend by any method other than personal attendance shall be responsible for making appropriate arrangements for such attendance, including paying the cost thereof.

**4.03 Annual Meetings.** The annual meeting of the members shall be held on the second Saturday of September each year or such other date as may be established by the

Board of Directors. Meetings may be held at such places within the State of Colorado as may be designated by the Board of Directors.

**4.03.1 Budget Meeting.** The meeting of members to consider the proposed annual budget adopted by the Board, as provided in the Declaration, may be held in conjunction with the annual meeting or may be scheduled as a special meeting in accordance with Section 4.04 of these Bylaws. Prior to the meeting, the Board shall mail, by first-class mail, or otherwise deliver a copy of the budget or a summary thereof to all the members.

**4.04 Special Meetings.** Special meetings of the members may be called at any time by the President of the Association or by the Executive Board, or upon written request of at least twenty percent of the members.

**4.05 Action by Written Ballot.** Actions by written ballot may be taken as provided by section 7-127-109 of the Act.

**4.06 Notice of Meetings.** Not less than ten (10) nor more than fifty (50) days in advance of any meeting of the members, the secretary or other officer designated by the Executive Board shall cause notice to be hand delivered or sent prepaid by United States mail to each member of record entitled to vote at the meeting. Such notice shall be mailed to the mailing address of each Homesite according to the records of the Association or to any other mailing address designated in writing by the Owner. The notice shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the declaration or bylaws, any budget changes, and any proposal to remove an officer or member of the executive board. For special meetings, the notice shall state the purpose of the meeting. The notice of any meeting of members shall be physically posted in a conspicuous place, to the extent that such posting is feasible and practicable. In addition to the printed notice, if electronic means are available, the Association shall provide notice of all regular and special meetings of members by electronic mail to all Owners who so request and who furnish the Association with their electronic mail addresses. Such electronic notice of a special meeting shall be given as soon as possible but at least twenty-four hours before the meeting. At the option of the Board of Directors, notice of any member meeting may be given by electronic mail to all Owners with available addresses, regardless of any request therefore, and such notice may be posted on the Association's website, in addition to the printed notice. Mailed notice shall be deemed to be delivered when deposited in the United States Mail, with postage prepaid, and notice given by any other method shall be deemed delivered when sent or given. Failure to give notice as provided herein or obtain a waiver thereof shall not cause the meeting to be lost, but it shall be adjourned by the members present for a period not to exceed sixty (60) days until any deficiency in notice or waiver shall be supplied. Meetings may be held by any electronic means determined to be reasonable by the Executive Board and designated in the notice of meeting.

**4.07 Quorum; Manner of Acting.** The presence at the meeting of members entitled to cast, or of proxies entitled to cast, twenty percent of the votes of the membership shall

constitute a quorum for any action, except as otherwise provided in these Bylaws. If a quorum is present at any time during a meeting it shall be deemed present for the remainder of the meeting. If, however, a quorum is not present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. Unless otherwise specifically provided by the Declaration or by statute, all matters coming before a meeting of members at which a proper quorum is in attendance, in person or by proxy, shall be decided by the vote of a majority of the votes validly cast at such meeting.

Contested elections of Board members, defined as elections in which there are more candidates than positions to be filled, shall be conducted by secret ballot. Each Owner entitled to vote shall receive a ballot. The ballot shall contain no identifying information concerning the ballot holder. In the event an Owner holds a proxy for another Owner, upon presentation of such proxy to the Secretary of the Association or the Secretary's designee, the Owner shall receive a secret ballot to cast the vote of the Owner who provided the proxy. The proxy shall be kept and retained by the Association.

Uncontested elections of Board members, defined as elections in which the number of candidates is equal to or less than the positions to be filled, and all other votes taken at a meeting of the Owners shall be taken in such method as determined by the Board of Directors including acclamation, by hand, by voice or by ballot. Notwithstanding the above, uncontested elections of Board members or other votes on matters affecting the community shall be by secret ballot at the discretion of the Board or upon the request of twenty percent (20%) of the Owners who are present at the meeting or represented by proxy.

Written ballots shall be counted by a neutral third party, excluding the Association's managing agent or legal counsel, or a committee of volunteers who are not Board members, and in the case of a contested election, are not candidates. The committee shall be selected or appointed at an open meeting, in a fair manner, by the Chair of the Board or another person presiding during that portion of the meeting.

#### **4.08 Proxies.**

- 4.08.1** A member entitled to vote may vote or otherwise act in person or by proxy.
- 4.08.2** Without limiting the manner in which a member may appoint a proxy to vote or otherwise act for the member, a member may appoint a proxy by signing an appointment form, either personally or by the member's attorney-in-fact.
- 4.08.3** An appointment of a proxy is effective against the Association when received by the Association. An appointment is valid for eleven months unless a different period is expressly provided in the appointment form.
- 4.08.4** Any complete copy, including an electronically transmitted facsimile, of an appointment of a proxy may be substituted for or used in lieu of the

original appointment for any purpose for which the original appointment could be used.

- 4.08.5** An appointment of a proxy is revocable by the member.
- 4.08.6** Appointment of a proxy is revoked by the person appointing the proxy:
  - 4.08.6.1 Attending any meeting and voting in person; or
  - 4.08.6.2 Signing and delivering to the secretary or other Officer or agent authorized to tabulate proxy votes either a writing stating that the appointment of the proxy is revoked or a subsequent appointment form.
- 4.08.7** The death or incapacity of the member appointing a proxy does not affect the right of the Association to accept the proxy's authority unless notice of the death or incapacity is received by the secretary or other Officer or agent authorized to tabulate votes before the proxy exercises the proxy's authority under the appointment.
- 4.08.8** Subject to section 7-127-204 of the Act and to any express limitation on the proxy's authority appearing on the appointment form, the Association is entitled to accept the proxy's vote or other action as that of the member making the appointment.

**4.09 Suspension of Membership Rights.** In addition to all other available remedies, the Board may suspend any or all of the membership rights, including without limitation all voting rights and rights to use Association property, of any Owner who the Board finds has violated any provisions of the Declaration, Bylaws, policies or rules and regulations of the Association, including any failure of the Owner to pay any assessments, fines or other charges owed to the Association by the due date thereof. An Owner whose membership rights are suspended shall not be qualified to serve on the Executive Board or as an officer of the Association, nor shall any officer, agent or other representative of a suspended Owner that is a business entity be qualified to serve in such capacities; and any such suspension shall cause a vacancy in any such offices held by or on behalf of the suspended Owner, to be filled as otherwise provided in these Bylaws. Reinstatement of membership rights, once suspended, shall not reinstate any Director or officer to any office vacated as a result of the suspension. A Director who is or who serves on behalf of an Owner whose membership rights are subject to suspension pursuant to this Section shall disclose his or her conflict of interest and shall refrain from voting on the matter in accordance with the Association Governance Policy regarding Board member conflicts of interest.

Except as otherwise provided in these Bylaws, the following procedures shall be followed prior to any suspension of an Owner's membership rights:

- 4.09.1** The Board shall cause written notice to be given to the Owner of the proposed suspension and the reasons therefor. If such notice is given by mail, it shall be sent by first class or certified mail addressed to the last known address of the Owner according to the Association's records. The notice shall be mailed or otherwise given not less than fifteen (15) days prior to the effective date of the suspension.

- 4.09.2** The notice shall state the date when the proposed suspension will take effect if not rescinded. Such notice shall also inform the Owner that the Owner will be allowed the opportunity to be heard, orally or in writing, by submitting a written response or request for a hearing not less than five (5) days before the effective date of the suspension. Responses or requests received after the deadline specified in the notice need not be considered by the Board. If a written request for a hearing is received within the specified time, the matter will be set for a hearing to be conducted by the Board or by a committee or person designated by the Board, and the Owner will be notified of the time and place for such hearing.
- 4.09.3** If no response or request for a hearing is received from the Owner within the time provided, the suspension shall take effect on the date specified in the notice.
- 4.09.4** If the Owner submits a written response, or if a hearing is held at the request of the Owner, the Board or the committee or person designated by the Board shall consider any pertinent information submitted regarding the alleged violation, including any information or response submitted by the Owner. If it is determined that a violation occurred, the membership rights of the offending Owner may be suspended, to be effective the date ordered by the Board or the committee or person designated by the Board to consider the matter.

Suspension of an Owner's membership rights shall not excuse, delay or otherwise affect the Owner's continuing duty to comply with the Owner's obligations under the Declaration, Bylaws, policies and rules and regulations, including without limitation the obligation to pay assessments. Neither shall the fact that such a suspension of membership rights was or was not ordered by the Board in any way limit or affect the other rights and remedies available to the Board or the Association with respect to any violation of the Declaration, Bylaws, policies or rules and regulations.

If suspension of an Owner's membership rights becomes effective, the Owner shall not be entitled to have such rights reinstated until the Owner has completely cured the violation or violations which were the cause for the suspension and the Owner is otherwise in compliance with all applicable provisions of the Declaration, Bylaws, policies and rules and regulations, including payment of any assessments and fines then due. In addition, as a condition of reinstatement, the Owner shall pay to the Association a reinstatement fee in the amount of \$200.00, or such greater amount as may be determined by the Board as being necessary to reimburse the Association for the costs incurred in connection with the violation and the suspension and reinstatement of the Owner's membership rights, including reasonable attorney fees.

## **ARTICLE 5.00 BOARD OF DIRECTORS**

**5.01 Number.** The affairs of this Association shall be managed by a Board of four (4) Directors, which is referred to herein and in the Declaration as the Executive Board.

Directors shall be members which, in the case of a business entity such as a corporation, limited liability company, partnership or the like, shall include its partners, officers, directors, members, managers, employees and authorized agents. The Executive Board may change the number of Directors by amending these Bylaws, subject to the requirements of the Act and other applicable Colorado laws.

**5.02 Powers and Duties.** The Executive Board shall have the powers and duties set forth in the Declaration, the Articles of Incorporation and otherwise provided by law.

**5.03 Term of Office; Nomination; Vacancies.** Beginning with at the 2018 annual meeting of members, the terms of office of Directors shall be changed so that Directors will serve for staggered four-year terms. In order to institute this change, at the 2018 annual meeting of the members all Directors shall be subject to election and shall be elected by the members for the following terms: one (1) Director for a term of one (1) year; one (1) Director for a term of two (2) years; one (1) Director for a term of three (3) years; and one (1) Director for a term of four (4) years. At each annual meeting thereafter, the office of the Director whose term expires at the meeting shall be subject to election for a four-year term. Nomination for election to the Executive Board may be made from the floor at the annual meeting and may also be made by any member in writing addressed to the Executive Board, which nomination must be received prior to the time the notice of meeting has been sent to members. The Board may designate a nominating committee or other committee to make nominations or recommendations for the election of Directors. Except as otherwise provided in Section 5.04, any vacancy on the Board shall be filled by the majority vote of the remaining Director or Directors, even though they may constitute less than a quorum of the Executive Board. A Director thus appointed to fill a vacancy shall serve until the next annual meeting of members, at which time the members shall elect a Director to serve for the unexpired portion, if any, of the four-year term applicable to that Director's office.

**5.04 Removal.** Notwithstanding any provision of the Declaration or Bylaws to the contrary, the unit owners, by a vote of sixty-seven percent of all persons present and entitled to vote at any meeting of the unit owners at which a quorum is present, may remove any member of the Executive Board with or without cause; and a successor may then and there be elected to fill the vacancy thus created.

**5.05 Compensation.** No Director shall receive compensation for any service rendered to or for the Association. However, any Director may be reimbursed for actual expenses incurred in the performance of official duties.

**5.06 Delegation of Powers.** If the association delegates powers of the executive board or Officers relating to collection, deposit, transfer, or disbursement of association funds to other persons or to a managing agent, the following shall be required:

- 5.06.1** That the other persons or managing agent maintain fidelity insurance coverage or a bond in an amount not less than fifty thousand dollars or such higher amount as the executive board may require;
- 5.06.2** That the other persons or managing agent maintain all funds and accounts of the association separate from the funds and accounts of other

associations managed by the other persons or managing agent and maintain all reserve accounts of each association so managed separate from operational accounts of the association;

- 5.06.3** That an annual accounting for association funds and a financial statement be prepared and presented to the association by the managing agent, a public accountant, or a certified public accountant.

## **ARTICLE 6.00 MEETINGS OF THE EXECUTIVE BOARD**

**6.01 Regular Meetings.** Regular meetings of the Executive Board shall be held at least twice annually. One such meeting shall be held, without notice, immediately following the annual membership meeting at the same location. The second required meeting shall be held prior to the time that the notice of annual meeting is sent to members and shall include approval of the next yearly budget to be considered by the members at the annual meeting. Additional regular meetings may be scheduled without notice, at such place and hour as may be fixed by resolution of the Board.

**6.02 Special Meetings.** Special meetings of the Executive Board shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days notice to each Director.

### **6.03 Action Taken Without a Meeting.**

- 6.03.1** Any action required or permitted to be taken at any meeting of the Executive Board or of any committee thereof may be taken without a meeting, if:
- (i) Notice is given to each Director, as described in this Section and in accordance with Section 7-128-202, Colorado Revised Statutes (“Section 7-128-202”), as amended from time to time, if different from the provisions of this Section; and
  - (ii) Each Director (A) votes in writing for such action; or (B) votes in writing against such action, abstains in writing from voting or fails to respond or vote; and (C) fails to demand in writing that action not be taken without a meeting; and
  - (iii) At least a majority (or a greater number if required for the proposed action) of all of the Directors then in office vote in writing for such action.
- 6.03.2** In accordance with Section 7-128-202, the notice required in this Section shall state:
- (i) The action to be taken;
  - (ii) The time by which a Director must respond;
  - (iii) That failure to respond by the time stated in the notice will have the same effect as abstaining in writing by the time stated in the notice and failing to demand in writing by the time stated in the notice that action not be taken without a meeting; and

(iv) Any other matters the Association determines to include.

**6.03.3** Notice for a proposed action under this Section may be initiated by any Director or by the managing agent, if any, designated by the Board. The time allowed for a response, as specified in the notice, shall be not less than twenty-four (24) hours, if the notice is delivered to each Director personally or by electronic transmission, or three (3) business days if the notice is sent by mail, unless an emergency or other circumstances require a shorter time.

**6.03.4** Any Director who in writing has voted, abstained, or demanded action not be taken without a meeting pursuant to this Section may revoke such vote, abstention, or demand in writing received by the Association by the time stated in the notice transmitted as provided in this Section.

**6.03.5** A writing by a Director under this Section shall be in a form sufficient to inform the Association of the identity of the Director, the vote, abstention, demand, or revocation of the Director, and the proposed action to which such vote, abstention, demand, or revocation relates. All communications under this Section may be transmitted or received by the Association by electronically transmitted facsimile, e-mail, or other form of wire or wireless communication. For purposes of this Section, communications to the Association are not effective until received.

**6.03.6** The provisions of this Section shall be implemented substantially in accordance with Section 7-128-202 and the notice and all other writings regarding such action shall be filed with the minutes of proceedings of the Executive Board or committee.

**6.03.7** In addition to the foregoing notice and voting procedures, any action by the Executive Board may be taken and evidenced by a resolution signed or approved in writing by all Directors who, by signing or approving such resolution, waive the right to demand that action not be taken without a meeting and waive the right to any notice regarding such action.

**6.04 Attendance at Meetings.** Any or all of the Directors may participate in an annual, regular, or special meeting of the Directors 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 Director participating in a meeting by this means is deemed to be present in person at the meeting. Any Director desiring to attend by any method other than personal attendance shall be responsible for making appropriate arrangements for such attendance, including paying the cost thereof. Unless other arrangements have been approved for voting by the Executive Board, Directors attending electronically shall be deemed to waive their right to vote secretly by written ballot if such voting is allowed or required; all Directors so attending shall vote orally so the vote may be heard by all those in personal attendance.



Owners, as members of the Association, are entitled to attend meetings of the Board of Directors, but are not entitled to any individual notice of such meetings. After a motion and second has been made on any matter to be discussed, at a time determined by the Board, but prior to a vote by the Directors, Owners, or their designated representatives, present at such time shall be afforded an opportunity to speak on the motion. The Board may place reasonable time restrictions on those speaking.

The Board of Directors may hold executive or closed door sessions in accordance with the requirements of C.R.S. 38-33.3-308.

**6.05 Quorum.** A majority of the number of Directors in office immediately before the meeting begins shall constitute a quorum for the transaction of business. If a quorum is present at any time during a meeting it shall be deemed present for the remainder of the meeting.

## **ARTICLE 7.00 OFFICERS AND THEIR DUTIES**

**7.01 Enumeration of Offices.** The Officers of this Association shall be a President and a Vice President, a Secretary, a Treasurer, and such other Officers as the Executive Board may from time to time by resolution create.

**7.02 Election of Officers.** The election of Officers shall take place at the Annual Meeting of the Executive Board following the Annual Meeting of the members.

**7.03 Term.** The Officers of this Association shall be elected annually by the Executive Board and each shall hold office for one (1) year unless the Officer shall sooner resign or be removed or shall otherwise be disqualified to serve.

**7.04 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. Any of the duties delineated in this Bylaw may be delegated by the appropriate Officers, subject to the prior approval of the Executive Board.

**7.05 Resignation and Removal.** Any Officer may be removed from office with or without cause by the Executive Board. Any Officer may resign at any time by giving written notice to the Executive Board, the President, or the Secretary. 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.

**7.06 Vacancies.** A vacancy in any office may be filled by appointment of the Executive Board. The Officer appointed to such vacancy shall serve for the remainder of the term of the Officer replaced.

**7.07 Multiple Offices.** Any two or more offices, except for the offices of President and Vice President, may be held by the same person.

**7.08 Duties.** The duties of the Officers are as follows:

- 7.08.1 President** The president shall preside at all meetings of the Executive Board and members, shall see that orders and resolutions of the Executive Board are carried out, shall sign all deeds and other written instruments; and shall co-sign all promissory notes.
- 7.08.2 Vice President** The Vice President shall act in the place and stead of the President in the event of the President's absence, inability, or refusal to act and shall exercise and discharge such other duties as may be required of the Vice President by the Executive Board
- 7.08.3 Secretary** The Secretary or a designated agent shall record the votes and keep the minutes of all meetings and proceedings of the Executive Board and of the members; shall keep the corporate seal of the Association, if any, and affix it on all papers requiring said seal; shall serve notice of meetings of the Executive Board and of the members; shall keep appropriate records showing the members of the Association together with their addresses; and shall perform such other duties as are required by the Executive Board.
- 7.08.4 Treasurer** The Treasurer, property manager or other designated agent, shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Executive Board; shall sign, or authorize a designated agent to sign, all checks and promissory notes of account; shall cause an annual compilation report of the Association books to be made at the completion of each fiscal year or, at the option of the Executive Board or as may be required by the Declaration, an annual review or other financial statement as may be required; and shall assist in the preparation of an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting.

## **ARTICLE 8.00 BOOKS AND RECORDS**

**8.01 Record of Meetings.** The Association shall keep as permanent records minutes of all meetings of its members and Executive Board, a record of all actions taken by the members or Executive Board without a meeting, a record of all actions taken by a committee of the Executive Board in place of the Executive Board on behalf of the Association, and a record of all waivers of notices of meetings of members and of the Executive Board or any committee of the Executive Board.

**8.02 Accounting Records.** The Association shall maintain appropriate accounting records.

**8.03 Membership Records.** The Association shall maintain a record of its members in a form that permits preparation of a list of the name and address of all members in alphabetical order showing the number of votes each member is entitled to vote.

**8.04 Form of Records.** The Association shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

**8.05 Records to be Maintained at Office.** The Association shall keep a copy of each of the following records at its principal office:

- 8.05.1** Its Articles of Incorporation
- 8.05.2** Its Bylaws
- 8.05.3** Resolutions adopted by its Executive Board relating to the characteristics, qualifications, rights, limitations, and obligations of members
- 8.05.4** The minutes of all meetings of members and records of all action taken by members without a meeting for the past three years
- 8.05.5** All written communications within the past three years to members generally as members
- 8.05.6** A list of the names and business or home addresses of its current Directors and Officers
- 8.05.7** A copy of its most recent corporate report delivered to the secretary of state under section 7-136-107 of the Act
- 8.05.8** All financial audits or reviews conducted pursuant to C.R.S. 38-33.3-303(4)(b) during the immediately preceding three years; and
- 8.05.9** The Master Declaration and any separate covenants affecting the entirety of the property subject to the Master Declaration.

## **ARTICLE 9.00**

### **STANDARDS OF CONDUCT FOR DIRECTORS AND OFFICERS**

**9.01 Discharge of Duties.** Each Director shall discharge the Director's duties as a Director, including the Director's duties as a member of a committee of the board, and each Officer with discretionary authority shall discharge the Officer's duties under that authority: 9.01.1 In good faith; 9.01.2 With the care an ordinarily prudent person in a like position would exercise under similar circumstances; and 9.01.3 In a manner the Director or Officer reasonably believes to be in the best interests of the Association.

**9.02 Reliance.** In discharging duties, a Director or Officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by: 9.02.1 One or more Officers or employees of the Association whom the Director or Officer reasonably believes to be reliable and competent in the matters presented; 9.02.2 Legal counsel, a public accountant, or another person as to matters the Director or Officer reasonably believes are within such person's professional or expert competence; 9.02.3 In the case of a Director, a committee of the

Executive Board of which the Director is not a member if the Director reasonably believes the committee merits confidence.

**9.03 Good Faith.** A Director or Officer is not acting in good faith if the Director or Officer has knowledge concerning the matter in question that makes reliance otherwise permitted by subsection 2 of this section unwarranted.

**9.04 Liability.** A Director or Officer is not liable as such to the Association or its members for any action taken or omitted to be taken as a Director or Officer, as the case may be, if, in connection with such action or omission, the Director or Officer performed the duties of the position in compliance with this section.

**9.05 Trustee.** A Director, regardless of title, shall not be deemed to be a trustee with respect to the Association or with respect to any property held or administered by the Association including, without limitation, property that may be subject to restrictions imposed by the donor or transferor of such property.

**9.06 Declarant Appointees.** If appointed by the Declarant, in the performance of their duties, the Officers and members of the Executive Board are required to exercise the care required of fiduciaries of the unit owners.

## **ARTICLE 10.00 INDEMNIFICATION OF DIRECTORS AND OFFICERS**

**10.01 General Rule.** The Association shall indemnify every Director or Officer to the full extent permitted by Colorado law. All liability, loss, damage, cost and expense incurred or suffered by the Association by reason of or arising out of or in connection with the foregoing indemnification provision shall be treated and handled by the Association as common expenses; provided, however that nothing in this Bylaw shall be deemed to obligate the Association to indemnify any member who is or has been an Officer or Director of the Association with respect to any duties or obligations assumed or liabilities incurred by them as an individual owner and not as an Officer or Director of the Association.

**10.02 Insurance.** The Association may purchase and maintain insurance on behalf of a person who is or was a Director, Officer, employee, fiduciary, or agent of the Association or who, while a Director, Officer, employee, fiduciary, or agent of the Association, is or was serving at the request of the Association as a Director, Officer, partner, member, manager, trustee, employee, fiduciary, or agent of another domestic or foreign corporation, nonprofit corporation, or other person or of an employee benefit plan, against liability asserted against or incurred by the person in that capacity or arising from the person's status as a Director, Officer, employee, fiduciary, or agent, whether or not the Association would have power to indemnify the person against the same liability under section 7-129-102, 7-129-103, or 7-129-107 of the Act. Any such insurance may be procured from any insurance company designated by the Executive Board, whether such insurance company is formed under the laws of this state or any other jurisdiction of the

United States or elsewhere, including any insurance company in which the Association has an equity or any other interest through stock ownership or otherwise.

**ARTICLE 11.00  
AMENDMENT**

These Bylaws may be amended by majority vote at a regular meeting of the Directors, or at a special meeting of the Directors called for that purpose.

**ARTICLE 12.00  
MISCELLANEOUS**

**12.01 Fiscal Year.** The fiscal year of the Association shall be the calendar year.

**12.02 Conflict of Documents.** In case of any conflict between the Declaration and these Bylaws, the Declaration shall control. In case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control. In case of any conflict between the Declaration and the Articles of Incorporation, the Declaration shall control.

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**[End of Bylaws]**

**CERTIFICATION**

I DO HEREBY CERTIFY that I am the duly elected and acting Secretary of Grand Elk Owners Association, a Colorado Nonprofit Corporation. The foregoing Bylaws were adopted by the Executive Board and/or the members and as of \_\_\_\_\_, are in full force and effect.

\_\_\_\_\_  
Secretary