

BY-LAWS
OF
THREE SPRINGS MASTER ASSOCIATION

ARTICLE I
NAME, LOCATION, AND OBJECT

The name of the corporation is Three Springs Master Association (the "Association"). The principal office of the Association shall initially be located in the County of La Plata, Colorado. Meetings of Members and Directors may be held at such places within the State of Colorado as may be designated by the Board of Directors. The purpose for which the Association is formed is to govern the properties situated in the County of La Plata, Colorado, described in the Master Declaration for Three Springs ("Declaration") and all amendments and supplements thereto. All terms defined in said Declaration or in the Association's Articles of Incorporation ("Articles") shall have the same meaning herein unless otherwise defined. The Association shall be a "not for profit" corporation.

ARTICLE II
MEETING OF MEMBERS

Section 1 — Annual Meetings. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held within thirty (30) days of such date in each year thereafter, and at such date, time, and place as may be determined by the Board of Directors. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2 — Special Meetings. Special meetings of the Members or any class of Members may be called at any time by the President, by a majority of the Board of Directors, or upon written request of Members holding at least thirty percent (30%) of the votes entitled to be cast on the matters to be considered at the special meeting.

Section 3 — Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting by mailing a copy of such notice, postage prepaid, at least ten (10) days and no more than fifty (50) days before such meeting to each Member entitled to vote thereat, addressed to the Member's Unit or other mailing address designated in writing by such Member to the Association. Such notice shall specify the place, day, and hour of the meeting and the items on the agenda, including the general nature of any proposed amendments to the Declaration, Articles, or these By-Laws, any budget changes, and any proposal to remove an officer or director. The Association also may provide notices in electronic form, by posting on a website or otherwise. Such electronic postings shall be sent to Members' electronic mail address for all Members who notify the Association of such electronic mail address. Electronic notice of meetings shall be given as soon as possible but in any event at least twenty-four (24) hours prior to the meeting.

Such Notice also shall be physically posted in a conspicuous place to the extent feasible and practicable and may be posted to Members electronically.

Section 4 — Quorum. The presence at the meeting of the Members entitled to cast, or of proxies entitled to cast, twenty-five percent (25%) of the votes of all Members shall constitute a quorum for any action except as otherwise provided in the Articles, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting to a date not less than ten (10) nor more than thirty (30) days in the future. A quorum shall be deemed present throughout the meeting if a quorum is present at the beginning of such meeting. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5 — Voting Rights. Every Owner of a Unit is a Member of the Association and remains a Member for the period of his ownership of a Unit. There will be two classes of voting Memberships. Class A Members shall be every Owner of a Unit, Lot, or Parcel that is Assessable Property and that is subject to a Supplemental Declaration. Each such owner shall be entitled to one vote for each Membership held by such Owner. Class B Members shall be every Owner of a Tract that is Assessable Property and that is not subject to a Supplemental Declaration. Class B Owners shall be entitled to eight (8) votes for each acre of land or portion thereof within a Tract owned by such Owner. For the purposes hereof, an acre of land shall consist of 43,560 gross square feet. When one or more persons hold an interest in the same Unit, all such Owners shall be Members and the vote for such Unit shall be cast as the Owners thereof agree. If the Owners of a Unit do not agree as to the manner in which their vote should be cast when called upon to vote, they will be treated as having abstained.

Notwithstanding the foregoing provisions of this Section 5, during the Period of Declarant's Control as described in the Declaration, the Declarant has the right to appoint and remove all members of the Board of Directors and all officers of the Association, with such right phasing out as to some Directors prior to termination of such right as provided in the Declaration.

At the discretion of the Board of Directors or upon the request of twenty percent of the Owners of a Unit who are present at the meeting or represented by proxy, if a quorum has been achieved, a vote on any matter affecting the Association and the Property subject to the Declaration shall be by secret ballot. Ballots shall be counted by a neutral third party or by committee of volunteers. Such volunteers shall be Owners of a Unit who are selected or appointed at an open meeting, in a fair manner, by the chair of the Board or by another person presiding during that portion of the meeting. The volunteers shall not be members of the Board of Directors and, in the case of a contested election for a Board of Directors position, shall not be candidates. The results of a vote shall be reported without reference to names, addresses, or other identifying information.

Votes may be exercised on behalf of a Member pursuant to a proxy. All proxies shall be in writing and shall be filed with the Secretary of the Corporation either before or at the meeting. A proxy is void if it is not dated or purports to be revocable without notice. Any proxy shall expire eleven months after its date, unless revoked or terminated sooner by the Member who

appointed the proxy. A proxy shall not be valid if obtained through fraud or misrepresentation. The Association is entitled to reject a vote, consent, written ballot, waiver, proxy appointment, or revocation of a proxy appointment if the Secretary or the officer or agent authorized to tabulate votes, acting in good faith, has a reasonable basis for doubt about the validity of the signature on it, or about the signatory's authority to sign for the Member.

Section 6 — Binding Nature of Vote. Except where otherwise provided in the Declaration, Articles or By-Laws, a simple majority vote of the Members of the Association attending an Association meeting (provided a quorum is deemed to be present as provided in Section 4 above) shall be sufficient to adopt decisions which are binding on all Members, subject to the limitations and requirements set forth in the Declaration.

Section 7 — Meeting Attendance and Participation. All annual and special meetings of the Members shall be open to attendance by all Members of the Association or a designated representative of a Member who is designated in writing to be the Member's designated representative. All Members and designated representatives shall be permitted to attend, listen, and speak at an appropriate time during the deliberations and proceedings of all meetings of the Members. The Board of Directors may place reasonable time restrictions on those persons speaking during a meeting, but shall permit a Member or a Member's designated representative to speak before the Board of Directors takes formal action on an item under discussion, in addition to any other opportunities to speak. The Board of Directors shall provide for a reasonable number of persons to speak on each side of an issue.

Section 8 — Action Without Meeting. Any action required or permitted to be taken at any annual or special meeting of Members may be taken without a meeting, without prior notice, and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the all of the Members of the Association.

Section 9 — Waiver of Notice. Attendance of a Member at a meeting shall constitute waiver of notice of such meeting, except when such attendance at the meeting is for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Any Member may waive notice of any annual or special meeting of Members by executing a written notice of waiver either before or after the time of the meeting.

ARTICLE III

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1 — Number and Qualification of Directors. The number of Directors shall be not less than three (3) members nor more than seven (7) members. Directors shall be Members except that, if a Unit is owned by an entity, a Director may be an officer, director, member, or manager of such entity. Following the period of Declarant control, the Board may increase or decrease the number of Directors without a vote of the Members and without decreasing membership in a manner that would terminate a Board member's then-current term. Notwithstanding the foregoing, members of the Board of Directors and officers elected by the Declarant can be any person that the Declarant chooses.

Section 2 — Directors During and After Termination of Period of Declarant’s Control.

During the Declarant Control Period (as defined in the Declaration), the Declarant is entitled to appoint all of the members of the Board. The Declarant shall appoint three (3) Directors. The Declarant shall have the right to appoint and remove members of the Board until the first to occur of the following:

- A. Sixty (60) days after seventy-five percent (75%) of the Maximum Units have certificates of occupancy issued thereon and have been conveyed to Persons other than a declarant (as defined in the Act);
- B. Six (6) years after the last conveyance of a Lot or Parcel by Declarant in the ordinary course of business;
- C. Twenty (20) years after Recording of the Declaration; or
- D. When, in its discretion, Declarant so determines.

Notwithstanding the foregoing, if Declarant voluntarily relinquishes its right to appoint and remove officers and directors of the Association prior to the termination of the Declarant Control Period, Declarant reserves the right to approve or disapprove specified actions of the Association as provided in these Bylaws or as designated by Declarant in a Recorded instrument relinquishing Declarant’s rights to appoint and remove officers and directors of the Association.

The period of Declarant control of the Association shall terminate no later than the earlier of (a) sixty (60) days after the conveyance of seventy-five percent (75%) of the maximum number of Units that may be created under zoning or other governmental development approvals in effect for the large planned community at any given time to Unit Owners other than the Declarant; (b) six (6) years after the last conveyance of a unit by the Declarant in the ordinary course of business; or (c) twenty (20) years after the recordation of the Declaration

The business and affairs of the Corporation shall be managed by its Board of Directors, which may exercise all such powers of the Corporation and do all such lawful acts as are not directed or required to be exercised or done by the Members by statute, the Articles of Incorporation, or these Bylaws, the Declaration, the Colorado Common Interest Ownership Act codified by Colorado Revised Statutes (“C.R.S”) Section 38-33.3-101, et seq., as amended (the “Act”), or the Colorado Non-Profit Corporation Act. The powers of the Board of Directors shall be limited to all of the rights and duties of the Corporation and the Board of Directors, as set forth elsewhere in these Bylaws, the Articles of Incorporation, the Declaration, the Act or the Colorado Non-Profit Corporation Act and shall include the power to promulgate such rules and regulations pertaining to such rights and duties as may be deemed proper and consistent with the foregoing. The Board of Directors may delegate such duties as appear in the best interest of the Corporation and to the extent permitted by these Bylaws.

Section 3 — Term of Office. After the first election of Board Members after termination of the Period of Declarant’s Control, two (2) Members of the Board of Directors shall serve for a term of two (2) year and one (1) Member of the Board of Directors shall serve for a term of one (1) year, until their successors have been elected and qualified. Thereafter, each subsequently elected Member shall serve for a term of two (2) years until their successor have been elected and qualified.

Section 4 — Removal. Any Director may be removed from the Board, with or without cause, by a sixty-seven percent (67%) vote of all of the Members of the Association, at a meeting called for that purpose. Notwithstanding the foregoing, prior to the termination of the Period of Declarant's Control, Declarant will have the sole right to remove Directors, with such right phasing out as to some Directors prior to such termination as provided in the Declaration. In the event of death, resignation, or removal of a Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 5 — Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE IV **NOMINATION AND ELECTION OF DIRECTORS**

Section 1 — Nomination. Nomination for election to a position on the Board of Directors may be made by any Member who has a right to vote for the position being nominated, no more than two (2) weeks prior to any meeting in which the position shall be elected. Nominations may also be made from the floor at the annual meeting. There shall be at least as many nominations for election to each open position on the Board of Directors as shall be needed to fill the number of vacancies in the position that are to be filled. The provisions of this Article shall not apply to Directors appointed by Declarant during the Period of Declarant's Control as described in the Declaration.

Section 2 — Election. Election to the Board of Directors shall be by secret written ballot. At such elections, each Member having a right to vote for the position being filled or the Member's proxy may cast, with respect to such position, as many votes as such Member is entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes for each position shall be elected. Cumulative voting is not permitted.

Section 3 — Vacancies. Vacancies and newly created Directorships resulting from any increase in the authorized number of Directors may be filled by the affirmative vote of a majority of the remaining Directors then in office, though less than a quorum, or by a sole remaining Director, and the Directors so chosen shall hold office until the next annual election and until their successors are duly elected and qualified, unless sooner displaced. If there are no Directors in office, then an election of Directors may be held in the manner provided by statute.

ARTICLE V **MEETINGS OF DIRECTORS AND COMMITTEES**

Section 1 — Annual Meetings. A meeting of each newly-elected Board of Directors may be held without notice in each year immediately following the annual meeting of Members.

Section 2 — Regular Meetings. Regular meetings of the Board of Directors shall be held at least quarterly without notice, at such place and hour as may be fixed from time to time

by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held on the next day that is not a legal holiday.

Section 3 — Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, by a majority of the Board, or by Members having twenty percent (20%) of the votes in the Association after not less than three (3) days' notice to each Director. Such request shall state the purpose or purposes of the proposed meeting.

Section 4 — Quorum. A majority of the total number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as an act of the Board.

Section 5 — Action Taken Without a Meeting. The Directors and the members of any committee of the 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 the Directors or committee members. Any action so approved shall have the same effect as though taken at a meeting of the Directors or of the committee.

Section 6 — Telephone Meetings. Members of the Board of Directors or any other committee designated by such Board may participate in a meeting of the Board or committee by means of conference telephone or other 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. If notice of a Directors' meeting or committee meeting is given, such notice need not specify that one or more Directors or committee members may participate in such meeting by means of conference telephone or similar communications equipment.

Section 7 — Meeting Attendance and Participation. The Board of Directors of the Corporation may hold meetings, both regular and special, either within or without the State of Colorado. All annual and special meetings of the Board of Directors shall be open to attendance by all Members of the Association or a designated representative of a Member who is designated in writing to be the Member's designated representative. At an appropriate time determined by the Board of Directors, but before the Board of Directors votes on an issue under discussion, Owners of a Unit or the designated representative of such Owner shall be permitted to speak regarding that issue. The Board of Directors may place reasonable time restrictions on persons speaking during a meeting. If more than one person desires to address an issue and there are opposing views, the Board of Directors shall provide for a reasonable number of persons to speak on each side of the issue. Regular or special meetings of the Board of Directors may be held by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.

Section 8 — Executive Sessions. Notwithstanding any other provisions of these By-Laws regarding attendance at meetings, the members of the Board of Directors or any committee thereof may hold an executive or closed door session and may restrict attendance to members of the Board of Directors and such other persons requested by the Board of Directors during a regular or specially announced meeting or a part thereof. The matters to be discussed at such an

executive session shall include only the matters described in Section 38-33.3-308(4) of the Common Interest Act. The Board shall comply with the provisions of said Section of the Common Interest Act in connection with the conduct of any closed door or executive session and reporting the results thereof.

Section 9 — Notice. Notice of any regular or special meeting of the Board shall be given at least three (3) days previously thereto either by written notice delivered personally or mailed to each Director at his business or residence address, or by telegram or telephone. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice is given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Director may waive notice of any meeting.

Section 10 — Conflicts of Interest. If any contract, decision, or other action taken by or on behalf of the Board of Directors would financially benefit any member of the Board of Directors or any person who is a parent, grandparent, spouse, child, or sibling of a member of the Board of Directors or a parent or spouse of any of those persons, that member of the Board of Directors shall declare a conflict of interest for that issue. The member shall declare the conflict in an open meeting, prior to any discussion or action on that issue. After making such declaration, the member may participate in the discussion, but shall not vote on that issue

ARTICLE VI

OFFICERS AND THEIR DUTIES

Section 1 — Enumeration of Offices. The officers of this Association shall be a President, Secretary, and Treasurer, who shall at all times be members of the Board of Directors, and such other officers as the Board may from time to time by resolution create.

Section 2 — Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3 — Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year and until his successor is elected to office unless he shall sooner resign, or shall be removed or otherwise disqualified to serve.

Section 4 — Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board of Directors may, from time to time, determine.

Section 5 — Resignation and Removal. Any officer may be removed from office, with or without cause, by a majority vote of the members of the Board. Any officer may resign at any time by giving written notice to the 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.

Section 6 — Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7 — Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8 — Duties. The duties of the officers are as follows:

(a) President. The President shall preside at all meetings of the Board of Directors and the Association; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes or authorize a designated agent to co-sign all checks and promissory notes.

(b) Vice President. If a Vice President is elected by the Board, the Vice President shall preside at all meetings of the Board of Directors in the absence of the President, and shall aid the President in seeing that all orders and resolutions of the Board are carried out; and shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act.

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

(d) Treasurer. The Treasurer, or a 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 Board of Directors; shall sign all checks and promissory notes of the Association; shall keep proper books of account and financial records of the Association; shall cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year when directed to do so by the Board of Directors; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

Section 9 — Amendments to Declaration. Whenever an Amendment to the Declaration has been approved under the provisions of the Declaration and the Common Interest Act, the president or any vice president may prepare, execute, certify, and record the Amendment on behalf of the Association, and the Secretary or Assistant Secretary (if one is elected) may affix the seal of the Association and attest to such execution.

Section 10 — Adoption of Responsible Governance Policies. The Association shall keep accurate and complete accounting records and shall adopt, and may amend from time to time, responsible governance policies, procedures, and Rules and Regulations concerning the collection of unpaid assessments, Board members' conflicts of interest, the conduct of meetings, enforcement of the Declaration, including notice and hearing procedures and the assessment of

finances, policies on the investment of the Association's reserve funds, inspection and copying of Association records by Owners, procedures for adoption and amendment of its policies, procedures, and rules, and procedures for addressing disputes arising between the Association and unit owners.

ARTICLE VII **BOOKS AND RECORDS**

The Association shall keep accurate and complete books and records of its receipts and expenditures; shall keep minutes of the proceedings of the Board of Directors and Members; and shall keep at its registered or principal office in Colorado a record of the names and addresses of the Members entitled to vote. Current copies of the Declaration, Articles and By-Laws of the Association, rules and regulations governing the Association, and other books, records and financial statements of the Association, and the records of receipts and expenditures of the Board of Directors, shall be made available to Owners, First Mortgagees of Units, and insurers or guarantors of any First Mortgage. The word "available," as used herein, shall at least mean available for inspection, upon request, during normal business hours of the Association or under other reasonable circumstances.

The Association shall maintain accurate and complete accounting records and shall maintain records of meeting minutes, Board actions, committee actions, notices of meetings, and a record of all voting Owners and their addresses. The Association shall keep at its principal office and make available to Owners, First Mortgagees, and insurers or guarantors of any First Mortgage, current copies of the Declaration, the Articles of Incorporation, By-Laws, Rules and Regulations, books, records, and financial statements of the Association, resolutions adopted by the Board or any committee of the Board, minutes of all Owners' meetings and actions for at least three (3) years, written communications to Owners for at least three (3) years, a list of the names and addresses of current Directors and officers of the Association, the most recent annual report, and all audits and financial reviews for at least three (3) years. The Association shall make available to prospective purchasers of Units current copies of the Declaration, the Articles of Incorporation, By-Laws, Rules and Regulations, and the most recent audited annual financial statement of the Association, if available. "Available" shall mean available for inspection, upon request that is made in good faith and for a proper purpose and for records that are relevant to such proper purpose, during normal weekday business hours or under other reasonable circumstances. The Association may charge a fee for inspection and copying of the Association books and records, not to exceed the Association's actual costs.

At the discretion of the Board of Directors or upon request, as set forth below, the Association shall perform a review of its financial records, using "Statements on Standards for Accounting and Review Services," or an audit of its financial records, using generally accepted auditing standards, by an independent and qualified person selected by the Board of Directors of the Association. A person selected to conduct a review shall have at least a basic understanding of the principles of accounting as a result of prior business experience, education above the high school level, or bona fide home study. The audit or review report shall cover the Association's financial statements, which shall be prepared using generally accepted accounting principles on a cash or tax basis of accounting. A review shall be required only when requested by the Owners of at least one-third (1/3) of the Units represented by the Association. An audit shall be required only if the Association has annual revenues or expenditures in excess of \$250,000 and the audit

is requested by at least one-third (1/3) of the Owners. Copies of an audit or review shall be made available upon request to any Owner, beginning no later than thirty (30) days after its completion. The Association shall also provide an audited financial statement for the immediately preceding fiscal year to any First Mortgagee or any insurer or guarantor of such First Mortgage, within a reasonable time after written request therefor is made by any such First Mortgagee, or insurer, or guarantor of any First Mortgage; provided that if the Association has not previously received an audit for such fiscal year, the Association may require the requesting First Mortgagee, or insurer, or guarantor of a First Mortgage to pay the expense of the audit to the Association in advance.

Within ninety (90) days after the first election of a Board of Directors after the end of the Period of Declarant's Control, and within ninety (90) days after the end of each fiscal year thereafter, the Association shall make the following information available to Owners at the Association's principal place of business:

- (i) Fiscal year commencement date;
- (ii) Current fiscal year operating budget;
- (iii) List of the Association's current assessments (regular and special) by Unit type;
- (iv) Annual financial statements, including amounts held in reserve for the previous fiscal year;
- (v) The results of the most recent available audit or review;
- (vi) List of all Association insurance policies, including names, limits, deductibles, additional named insureds, and expiration dates;
- (vii) All By-Laws, Articles of Incorporation, and Rules and Regulations of the Association;
- (viii) Board and Member meeting minutes for the previous fiscal year; and
- (ix) The Association's governance policies.

Such information also may be disclosed by posting the information on the Association's website and providing notice of the Association's website to all Owners via e-mail or first-class mail, or the Association may mail or deliver such information to all of the Owners.

Within ninety (90) days after assuming control of the Association from the Declarant, the Association shall make the following information available to Owners upon reasonable notice. In addition, if the Association's address, designated agent, or management company changes, the Association shall make updated information available within ninety (90) days after the change:

- (i) name of the Association;
- (ii) name of designated agent or management company of the Association, if any;
- (iii) valid physical address and telephone number for the Association and its agents;
- (iv) name of the Common Interest Community;

- (v) initial date of recording of the Declaration; and
- (vi) the Reception Number or book and page number for the Declaration.

ARTICLE VIII
ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association semi-annually (January 1 and July 1), special and other assessments and fines which are secured by a statutory lien upon the Unit against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum, or such other rate as may be established by the Board from time to time, and the Association may assess a monthly late charge thereon in such amount or at such rate as may be established by the Board from time to time. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Unit, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use or abandonment of his Unit.

ARTICLE IX
CORPORATE SEAL

The Association may have a seal in circular form having within its circumference the words "Three Springs Master Association."

ARTICLE X
AMENDMENTS

Section 1 — Amendment. Except as provided otherwise by the Declaration, the Articles, or applicable law, these By-Laws can be amended by action of the Board of Directors or the Members.

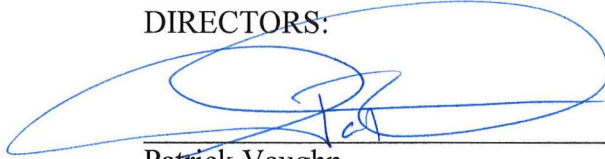
Section 2 — Conflict. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XI
MISCELLANEOUS

The fiscal year of the Association shall be a calendar year, or such other fiscal year as may be determined by the Board of Directors.

IN WITNESS WHEREOF, the undersigned, being the Directors of the Association, have hereunder set their hand this 31st day of January, 2007.

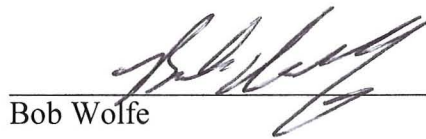
DIRECTORS:



Patrick Vaughn



Tim Zink



Bob Wolfe

THREE SPRINGS MASTER ASSOCIATION

UNANIMOUS CONSENT OF DIRECTORS

The undersigned, being all the directors of the Three Springs Master Association, a Colorado nonprofit corporation ("Corporation"), hereby take the following action by unanimous consent in lieu of conducting an organizational meeting:

1. Bylaws. The Bylaws of the Corporation attached to this Consent are adopted as the Bylaws of the Corporation.

2. Election of Officers. The following persons are hereby elected to the offices set forth opposite their names, to serve until their successors are elected and qualified:

President	Patrick Vaughn
Vice President	Tim Zink
Secretary	Bob Wolfe
Treasurer	Bob Wolfe

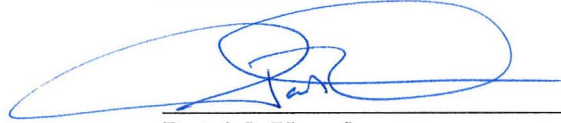
3. Banking Authority. It is hereby resolved that the Treasurer is authorized to open and maintain a checking and/or savings account on behalf of the Corporation at such bank of banks of his choosing, and that the banking resolutions in the customary form of such credit union are hereby adopted with the same force and effect as if set forth herein in their entirety, authorizing the President, or any person designated by the President, to draw on any of such accounts upon his or her official signature. The officers shall execute and deliver such documents and take such other action as they deem necessary or advisable to effect this resolution.

4. Fiscal Year. The fiscal year of the Corporation shall end on the last day of December of each year.

5. Provision of Services. Pursuant to the Declaration, the Declarant may, during the Declarant Control Period, enter into and terminate contracts or agreements with other entities to provide services and facilities such as security, caretaker, transportation, fire protection, utilities, including access to fiber optics and other telecommunication networks and facilities, and similar services and facilities. It is hereby resolved that the undersigned consent to the Declarant's entry into any such contracts or agreements, until such time as the Declarant Control Period terminates.

Dated as of the 31st day of January, 2007.

DIRECTORS:



Patrick Vaughn



Tim Zink



Bob Wolfe