

THE

BYLAWS

OF

THE NYLAND COMMUNITY ASSOCIATION

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BYLAWS
OF
THE NYLAND COMMUNITY ASSOCIATION

ARTICLE ONE: OBJECT

1.1 Association. THE NYLAND COMMUNITY ASSOCIATION ("Association") is a nonprofit corporation organized under the Colorado Nonprofit Corporation Act with its principal office at the address of its Registered Agent, on file with the Secretary of State of Colorado, Denver, Colorado. These Bylaws are adopted for the administration, regulation and management of the affairs of the Association.

1.2 Purpose. The purpose for which the Association is formed is to govern the residential community situated in the NYLAND SUBDIVISION, a subdivision in the County of Boulder, State of Colorado ("The Properties"), which is subject to the provisions of THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE NYLAND SUBDIVISION ("Declaration"), as amended from time to time, recorded in the office of the County Clerk and Recorder, Boulder County, Boulder, Colorado.

As stated in the Cohousing Mission Statement, June 1, 1989, the community's purpose is as follows:

We are a group of individuals, couples and families desiring to live and participate responsibly in a cooperative housing community. At this point in our development, we seek:

To respect both the individual and the community.

To be sensitive to the environment.

To be diverse.

To share human resources.

To foster safety and well-being.

To nourish the community's spirit and have the flexibility to make it a reality.

We understand that we are doing the creating and that the creation of this community is a process that evolves and is not known by any one of us individually but by all of us collectively.

1.3 Terms Defined in Declaration. Terms used in these Bylaws which are defined in the Declaration shall have the same meaning and definition as in the Declaration.

1.4 Controlling Laws and Instruments. These Bylaws are controlled by and shall always be consistent with the provisions of the Colorado Nonprofit Corporation Act, the Declaration and the Articles of Incorporation of the Association filed with the Secretary of State of Colorado, as any of the foregoing may be amended from time to time.

ARTICLE TWO: OFFICES

2.1 Principal Office. The Board of Directors, in its discretion, may fix and may change, from time to time, the location of the principal office of the Association.

2.2 Registered Office and Agent. The Colorado Nonprofit Corporation Act requires that the Association have and continuously maintain in the State of Colorado a registered office and a registered agent whose business office is identical with such registered office. The registered office need not be the same as the principal office and the initial registered agent as specified in the Articles of Incorporation of the Association but may be changed by the Association at any time, without amendment to the Articles of Incorporation by filing a statement, as specified by law, in the Office of the Secretary of State of Colorado.

ARTICLE THREE: MEMBERSHIP AND VOTING RIGHTS

3.1 Membership. Every Person who is a record Owner of fee interest in any Lot which is subject by covenants of record to assessment by the Association shall be a Member of the Association, including contract sellers. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Ownership of such Lot shall be the sole qualification for such membership. Where more than one person holds interest in any Lot, all such persons shall be Members.

3.2 Voting Rights. Members shall be all Owners, and shall be entitled to one vote for each Lot, as herein defined, owned. The vote for such Lot, the ownership of which is held by more than one Owner, may be exercised by any one of them, unless an objection or protest by any other holder of an interest in the Lot is made prior to the completion of the vote, in which case the vote for such Lot shall be exercised as the persons holding such interest shall determine between themselves. Should the joint owners of a Lot be unable, within a reasonable time, to agree upon how they will vote any issue, they shall be passed over and their right to vote on such issue shall be lost. In no event shall more than one vote be cast with respect to any such Lot.

ARTICLE FOUR: MEETINGS OF THE MEMBERS

4.1 Place of Meetings. Meetings of the Association shall be held at the Community House within The Properties.

4.2 Annual Meetings. The first Annual Meeting of the Association shall be held within one year from the date of incorporation of the Association. Each subsequent regular Annual Meeting of the Association shall be held within 120 days of the close of the Association's fiscal year at a date set by the Board of Directors. Members may transact such business of the Association as may properly come before the meeting.

4.3 Special Meetings. Special meetings of the Association may be called at any time by the President, or by the Board of Directors, or upon written request of the Members who are entitled to cast at least twenty-five percent of the votes in the Association.

4.4 Notice of Meetings. Written notice of each meeting of the Association shall be given by, or at the direction of, the President or Secretary of the Association by hand delivery or mailing postage prepaid a copy of such notice or a combination thereof, at least five days before such meeting to each member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a Special Meeting, the purpose of the meeting.

4.5 Quorum. The presence at a meeting of Members of the Association entitled to cast, or of proxies entitled to cast, fifty percent of the votes in the Association shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these Bylaws. An affirmative vote of a majority of the votes present at which a quorum is in attendance in person or by proxies shall be necessary to transact business and to adopt decisions binding on all Members.

If such quorum shall not be present or represented by proxy 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 represented.

4.6 Proxies. At all meetings of the Association, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary of the Association at or before the time of such meeting. Proxies may be given only to other Members of the Association. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his or her Lot. No proxy shall extend beyond a period of sixty days.

4.7 Cumulative Voting Not Permitted. Cumulative voting in the election of Directors is not permitted.

ARTICLE FIVE: THE BOARD OF DIRECTORS

5.1 The Initial Board of Directors. Initially four Directors shall be selected by the Declarant, and shall serve in accordance with Paragraph 5.2 below. The names of the initial Directors selected by the Declarant are set forth in the Articles of Incorporation.

5.2 The Board of Directors. The Board of Directors shall be expanded to nine members by a Resolution of the Board of Directors within a year of the adoption of these Bylaws. The Board shall call a Special Meeting to be held at which Members shall elect Directors to serve until the next Annual Meeting of the Association. Upon such election the Directors selected by the Declarant shall submit their resignations. A member from each Committee shall be represented among the members of the Board of Directors and all other members shall be at-large positions. In the case that a Committee is unable to find a committee member to serve on the Board then the position will be filled as an at-large position.

At the first Annual Meeting of the Association after the said Special Election and at each Annual Meeting of the Association thereafter, Directors shall be elected.

The terms of the elected Directors shall be for a term of one year. Directors shall continue in office until their successors have been elected, unless a Director resigns, is removed or becomes disqualified to be a Director.

The number of Directors and their terms may be changed by amendment to these Bylaws.

5.3 Qualifications/Nomination. Twelve months from the date of incorporation, an elected Director must be an Owner of a Lot within The Properties, or an officer of a corporate Owner of a Lot, or a partner in a partnership owning a Lot, or a Trustee of a Trust owning a Lot within The Properties. If a Director ceases to be an Owner of a Lot or a Corporate Officer, or a Partner or a Trustee of an entity which owns a Lot, such Director's term as Director shall immediately terminate, and a new Director shall be selected as promptly as possible to take such Director's place. A Director may be reelected, and there shall be no limit as to the number of terms a Director may serve.

Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the Annual Meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may only be made from among the Members.

5.4 Election. Election to the Board of Directors shall be by

written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected.

5.5 Resignation/Removal of Directors. Any Director may resign at any time by giving written notice to the Secretary of the Association, stating the effective date of such resignation. Acceptance of such resignation shall not be necessary to make the resignation effective.

Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association.

5.6 Vacancies in Directors. Any vacancy occurring in the Board of Directors shall be filled by a vote of the membership. A Director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office. A Directorship to be filled by reason of an increase in the number of Directors shall be filled only by vote of the Membership.

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

ARTICLE SIX: MEETINGS OF THE BOARD OF DIRECTORS

6.1 Regular Meetings. Regular meetings of the Board of Directors shall be held as the needs of the Association dictate but at least quarterly upon seven days' notice, at such place and hour as may be fixed from time to time by resolution of the Board.

6.2 Special Meetings. Special Meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three days' notice to each Director.

6.3 Purpose of Meetings. Neither the business to be transacted at, nor the purpose of, any Regular or Special Meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

6.4 Quorum. A majority of the 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.

6.5 Proxies. A Director shall not be entitled to vote by proxy at any meeting of the Directors.

6.6 Waiver of Notice. A waiver of notice of any meeting of the Board of Directors, signed by a Director, whether before or after the meeting, shall be equivalent to the giving of notice of the meeting to such Director. Attendance in person of a Director at a meeting shall constitute waiver of notice of such meeting except when the Director attends for the express purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.

6.7 Action Taken Without a Meeting. The Directors 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. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE SEVEN: POWERS AND DUTIES OF THE BOARD OF DIRECTORS

7.1 Powers. The Board of Directors shall have the power to:

a) administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Declaration; and

b) establish, make and enforce compliance with such reasonable Rules, Regulations and Guidelines as may be necessary to govern the use of the Common Areas and facilities located thereon, and the personal conduct of the Members and Guests thereon, and the right to amend the same from time to time, and establish penalties for the violation of same; and

c) exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration; and

d) declare the office of a Member of the Board of Directors to be vacant in the event such Member shall be absent from three consecutive regular meetings of the Board of Directors; and

e) hire and terminate a managing agent or such other employees as they deem necessary and to prescribe their duties. All of the powers and duties granted to the Board hereunder may be delegated but such delegation shall not relieve the Board of Directors of any responsibility therefore; and

f) suspend the voting rights during any period in which a Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty days for infraction of published Rules, Regulations and Guidelines; and

g) enter into, make, perform or enforce contracts, agreements, licenses, leases, easements and/or rights of way and agreements of every kind and description.

7.2 Duties. It shall be the duty of the Board of Directors and Officers to:

a) represent the Community, not their own special interests and to work to ensure that the intent of the Cohousing Mission Statement is applied in daily activity. The Board and any of its members are empowered by the Community to serve the Community's interests; and

b) cause to be kept a complete record of all its acts and corporate affairs and to present a statement therefore to the Members at the Annual Meeting of the Association, or at any Special Meeting when such statement is requested in writing, signed by Members who are entitled to cast at least twenty-five percent of the votes in the Association; and

c) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed; and

d) as more fully provided in the Declaration, to:

(i) establish the amount of the Annual Budget of the Association and the amount of the Annual Assessment for Common Expenses, the Exterior Maintenance Assessment, the Insurance Assessment and the Sewer Tap Fee Reserve Assessment to be paid by each Owner; and

(ii) fix the amount of the Individual Assessments and establish Fines; and

e) collect all assessments as levied by the Board of Directors from the Owners as are authorized in the Declaration and from the assessments collected, provide for the maintenance, repair and replacement of the Common Areas and the exterior of the Dwelling Units, maintain all policies of insurance and create a Sewer Tap Fee Reserve and provide for such other expenses together with the establishment of necessary reserves as are required by the Declaration; and

f) prepare, record and foreclose the lien against any Lot for which assessments are not paid or bring an action at law against the Owner personally obligated to pay the same; and

g) establish a reasonable late fee for nonpayment of assessments in accordance with the Declaration, as the Board, in its discretion, may determine from time to time and uniformly apply; and

h) procure and maintain adequate liability and hazard insurance on insurable improvements in the Common Areas owned by the Association and procure and maintain adequate blanket hazard insurance on the Dwelling Units in accordance with the Declaration and such other insurance policies as the Board deems necessary or advisable; and

i) keep in good order, condition and repair all of the Common Areas and the exterior of the Dwelling Units; and

j) institute, defend, or intervene in litigation or administrative proceedings in its own name on behalf of itself or an Owner on matters affecting The Properties; and

k) enjoin or seek damages from or assess Fines and Individual Assessments against an Owner for violation of the provisions of the Declaration, the Bylaws, the Articles or the Rules, Regulations and Guidelines of the Association as more fully provided for in the Declaration; and

l) furnish upon demand and for a reasonable charge, a Certificate to an Owner for such Owner's First Mortgagee signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed Certificate of the Association as to the status of the assessments on a Lot is binding on the Association as of the date of its issuance; and

m) cause all officers or employees having fiscal responsibilities to be bonded, in accordance with the Declaration; and

n) enter upon a Lot when necessary without being guilty of trespass in the performance of its duties as outlined in the Declaration; and

o) borrow money, providing such security as is necessary, providing that such borrowing has prior written approval, signed by Members who are entitled to cast at least seventy-five percent of the votes in the Association; and

p) exercise any other powers conferred by the Declaration, Articles or Bylaws; and

q) exercise all other powers necessary for the proper governing and operation of the Association.

ARTICLE EIGHT: OFFICERS AND THEIR DUTIES

8.1 Enumeration of Officers. The officers of this Association shall be a President, Vice-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.

8.2 Election of Officers. The election of officers shall take place at the first Regular Meeting of the Board of Directors following each Annual Meeting of the Association.

8.3 Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one year or until their successors are appointed, whichever is later, unless he or she shall sooner resign or be removed or otherwise be disqualified to serve.

8.4 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 may, from time to time, determine.

8.5 Resignation and Removal. Any officer may be removed from office with or without cause by the Board whenever, in the Board's judgment, the best interest of the Association will be served thereby. Any officer may resign at any time by giving written notice to the Secretary of the Board. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein. The acceptance of such resignation shall not be necessary to make it effective.

8.6 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 or she replaces.

8.7 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 Paragraph 8.4 hereof.

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

(a) President. The President shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall direct, supervise, coordinate and have general control over the affairs of the Association, and shall have the powers generally attributable to the chief executive officer of a corporation. The President shall preside at all meetings of the Board of Directors.

(b) Vice-President. The Vice President may act in the place of the President in the case of the President's absence or inability to act, and shall perform such other duties and have such authority as is from time to time delegated by the Board of Directors or by the President.

(c) Secretary. The Secretary shall be the custodian of the records and the seal of the Association; shall see that all notices

are duly given in accordance with the provisions of these Bylaws and as required by law; shall see that the books, reports and other documents and records of the Association are properly kept and filed; shall take or cause to be taken and shall keep minutes of the meetings of the Board of Directors; shall keep at the principal office of the Association a record of the names and addresses of the Members; and, in general, shall perform such other duties as may, from time to time, be assigned by the Board of Directors or by the President.

(d) Treasurer. The Treasurer shall have charge and custody of, and be responsible for, all funds of the Association; shall deposit all such funds in the name of the Association in such depositories as shall be designated by the Board of Directors; shall cause such funds to be disbursed in payment of valid obligations of the Association; shall keep correct and complete transactions and the financial condition of the Association, and shall submit such reports thereof as the Board of Directors may, from time to time, require; shall cause an annual audit of the Association's books to be made by an accountant at the completion of each fiscal year, if so directed by the Board of Directors or if requested to do so by a mortgagee in accordance with Paragraph 12.3 hereof; and shall prepare an annual budget and a statement of income and expenditures to be presented at the Association's Annual Meeting and such other duties as may from time to time be assigned by the Board of Directors or by the President.

ARTICLE NINE: COMMITTEES

The Association, acting through its Board of Directors, shall appoint committees for carrying out its purposes. At least one member from each Lot shall serve on at least one committee.

It shall be the responsibility of all Committee members to represent the Community, not their own special interests; and to work to ensure the intent of the Cohousing Mission Statement is applied in daily activity.

The Committee and any of its members are empowered by the Community to serve the Community's interests.

The Association shall have in existence at all times a Land Use and a Design Review Committee.

All committees must meet the requirements stated herein. Committees shall keep all written documents on file with the Association including the minutes of its meetings.

All Association Committees are required to file the following information with the Board of Directors:

- 1) Name of committee
- 2) Guidelines for membership on the committee including a minimum of three members
- 3) Guidelines on quorum and voting and/or a decision making process
- 4) Responsibilities and duties of the committee
- 5) Powers of the committee
- 6) Meeting times and/or contact person to obtain this information
- 7) List of committee members and their phone numbers
- 8) Board of Directors contact person who shall act as a liaison for the committee

ARTICLE TEN: AMENDMENTS

These Bylaws may be amended, at an Annual or Special Meeting of the Association, by a vote of a majority of a quorum of Members present in person or by proxy.

ARTICLE ELEVEN: NOTICE AND HEARING PROCEDURE

The Board shall not impose a Fine or Individual Assessment, suspend voting rights, or infringe upon any other rights of a Member for violations of Rules, Regulations and Guidelines of the Association or of the Declaration unless and until the following procedure is followed:

(a) Demand. Written demand to cease and desist from the alleged violation shall be served upon the alleged violator specifying:

(i) the alleged violation;

(ii) the action required to abate the violation;

(iii) a time period, not less than ten days, during which the violation may be abated without further sanction if such violation is a continuing one, or a statement that any additional similar violation may result in the imposition of a sanction after Notice and Hearing if the violation is not continuing.

(b) Notice. At any time within twelve months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty or if the same rule is subsequently violated, the Board or its delegate shall serve the violator with written notice of a Hearing to be held by the Board. The notice shall contain:

- (i) the nature of the alleged violation;
- (ii) the time and place of the Hearing, which time shall be not less than ten days from the giving of the Notice;
- (iii) an invitation to attend the Hearing and produce any statement, evidence, and witnesses on his or her behalf; and
- (iv) the proposed sanction to be imposed.

(c) Hearing. The Hearing shall be held pursuant to this Notice affording the Member a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of Notice and the invitation to be heard shall be placed in the Minutes of the Meeting. Such proof shall be deemed adequate if a copy of the Notice, together with a statement of the date and manner of delivery, is entered by the Officer, Director, or agent who delivered such Notice. The Notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The Minutes of the Meeting shall contain a written statement of the results of the Hearing and the sanction, if any, imposed. The decision of the Board shall be final.

However, in no event shall the Board suspend a Member's right to use The Properties, or his voting rights for infraction of the Association's Rules, Regulations and Guidelines.

These procedures shall not be necessary in order to impose any sanction or penalty for nonpayment of delinquent assessments.

The Design Review Committee shall also employ the above procedures before ordering the modification or removal of any improvement constructed upon The Properties without proper Committee approval or the recording of a Notice of Noncompliance against a Lot.

ARTICLE TWELVE: MISCELLANEOUS

12.1 Proof of Ownership/Vote Designation. Every person becoming an Owner of a Lot shall immediately furnish to the Board of Directors a photocopy of the recorded instrument vesting in that person such ownership, which instrument shall remain in the files of the Association. A Member shall not be deemed to be in good standing nor shall he or she be entitled to vote at any Annual or Special Meeting of the Association unless this requirement is first met.

Prior to each Annual Meeting or Special Meeting of the Association, any corporation, partnership or trust owning a Lot shall advise the Secretary of the Association which of its officers, partners or trustees are designated to vote that Lot's

vote.

12.2 Character of Association. This Association is not organized for profit. No Member, member of the Board of Directors, or officer shall receive any pecuniary profit from the operation of thereof, and in no event shall any part of the funds or assets of the Association be distributed to, or inure to the benefit of, any Director, officers or Members. A reasonable salary may be paid to any member who is in the employ of the Association for his or her services as such employee; and any Member, Manager, Director, or Officer may, from time to time, be reimbursed for his or her actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

12.3 Inspection of Records/Audit. The Association shall make available to Owners and their mortgagees copies of the Declaration, Articles of Incorporation, Bylaws and other Rules, Regulations and Guidelines governing The Properties, and the books, records and financial statements of the Association. "Available" means available for inspection upon the request during normal business hours or other reasonable circumstances at the office of the Association where copies may be purchased at a reasonable cost.

Upon ten days' notice to the Association, and upon payment of a reasonable fee, any Owner or such Owner's First Mortgagee shall be furnished a statement of his or her accounting, setting forth the amount of any unpaid assessments or other charges due and owing from such owner and/or an estoppel certificate.

Mortgagees holding mortgages or deeds of trust on Lots within The Properties shall be entitled to have an audited Financial Statement for the immediately preceding fiscal year prepared at such mortgagee's expense if one is not otherwise available. Any Financial Statements so requested shall be furnished within a reasonable time following such request.

The Association shall also be required to make available to prospective purchasers current copies of the Declaration, Bylaws, Articles of Incorporation, and other Rules, Regulations and Guidelines governing The Properties and the most recent annual audited financial statement, if such is prepared.

12.4 Indemnification. The Association shall indemnify every present and former director, officer, agent, or employee against loss, costs, and expenses, including attorneys' fees reasonably incurred in connection with any action, suit or proceeding in which such person may be made a party by reason of being, or having been, such director, officer, agent or employee of the Association, except as to matters concerning which such persons shall be finally adjudged to be liable for gross negligence or fraud. Any such indemnification shall be limited to and may only be paid out of the insurance proceeds provided by an insurer furnishing Officers' and

Directors' Errors and Omissions insurance coverage or similar protection and any other insurance protecting the Association from liability because of the negligent acts of its servants, including insurance covering motor vehicles or public liabilities, property damage, medical and other similar coverage, it being the intent and purpose of this Paragraph to limit all payments or settlements in indemnification to the actual proceeds of insurance policies received by the Association, provided, however, any deductible shall be paid by the Association.

No officer, director, agent or employee of the Declarant, its successors and assigns, nor any managing agent who is an independent contractor, shall be protected by these indemnification provisions nor by any insurance policies obtained by the Association in relation thereto.

In the event of a settlement, the settlement shall be approved by the Board of Directors and paid by the insurance carrier out of the insurance proceeds.

12.5 Corporate Seal. The Board of Directors shall adopt a seal which shall have inscribed thereon the name of the Association and the words "Seal" and "Colorado".

12.6 Fiscal Year. The fiscal year of the Association shall begin on the 1st day of January and end on the 31st day of December of every year, unless changed by the Board of Directors. The first year shall begin on the date of incorporation.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands this 25 day of September, 1991.

THE NYLAND COMMUNITY ASSOCIATION

Debra Duckworth

Marilyn Lane

[Signature]

John K. Sydnor