

Graylined

BYLAWS
OF
PLUM CREEK NORTH MASTER HOMEOWNERS ASSOCIATION, INC.

ARTICLE I - INTRODUCTION	1
ARTICLE II - EXECUTIVE BOARD	1
Section 2.1 <u>Number and Qualification-Termination of Declarant Control</u>	1
Section 2.2 <u>Powers and Duties</u>	2
Section 2.3 <u>Manager</u>	3
Section 2.4 <u>Removal of Executive Board Member</u>	3
Section 2.5 <u>Vacancies</u>	3
Section 2.6 <u>Regular Meetings</u>	4
Section 2.7 <u>Special Meetings</u>	4
Section 2.8 <u>Location of Meetings</u>	4
Section 2.9 <u>Waiver of Notice</u>	4
Section 2.10 <u>Quorum</u>	4
Section 2.11 <u>Consent to Corporate Action</u>	4
Section 2.12 <u>Telephone Communication in Lieu of Attendance</u>	4
Section 2.13 <u>Qualifications and Rights of Members of the Executive Board</u>	4
ARTICLE 3 - UNIT OWNERS	5
Section 3.1 <u>Annual Meeting</u>	5
Section 3.2 <u>Special Meetings</u>	5
Section 3.3 <u>Notice of Meetings</u>	5
Section 3.4 <u>Waiver of Notice</u>	5
Section 3.5 <u>Adjournment of Meeting</u>	5
Section 3.6 <u>Order of Business</u>	5
Section 3.7 <u>Voting</u>	6
Section 3.8 <u>Nomination and Election of Directors</u>	6
Section 3.9 <u>Quorum</u>	7
Section 3.10 <u>Majority Vote</u>	7
<u>ARTICLE 4 - OFFICERS</u>	7
Section 4.1 <u>Designation</u>	7
Section 4.2 <u>Election of Officers</u>	7
Section 4.3 <u>Removal of Officers</u>	7
Section 4.4 <u>President</u>	7
Section 4.5 <u>Vice President</u>	8
Section 4.6 <u>Secretary</u>	8
Section 4.7 <u>Treasurer</u>	8
Section 4.8 <u>Execution of Instruments</u>	8
Section 4.9 <u>Statements of Unpaid Assessments</u>	8
ARTICLE 5 - ENFORCEMENT	9
Section 5.1 <u>Abatement and Enjoinment of Violations by Unit Owners</u>	9
Section 5.2 <u>Fine for Violation</u>	9

ARTICLE 6 - INDEMNIFICATION	9
ARTICLE 7 - RECORDS	9
Section 7.1 <u>Records and Audits</u>	9
Section 7.2 <u>Examination</u>	9
Section 7.3 <u>Records</u>	9
ARTICLE 8 - MISCELLANEOUS	11
Section 8.1 <u>Notices</u>	11
Section 8.2 <u>Fiscal Year</u>	11
Section 8.3 <u>Waiver</u>	11
Section 8.4 <u>Reserves</u>	11
Section 8.5 <u>Delegation of Powers by Association</u>	11
ARTICLE 9 - AMENDMENT TO BYLAWS	11
Section 9.1 <u>Vote</u>	11
Section 9.2 <u>Rights of Mortgagees</u>	12

BYLAWS
OF
PLUM CREEK NORTH MASTER HOMEOWNERS ASSOCIATION, INC.

ARTICLE I - INTRODUCTION

These are the Bylaws of Plum Creek North Master Homeowners Association, Inc. (the "Association") which shall operate under the Colorado Nonprofit Corporation Act, as amended. Terms used herein shall have the meaning set forth in the Master Declaration Creating Covenants, Conditions, Restrictions and Easements for Plum Creek North (the "Declaration") and in the Colorado Common Interest Ownership Act, as amended (the "Act").

ARTICLE II - EXECUTIVE BOARD

Section 2.1 Number and Qualification-Termination of Declarant Control.

(a) The affairs of the Common Interest Community and the Association shall be governed by its Board of Directors ("Executive Board") which, until the termination of the period of Declarant control, shall consist of three persons, and following such date shall consist of five persons, the majority of whom, excepting the Executive Board appointed by the Declarant, shall be Unit Owners. If any Unit is owned by a partnership or corporation, any officer, partner or employee of that Unit Owner shall be eligible to serve on the Executive Board and shall be deemed to be a Unit Owner for the purposes of the preceding sentence. Members of the Executive Board shall be elected by the Unit Owners, except for those appointed by the Declarant. At any meeting at which the Executive Board is to be elected, the Unit Owners may, by resolution, adopt specific procedures which are not inconsistent with these Bylaws or the Colorado Nonprofit Corporation Act for conducting the elections.

(b) The terms of at least one-third of the Executive Board not appointed by the Declarant shall expire annually, as established in a resolution of the Unit Owners.

(c) The Declaration shall govern appointment of members of the Executive Board and officers during the period of Declarant control.

(d) Following the period of Declarant control, the Executive Board shall elect the officers. The Executive Board and officers shall take office upon election.

(e) At any time after Unit Owners, other than the Declarant, are entitled to elect a member of the Executive Board, the Association shall call a meeting and give not less than 10 nor more than 60 days notice to the Unit Owners for this purpose. This meeting may be called and the notice given by any Unit Owner if the Association fails to do so.

Section 2.2 Powers and Duties. The Executive Board may act in all instances on behalf of the Association, except as provided in the Declaration, these Bylaws or the Act. The Executive Board shall have, subject to the limitations contained in the Declaration and the Act, the powers and duties necessary for the administration of the affairs of the Association and the Common Interest Community, including the following powers and duties:

- (a) Adopt and amend bylaws and rules and regulations;
- (b) Adopt and amend budgets for revenues, expenditures and reserves;
- (c) Collect Assessments for Common Expenses from Unit Owners;
- (d) Hire and discharge managing agents;
- (e) Hire and discharge employees, independent contractors and agents other than managing agents;
- (f) Institute, defend and intervene in litigation or administrative proceedings or seek injunctive relief for violations of the Association's Declaration, Bylaws or Rules and Regulations in the Association's name, on behalf of the Association or two or more Unit Owners on matters affecting the Common Interest Community.
- (g) Make contracts and incur liabilities;
- (h) Regulate the use, maintenance, repair, replacement and modification of the Common Elements;
- (i) Cause additional improvements to be made as a part of the Common Elements;
- (j) Acquire, hold, encumber and convey, in the Association's name, any right, title or interest to real estate or personal property;
- (k) Grant easements for any period of time, including permanent easements, and grant leases, licenses and concessions for no more than one year, through or over the Common Elements;
- (l) Impose and receive a payment, fee or charge for services provided to Unit Owners and for the use, rental or operation of the Common Elements;
- (m) Impose reasonable charges for late payment of Assessments and, after notice and hearing, levy a reasonable fine for a violation of the Declaration, Bylaws, Rules and Regulations of the Association;
- (n) Impose a reasonable charge for the preparation and recording of amendments to the

Declaration or statements of unpaid Assessments;

(o) Provide for the indemnification of the Association's officers and the Executive Board and maintain Directors' and Officers' liability insurance;

(p) Exercise any other powers conferred by the Declaration, the Articles of Incorporation, Bylaws, the Act and the Colorado Nonprofit Corporation Act;

(q) Exercise any other power that may be exercised in the state by a legal entity of the same type as the Association;

(r) Exercise any other power necessary and proper for the governance and operation of the Association; and

(s) Establish committees, permanent and standing, to perform any of the above functions.

Section 2.3 Manager. The Executive Board may employ a Manager for the Common Interest Community, at a compensation established by the Executive Board, to perform duties and services authorized by the Executive Board. The Executive Board may delegate to the Manager only the powers granted to the Executive Board by these Bylaws under Section 2.2, Subdivisions (c), (e), (g), and (h). Licenses, concessions and contracts may be executed by the Manager pursuant to specific resolutions of the Executive Board.

Section 2.4 Removal of Executive Board Member. The Unit Owners, by a two-thirds vote 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, other than one appointed by the Declarant.

Section 2.5 Vacancies. Vacancies of Executive Board members shall be filled in the following manner:

(a) As to vacancies of Executive Board members whom Unit Owners other than the Declarant elected, by a majority of the remaining Executive Board;

(b) As to vacancies of Executive Board members whom the Declarant has the right to appoint, by the Declarant; and

(c) As to vacancies of Executive Board members caused by removal by the Unit Owners, by the Unit Owners.

Each person so elected or appointed shall serve on the Executive Board for the remainder of the term of the member so replaced.

Section 2.6 Regular Meetings. The Executive Board shall meet at least once a year. After such time as the majority of the members of the Executive Board are elected by the Unit Owners, regular meetings of the Executive Board shall be held within ten (10) days after the annual meeting of the Unit Owners. No notice shall be necessary to the newly elected Board members in order to legally constitute such meeting, provided a majority of the Board members are present. The Executive Board may set a schedule of additional regular meetings by resolution, and no further notice is necessary to constitute regular meetings.

Section 2.7 Special Meetings. Special meetings of the Executive Board may be called by the President or by a majority of its members on at least three business days notice to each member. The Notice shall be hand-delivered or mailed and shall state the time, place and purpose of the meeting.

Section 2.8 Location of Meetings. All meetings of the Executive Board shall be held within the State of Colorado unless all members thereof consent in writing to another location.

Section 2.9 Waiver of Notice. Any Executive Board member may waive notice of any meeting in writing. Attendance by an Executive Board member at any meeting of the Executive Board shall constitute a waiver of notice. If all the members of the Executive Board are present at any meeting, no notice shall be required, and any business may be transacted at such meeting.

Section 2.10 Quorum. At all meetings of the Executive Board, a majority of its members shall constitute a quorum for the transaction of business, and the votes of a majority of members present at a meeting at which a quorum is present shall constitute a decision of the Executive Board. If, at any meeting, there shall be less than a quorum present, a majority of those present may adjourn the meeting. At any adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 2.11 Consent to Corporate Action. If all of the Executive Board or all of the members of a committee established for such purposes, as the case may be severally or collectively consent in writing to any action taken or to be taken by the Association, and the number of Executive Board members constitutes a quorum, that action shall be a valid corporate action as though it had been authorized at a meeting of the Executive Board or the committee, as the case may be. The Secretary shall file these consents with the minutes of the meetings of the Executive Board.

Section 2.12 Telephone Communication in Lieu of Attendance. An Executive Board member may attend a meeting of the Executive Board by using an electronic or telephonic communication method whereby the member may be heard by the other members and may hear the deliberations of the other members on any matter properly brought before the Executive Board. The vote of such member shall be counted and the presence noted as if that member was present in person on that particular matter.

Section 2.13 Qualifications and Rights of Members of the Executive Board. The Executive

Board Members shall have such qualifications and rights as are set forth in the Declaration and the Colorado Common Interest Ownership Act.

ARTICLE 3 - UNIT OWNERS

Section 3.1 Annual Meeting. Annual meetings of Unit Owners shall be held at such date set forth in the notice within the Town of Castle Rock, State of Colorado or may be adjourned to a suitable place convenient to the Unit Owners, as may be designated by the Executive Board or the President. At these meetings the Executive Board shall be elected by ballot of the Unit Owners, in accordance with the provisions of Article 2 of these Bylaws. The Unit Owners may transact other business as may properly come before them at these meetings.

Section 3.2 Special Meetings. Special meetings of the Association may be called by the President, by a majority of the members of the Executive Board or by Unit Owners comprising twenty percent (20%) of the votes in the Association.

Section 3.3 Notice of Meetings. The Secretary or other officer specified in the Bylaws shall cause notice of meetings of the Unit Owners to be hand-delivered or sent prepaid by United States mail to the mailing address of each Unit or to the mailing address designated in writing by the Unit Owner, not less than ten (10) nor more than sixty (60) days in advance of a meeting. No action shall be adopted at a meeting except as stated in the notice. However, the meeting at which the budget will be ratified by the Owners, shall be held not less than 14 nor more than 60 days after mailing of a budget summary by the Executive Board to the Owners.

Section 3.4 Waiver of Notice. Any Unit Owner may, at any time, waive notice of any meeting of the Unit Owners in writing, and the waiver shall be deemed equivalent to the receipt of notice.

Section 3.5 Adjournment of Meeting. At any meeting of Unit Owners, a majority of the Unit Owners who are present at that meeting, either in person or by proxy, may adjourn the meeting to another time.

Section 3.6 Order of Business. The order of business at all meetings of the Unit Owners shall be as follows:

- (a) Roll call (or check-in procedure);
- (b) Proof of notice of meeting;
- (c) Approval of minutes of preceding meeting;
- (d) Reports;

- (e) Establish number and term of memberships of the Executive Board (if required and noticed);
- (f) Election of Directors of the Executive Board (when required);
- (g) Election of Delegate to Master Association (when required);
- (h) Unfinished business; and
- (i) New business.

Section 3.7 Voting.

3.7.1 If only one of several owners of a Unit is present at a meeting of the Association, the Unit Owner present is entitled to cast all votes allocated to the Unit. If more than one of the Unit Owners is present, the votes allocated to the Unit may be cast only in accordance with the agreement of a majority of the owners of that Unit. Majority agreement exists if any one of the Unit Owners casts the votes allocated to the Unit without protest being made promptly to the person presiding over the meeting by another owner of the Unit.

3.7.2 Votes allocated to a Unit may be cast under a proxy duly executed by a Unit Owner. If a Unit is owned by more than one person each owner of the Unit may vote or register protest to the casting of votes by the other owners of the Unit through a duly executed proxy. A Unit Owner may revoke a proxy given under this section only by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates three months after its date, unless it specifies a shorter term.

3.7.3 The vote of a corporation or limited liability company may be cast by an officer of that corporation or by the manager of the limited liability company in the absence of express notice of the designation of a specific person by the board of directors, members, manager, operating agreement or bylaws of the owning corporation or limited liability company. The vote of a partnership may be cast by any general partner of the owning partnership in the absence of express notice of the designation of a specific person by the owning partnership. The moderator of the meeting may require reasonable evidence that a person voting on behalf of a corporation, limited liability company, partnership or Unit Owner is qualified to vote.

~~3.7.4 No vote may be exercised for any Unit which is exempt from assessment by the Association.~~

~~3.7.5 In cases where written ballots are delivered to Unit Owners, any Unit Owners' failure to respond, in writing, within thirty (30) days after receipt of such ballot, shall be deemed an affirmative vote on all issues contained in such ballot.~~

Section 3.8 Nomination and Election of Directors.

3.8.1 Nomination for election to the Board of Directors may be made by a Nominating Committee if such a Committee is appointed, from time to time, by the Board of Directors of the Association. Nominations may also be made from the floor at the annual meeting.

3.8.2 Election to the Board of Directors shall be by secret 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 person(s) receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 3.9 Quorum. Except as otherwise provided in these Bylaws, the Unit Owners present in person or by proxy at any meeting of Unit Owners, representing twenty percent (20%) of the votes in the Association, shall constitute a quorum at that meeting.

Section 3.10 Majority Vote. The vote of a majority of the Unit Owners present in person or by proxy at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except when a higher percentage vote is required in the Declaration or these Bylaws.

~~Section 3.11 Qualifications and Rights of Members. The Members shall have such qualifications and rights as are set forth in the Declaration and the Colorado Common Interest Ownership Act.~~

ARTICLE 4 - OFFICERS

Section 4.1 Designation. The principal officers of the Association shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Executive Board. The Executive Board may appoint an assistant Treasurer, an Assistant Secretary and other officers as it finds necessary. Any two offices may be held by the same person, except the offices of President and Secretary. The office of Vice President may be vacant. All officers must be members of the Executive Board.

Section 4.2 Election of Officers. The officers of the Association shall be elected annually by the Executive Board at the organizational meeting of each new Executive Board. They shall hold office at the pleasure of the Executive Board.

Section 4.3 Removal of Officers. Upon the affirmative vote of a majority of the Executive Board, any officer, ~~except one appointed by the Declarant,~~ may be removed, either with or without cause. A successor may be elected at any regular meeting of the Executive Board or at any special meeting of the Executive Board called for that purpose.

Section 4.4 President. The President shall be the chief executive officer of the

Association. The President shall preside at all meetings of the Unit Owners and of the Executive Board. The President shall have all of the general powers and duties which are incident to the office of President of a nonprofit corporation organized under the laws of the State of Colorado, including but not limited to the power to appoint committees from among the Unit Owners from time to time as the President may decide is appropriate to assist in the conduct of the affairs of the Association. The President may fulfill the role of Treasurer in the absence of the Treasurer. The President may cause to be prepared and may execute amendments, attested by the Secretary, to the Declaration and these Bylaws on behalf of the Association, following authorization or approval of the particular amendment as applicable.

Section 4.5 Vice President. The Vice President shall take the place of the President and perform the President's duties whenever the President is absent or unable to act. ~~If neither the President nor the Vice President is able to act, the Executive Board shall appoint another of its members to act in the place of the President on an interim basis.~~ The Vice President shall also perform other duties imposed by the Executive Board or by the President.

Section 4.6 Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owner and the Executive Board. The Secretary shall have charge of the Association's books and papers as the Executive Board may direct and shall perform all the duties incident to the office of Secretary of a nonprofit corporation organized under the laws of the State of Colorado. The Secretary may cause to be prepared and may attest to execution by the President of amendments to the Declaration and the Bylaws on behalf of the Association, following authorization or approval of the particular amendment as applicable.

Section 4.7 Treasurer. The Treasurer shall be responsible for Association funds and securities, for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. This officer shall be responsible for the deposit of all monies and other valuable effects in depositories designated by the Executive Board and shall perform all the duties incident to the office of Treasurer of a nonprofit corporation organized under the laws of the State of Colorado. The Treasurer may endorse on behalf of the Association, for collection only, checks, notes and other obligations and shall deposit the same and all monies in the name of and to the credit of the Association in banks designated by the Executive Board. Except for reserve funds described below, the Treasurer may have custody of and shall have the power to endorse for transfer, on behalf of the Association, stock, securities or other investment instruments owned or controlled by the Association or as fiduciary for others. Reserve funds of the Association shall be deposited in segregated accounts or in prudent investments, as the Executive Board decides. Funds may be withdrawn from these reserves for the purposes for which they were deposited by check or order, authorized by the Treasurer, and executed by two members of the Executive Board, one of whom may be the Treasurer if the Treasurer is also a Director.

Section 4.8 Execution of Instruments. Except as provided in Section 4.4, 4.6, 4.7 and 4.9 of these Bylaws, all agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by any officer of the Association or by any other person or persons

designated by the Executive Board.

Section 4.9 Statements of Unpaid Assessments. The Treasurer, Assistant Treasurer, a manager employed by the Association or, in their absence, any officer having access to the books and records of the Association may prepare, certify, and execute statements of unpaid Assessments.

The Association may charge a reasonable fee for preparing statements of unpaid Assessments. The amount of this fee and the time of payment shall be established by resolution of the Executive Board. Any unpaid fees may be assessed as an Assessment against the Unit for which the certificate or statement is furnished.

ARTICLE 5 - ENFORCEMENT

Section 5.1 Abatement and Enjoinment of Violations by Unit Owners. The violation of any of the Rules and Regulations adopted by the Executive Board or the breach of any provision of the Documents shall give the Executive Board the right, after notice and hearing, except in case of an emergency, in addition to any other rights set forth in these Bylaws:

(a) To enter the Unit or Limited Common Element in which, or as to which, the violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition (except for additions or alterations of a permanent nature that may exist in that Unit) that is existing and creating an imminent danger to the Association's Unit Owners. The Executive Board shall not be deemed liable for any manner or trespass by this action nor shall this right impose a responsibility or obligation upon the Executive Board or the Association to take such action.

(b) To enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach.

Section 5.2 Fine for Violation. The Executive Board may adopt resolutions providing for fines or other monetary penalties for the infraction of its Rules and Regulations or of the Declaration. The Executive Board may levy fines in amounts that it, in its sole discretion, shall determine to be reasonable for each violation of the Declaration, Bylaws, Rules and Regulations; provided that in no event shall a fine be imposed in excess of ONE HUNDRED AND NO/100 DOLLARS (\$100.00) for any first-time violation.

ARTICLE 6 - INDEMNIFICATION

The Executive Board members and officers of the Association shall have the liabilities, and be entitled to indemnification, as provided in the Colorado Nonprofit Corporation Act, the provisions of which are incorporated by reference and made a part of this document.

ARTICLE 7 - RECORDS

Section 7.1 Records and Audits. The Association shall maintain financial records. The cost of any audit shall be a Common Expense unless otherwise provided for in the Declaration.

Section 7.2 Examination. All financial records maintained by the Association or the Manager shall be available for examination by any Unit Owner or by any of their duly authorized attorneys, at the expense of the person examining the records, during normal business hours and after reasonable notice.

Section 7.3 Records. The Association shall keep the following records:

(a) An account for each Unit, which shall designate the name and address of each Unit Owner, the name and address of each mortgagee who has given notice to the Association that it holds a mortgage on the Unit, the amount of each Assessment, the dates on which each Assessment comes due, the amount paid on the account and the balance due;

(b) An account for each Unit Owner showing any other fees payable by the Unit Owner;

(c) A record of any capital expenditures in excess of \$3,000 approved by the Executive Board for the current and next two succeeding fiscal years;

(d) A record of the amount and an accurate account of the current balance of any reserves for capital expenditures, replacement and emergency repairs, together with the amount of those portions of reserves designated by the Association for a specific project;

(e) The most recent regularly prepared balance sheet and income and expense statement, if any, of the Association;

(f) The current operating budget;

(g) A record of any unsatisfied judgments against the Association and the existence of any pending suits in which the Association is a defendant;

(h) A record of insurance coverage provided for the benefit of Unit Owners and the Association;

(i) A record of any alterations or improvements to Units which violate any provisions of the Declaration of which the Executive Board has knowledge;

(j) A record of the actual cost, irrespective of discounts and allowances, of the maintenance of the Common Elements;

(k) Balance sheets and other records required by the Colorado Nonprofit Corporation Act;

- (l) Tax returns for state and federal income taxation;
- (m) Minutes of proceedings of Unit Owners, Executive Board and its committees, and waivers of notice; and
- (n) A copy of the most current versions of the Declaration, Bylaws, Rules and Regulations, and resolutions of the Executive Board, along with their exhibits and schedules.

ARTICLE 8 - MISCELLANEOUS

Section 8.1 Notices. All notices to the Association or the Executive Board shall be delivered to the principal office of the Association, c/o Plum Creek North Master Homeowners Association, Inc., 331 Players Club Drive, Castle Rock, Colorado 80104, or to such other address as the Executive Board may designate by written notice to all Unit Owners. Except as otherwise provided, all notices to any Unit Owner shall be sent to the Unit Owner's address as it appears in the records of the Association. All notices shall be deemed to have been given when deposited into the United States mail, first class postage prepaid, except notices of changes of address, which shall be deemed to have been given when received.

Section 8.2 Fiscal Year. The Executive Board shall establish the fiscal year of the Association.

Section 8.3 Waiver. No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason or any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 8.4 Reserves. As a part of the adoption of the regular budget the Executive Board shall include an amount which, in its reasonable business judgment, will establish and maintain an adequate reserve fund for the replacement of improvements to the Common Elements based upon the age, remaining life and the quantity and replacement cost of improvements to the Common Elements.

Section 8.5 Delegation of Powers by Association. 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:

(a) The other person or managing agent shall maintain fidelity insurance coverage or a bond in an amount not less than \$50,000.00.

(b) The other person or managing agent shall maintain all funds and accounts of the Association separate from the funds and accounts of other associations managed by the other person or managing agent and shall maintain reserve accounts of the Association separate from the operational accounts of the Association.

(c) An annual accounting for Association funds and a financial statement shall be prepared and presented to the Association by the managing agent, a public accountant, or a certified public accountant.

ARTICLE 9 - AMENDMENT TO BYLAWS

Section 9.1 Vote. The Bylaws may be amended by a majority of the Executive Board.

Section 9.2 Rights of Mortgagees. No amendment of the Bylaws of this Association shall be adopted which would affect or impair the validity or priority of any mortgage or deed of trust encumbering any Unit.

CERTIFICATION OF SECRETARY

I, the undersigned, do certify that:

1. I am the duly elected and acting Secretary of Plum Creek North Master Homeowners Association, Inc. ("Association"); and that

2. The foregoing Bylaws, comprising 12 pages including this page, constitute the Bylaws of the Association adopted by the consent of the Executive Board of the Association on _____.
