

BYLAWS
OF
THE VILLAGE AT COPPER ASSOCIATION, INC.

ARTICLE I
DEFINITIONS

1.01 Declaration.

As used herein "Declaration" means the Declaration of Covenants, Conditions and Restrictions for The Village at Copper, recorded with the Clerk and Recorder of Summit County, Colorado.

1.02 Other Definitions.

Unless otherwise defined herein, all capitalized terms used herein shall have the meanings given to them in the Declaration.

ARTICLE II
OFFICES

The Village Company is a Colorado nonprofit corporation, with its principal office located at Copper Mountain, Inc., Copper Mountain Resort Development, P.O. Box 3786, 325 Lake Dillon Drive, Dillon, Colorado 80435. The Village Company may also have offices and may carry on its purposes at such other places within and outside the State of Colorado as the Executive Board may from time to time determine.

ARTICLE III
MEMBERSHIP, VOTING, QUORUM AND PROXIES

3.01 Membership.

Every Owner shall be a member of the Village Company, and a Person who is not an Owner may not be a member of the Village Company.

3.02 Associates.

The owner of any residential property or wholesale, retail or service business, and the Association of any Common Interest Community, in each case that is not otherwise a Member, shall be entitled to become an associate (an "Associate") of the Village Company by (a) giving written notice to the Executive Board to such effect and (b) complying with the provisions in these Bylaws with respect to Associates.

3.03 Voting in General.

(a) The votes in the Village Company shall be allocated as described in this Section 3.03 and Sections 3.04 through 3.08 below. Notwithstanding any other provision of this Declaration, no votes shall be allocated to Associates.

(b) There shall be five categories for allocating votes in the Village Company:

- (i) Residential Sites;
- (ii) Commercial Spaces;
- (iii) Lodge Rooms;
- (iv) the Resort Parcel; and
- (v) Undeveloped Land.

(c) The votes allocated to a Residential Site, a Commercial Space, a Lodge Room the Resort Parcel or Undeveloped Land shall be held by the Owner(s) of such Residential Site, Commercial Space, Lodge Room, Resort Parcel or Undeveloped Land, as the case may be, and may not be separated from the Residential Site, Commercial Space, Lodge Room, Resort Parcel or Undeveloped Land to which the votes are allocated. The votes allocated to a Residential Site, Commercial Space, Lodge Room, the Resort Parcel or Undeveloped Land may be transferred or encumbered only in connection with the conveyance or encumbrance of the fee simple interest in such Residential Site, Commercial Space, Lodge Room, Resort Parcel or Undeveloped Land. Any transfer or encumbrance of votes in the Village Company, other than as permitted in this paragraph 3.03(c), shall be void and have no force or effect.

(d) Notwithstanding the terms and conditions of paragraph 3.03(c) above, the Owner of a Residential Site, Commercial Space, Lodge Room, the Resort Parcel or Undeveloped Land, may appoint an agent to vote the votes allocated to the Owner's Residential Site, Commercial Space, Lodge Room, the Resort Parcel or Undeveloped Land by a duly executed proxy, in such form as the Village Company may reasonably require, timely delivered to the Village Company.

(e) Class voting shall be allowed for the election of Residential Directors, Commercial Directors and the Resort Director pursuant to Article VI below, but for no other purpose.

(f) Cumulative voting shall not be allowed in the election of Directors or for any other purpose.

(g) There shall be no votes allocated to (i) that portion of any Site that is a Community Facility or an Employee Housing Unit or (ii) Undeveloped Land which has not been assigned any equivalent units, commercial space or cafeteria space under the Copper Mountain PUD.

(h) In any instance described in this Declaration where fractional voting is permitted, if the number of votes allocated to any Person is not a whole number, such Person shall be entitled to vote the number of votes allocated to such Owner, rounded to the nearest lower whole number. In no event shall any Person be entitled to cast less than a whole number of votes.

3.04 Residential Voting.

(a) Each Residential Site shall be allocated one vote for each square foot of Area of such Residential Site, regardless of the number of Owners of that Residential Site. Except as provided in paragraph 3.04(b) below, fractional voting shall not be allowed for any votes allocated to a Residential Site. If the Owners of a Residential Site cannot agree among themselves as to how to cast their votes on a particular matter, they shall lose their right to vote on such matter. If any Owner of a Residential Site casts the votes for that Residential Site, it will thereafter be presumed for all purposes that the Owner was acting with the authority and consent of all other Owners of that Residential Site, unless an Owner of that Residential Site makes an objection thereto to the Person presiding over the meeting when the votes are cast. If more than the votes allocated to a Residential Site are cast for any Residential Site, none of such votes shall be counted and all of such votes shall be deemed null and void.

(b) Notwithstanding the terms and conditions of paragraph 3.04(a) above, if a Residential Site is owned in Time Share Estates, fractional voting shall be allowed for the votes allocated to that Residential Site. In that case, the votes allocated to a Residential Site shall be allocated proportionally among the Time Share Estates based upon the following formula: the Area of the Residential Site multiplied by a fraction, the numerator of which is the number of weeks the Owner is permitted to use the Residential Site as the Owner of the Time Share Estate, and the denominator of which is 52.

(c) Except as set forth in paragraph 3.04(d) below, in any election of Residential Directors, the Owner of a Residential Site shall have a number of votes equal to the number of Residential Directors for which that Owner may vote by virtue of its ownership of that Residential Site multiplied by the number of votes allocated to that Residential Site.

(d) If a Residential Site is owned in Time Share Estates, the Owner of a Time Share Estate shall have, in any election of Residential Directors, a number of votes equal to the product obtained by multiplying:

(i) the number of votes allocated to that Time Share Estate pursuant to paragraph 3.04(b) above; by

(ii) the number of Residential Directors for which the Owner may vote by virtue of its ownership of the Time Share Estate.

3.05 Commercial Voting.

(a) Each Commercial Space shall be allocated one vote for each square foot of Area of such Commercial Space, regardless of the number of Owners of that Commercial Space. If the Owners of a Commercial Space cannot agree among themselves as to how to cast their

votes on a particular matter, they shall lose their right to vote on such matter. If any Owner of a Commercial Space casts the votes for that Commercial Space, it will thereafter be presumed for all purposes that the Owner was acting with the authority and consent of all other Owners of that Commercial Space, unless an Owner of that Commercial Space makes an objection thereto to the Person presiding over the meeting when the votes are cast. If more than the votes allocated to a Commercial Space are cast for any Commercial Space, none of such votes shall be counted and all of such votes shall be deemed null and void.

(b) The Owner of a Commercial Space may appoint its lessee in that Commercial Space as its agent to vote all or any portion of the votes allocated to that Commercial Space by proxy in accordance with the terms and conditions of paragraph 3.03(d) above. In that regard, fractional voting shall be allowed for the votes allocated to a Commercial Space. Notwithstanding the foregoing, if more votes are cast for a Commercial Space than are allocated to that Commercial Space, none of such votes shall be counted and all of such votes shall be deemed null and void.

(c) In any election of Commercial Directors, the Owner of a Commercial Space shall have a number of votes equal to the product obtained by multiplying:

- (i) the number of votes allocated to that Commercial Space; by
- (ii) the number of Commercial Directors for which Owner may vote by virtue of its ownership of that Commercial Space.

3.06 Lodge Room Voting.

(a) Each Lodge Room shall be allocated a number of votes equal to the quotient obtained by dividing:

- (i) the number of square feet of Area of such Lodge Room; by
- (ii) three (3), regardless of the number of Owners of that Lodge Room.

(b) Fractional voting shall not be allowed for votes allocated to a Lodge Room. If the Owners of a Lodge Room cannot agree among themselves as to how to cast their votes on a particular matter, they shall lose their right to vote on such matter. If any Owner of a Lodge Room casts the votes for that Lodge Room, it will thereafter be presumed for all purposes that the Owner was acting with the authority and consent of all other Owners of that Lodge Room, unless an Owner of that Lodge Room makes an objection thereto to the Person presiding over the meeting when the votes are cast. If at any meeting more votes are cast for a Lodge Room than are allocated to that Lodge Room, none of such votes shall be counted and all of such votes shall be deemed null and void.

(c) In any election of Commercial Directors, the Owner of a Lodge Room shall have a number of votes equal to the product obtained by multiplying:

- (i) the number of votes allocated to the Lodge Room, by

(ii) the number of Commercial Directors for which the Owner may vote by virtue of its ownership of the Lodge Room.

3.07 Resort Parcel Voting.

(a) The Resort Parcel shall be allocated one vote for each square foot of Area of the Resort Parcel, regardless of the number of Owners of the Resort Parcel.

(b) If the Owners of the Resort Parcel cannot agree among themselves as to how to cast their votes on a particular matter, they shall lose their right to vote on that matter. If any Owner of the Resort Parcel casts the votes for the Resort Parcel, it will thereafter be presumed for all purposes that the Owner was acting with the consent and authority of all other Owners of the Resort Parcel, unless an Owner of the Resort Parcel makes an objection thereto to the Person presiding over the meeting when the votes are cast. If the Owners of the Resort Parcel cast more votes for the Resort Parcel than are allocated to the Resort Parcel, none of such votes shall be counted and all of such votes shall be deemed null and void.

3.08 Undeveloped Land Voting.

(a) Undeveloped Land shall be allocated one vote for each square foot of Area of such Undeveloped Land, regardless of the number of Owners of such Undeveloped Land.

(b) If the Owners of Undeveloped Land cannot agree among themselves as to how to cast the votes on a particular matter, they shall lose their right to vote on such matter. If any Owner of Undeveloped Land casts the votes for that Undeveloped Land, it will thereafter be presumed for all purposes that the Owner was acting with the consent and authority of all other Owners of such Undeveloped Land, unless an Owner such Undeveloped Land makes an objection thereto to the Person presiding over the meeting when the votes are cast. If the Owners of Undeveloped Land cast more votes for such Undeveloped Land than are allocated thereto, none of such votes shall be counted and all of such votes shall be deemed null and void.

(c) In any election of Commercial Directors, the Owner of Undeveloped Land shall have a number of votes equal to the product obtained by multiplying:

- (i) the number of votes allocated to such Undeveloped Land; by
- (ii) the number of Commercial Directors for which the Owner may vote by virtue of its ownership of such Undeveloped Land.

3.09 Quorum.

Except as otherwise required by law or the Articles, the presence in person or by proxy of Owners entitled to vote more than twenty percent (20%) of the total votes in the Village Company shall constitute a quorum.

3.10 Proxies.

Votes may be cast in person or by proxy. Every proxy must be executed in writing by the Owner or his duly authorized attorney-in-fact. Such proxy shall be filed with the secretary of the Village Company before or at the time of the meeting. No proxy shall be valid after the expiration of eleven months from the date of its execution unless otherwise provided in the proxy.

3.11 Majority Vote.

At any meeting of the Owners, if a quorum is present, the affirmative vote of a majority of the votes represented at the meeting, in person or by proxy, shall be the act of the Owners, unless the vote of a greater number is required by applicable law, the Articles, the Declaration or these Bylaws.

ARTICLE IV
ADMINISTRATION

4.01 Annual Meeting.

The annual meeting of the Owners shall be held at a time designated by the Executive Board on the first day in the month of December in each year, or at such other date designated by the Executive Board, beginning with the year 2000, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting.

4.02 Special Meetings.

Special meetings of the Owners, for any purpose, unless otherwise prescribed by statute, may be called by the president or by a majority of the Directors and shall be called by the president at the request of Owners entitled to vote twenty percent (20%) or more of the total votes in the Village Company.

4.03 Place of Meeting.

The Executive Board may designate the Village Company's principal offices or any place within Summit County, Colorado, as the place for any annual meeting or for any special meeting called by the Executive Board.

4.04 Notice of Meeting.

Written or printed notice of any meeting of the Owners, stating the place, day and hour of the meeting, and the purpose or purposes for which the meeting is called, shall be delivered personally or by mail to each Owner entitled to vote at such meeting not less than ten nor more than fifty days before the date of the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Owner at his address as it appears in the office of the Village Company, with postage thereon prepaid. For the purpose of determining Owners entitled to notice of or to vote at any meeting of the Owners, the

Executive Board may set a record date for such determination of Owners, in accordance with the laws of the State of Colorado. If requested by the person or persons lawfully calling such meeting, the secretary shall give notice thereof at the expense of the Village Company.

4.05 Informal Action by Owners.

Any action required or permitted to be taken at a meeting of the Owners may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Owners entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote of the Owners.

ARTICLE V
DECLARANT CONTROL

5.01 Declarant Control of the Village Company.

(a) Subject to the terms and conditions of paragraphs 5.01(b), 5.02(a) and 5.02(b) below, but notwithstanding anything else to the contrary contained in these Bylaws or in any other Village Company Document, Declarant shall have the exclusive right to appoint and remove all Officers and Directors during the Declarant Control Period. The term "Declarant Control Period" means the period commencing on the date on which Declarant forms the Village Company and ending on the earlier of:

(i) the date that is sixty (60) days after conveyance to Purchasers of seventy-five percent (75%) of the maximum number of Equivalent Units allocated to the Property;

(ii) the date that is six (6) years after the last conveyance of a Site by Declarant to a Purchaser in the ordinary course of business; or

(iii) the date that is twenty (20) years after the date this Declaration is recorded in the Summit County Records.

(b) Declarant may voluntarily surrender its right to appoint and remove Officers and Directors prior to the expiration of the Declarant Control Period, but, in that event, Declarant may require, for the remainder of the Declarant Control Period, that specific actions of the Village Company or the Executive Board, as described in a recorded instrument executed by Declarant, be approved by the Declarant before they become effective.

5.02 Elections by Owners.

(a) Notwithstanding anything to the contrary contained in paragraph 5.01(a) above, not later than sixty (60) days after the conveyance to Purchasers of twenty-five percent (25%) of the maximum number of Equivalent Units allocated to the Property, the two Residential Directors appointed by Declarant that are in the same class (as described in paragraph 5.03(a) of the Declaration) shall be replaced with two Residential Directors elected by the Owners of Residential Sites, other than Declarant.

(b) Notwithstanding anything to the contrary contained in paragraph 5.01(a) above, not later than sixty (60) days after the conveyance to Purchasers of fifty percent (50%) of the maximum number of Equivalent Units allocated to the Property, the Residential Director appointed by the Declarant that is in the second class (as described in paragraph 5.03(b) of the Declaration) shall be replaced with a Residential Director elected by the Owners of Residential Sites, other than Declarant.

(c) During the thirty (30)-day period immediately preceding the date on which the Declarant Control Period expires, the Owners shall elect an Executive Board of seven (7) Directors, at least a majority of whom must be Owners other than Declarant or designated representatives of Owners other than Declarant.

ARTICLE VI **EXECUTIVE BOARD**

6.01 Number, Tenure and Qualifications.

(a) The business and affairs of the Village Company shall be managed by an Executive Board consisting of seven (7) Directors, of which three (3) shall be Residential Directors, three (3) shall be Commercial Directors and one (1) shall be the Resort Director.

(b) Each Director shall be (i) an individual Owner; (ii) a partner, trustee, officer, director, member, member representative, employee, or twenty-five percent equity owner of an organizational Owner; or (iii) one of the Directors appointed by Declarant. A person other than a Director appointed by Declarant shall automatically cease to be a Director at such time as he ceases to be an individual Owner or a partner, trustee, officer, director or twenty-five percent shareholder of an organizational Owner.

6.02 Election of Directors.

(a) Subject to the terms and conditions of Article V and Section 6.04, the Residential Directors shall be elected as follows:

(i) The terms of the Residential Directors shall be staggered. At the initial election or appointment of the Residential Directors, the Residential Directors shall be divided into two (2) classes. The first class shall consist of two (2) Residential Directors, and the second class shall consist of one (1) Residential Director.

(ii) The initial two (2) Residential Directors in the first class will hold office until the election or appointment of their respective successors at the 2001 annual meeting. Thereafter, each Residential Director in the first class shall hold office for a term of two (2) years and the Owners of the Residential Sites shall elect such Residential Directors at the annual meeting held in years ending in an odd number.

(iii) The initial Residential Director in the second class will hold office until the election or appointment of his successor at the 2002 annual meeting. Thereafter, the Residential Director in the second class shall hold office for a term of two years and the Owners

of Residential Sites shall elect such Residential Director at the annual meeting held in years ending in an even number.

(b) Subject to the terms and conditions of Article V and Section 6.04, the Commercial Directors shall be elected as follows:

(i) The terms of the Commercial Directors shall be staggered. At the initial election or appointment of the Commercial Directors, the Commercial Directors shall be divided into two (2) classes. The first class shall consist of two (2) Commercial Directors, and the second class shall consist of one (1) Commercial Director.

(ii) The initial Commercial Directors in the first class will hold office until the election or appointment of such their respective successors at the 2001 annual meeting. Thereafter, each Commercial Director in the first class shall hold office for a term of two (2) years and the Owners of the Commercial Spaces, Lodge Rooms and Undeveloped Land shall elect such Commercial Directors at the annual meeting held in years ending in an odd number.

(iii) The initial Commercial Director in the second class will hold office until the election or appointment of his successor at the 2002 annual meeting. Thereafter, the Commercial Director in the second class shall hold office for a term of two (2) years and the Owners of Commercial Spaces, Lodge Rooms and Undeveloped Land shall elect such Commercial Director at the annual meeting held in years ending in an even number.

(c) Subject to the terms and conditions of Article V and Section 6.04 below, the Owners of the Resort Parcel may appoint, remove and replace the Resort Director at any time by providing prior written notice thereof to the Village Company.

(d) Each Director shall hold office until the election and qualification of his successor or until his earlier death, resignation or removal.

6.03 Resignations; Vacancies.

(a) Any Director may resign at any time by giving written notice to the president or to the secretary of the Village Company. Such resignation shall take effect at the time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

(b) Vacancies on the Executive Board created by the removal, resignation or death of a Director appointed by Declarant shall be filled by a Director appointed by Declarant.

(c) Except with respect to a Resort Director appointed by Declarant, a vacancy on the Executive Board created by the removal, resignation or death of the Resort Director shall be filled by a Director appointed by the Owner of the Resort Parcel.

(d) Except with respect to a Residential Director or a Commercial Director appointed by Declarant, a vacancy on the Executive Board created by the removal, resignation or death of (i) a Residential Director shall be filled by a Director appointed by unanimous vote of the Residential Directors then holding office or (ii) a Commercial Director shall be filled by a

Director appointed by unanimous vote the Commercial Directors then holding office. In the event that any such vacancy is unable to be filled in accordance with the provisions of this paragraph, such vacancy shall remain unfilled for the remainder of the unexpired term of the Director that whose removal, resignation or death created such vacancy.

(e) Any Director elected or appointed pursuant to the provisions of this Section 6.03 shall hold office for the remainder of the unexpired term of the Director that such Director replaced.

6.04 Removal of Directors.

Notwithstanding any provision contained in these Bylaws or any other Village Company Document to the contrary:

(a) Directors appointed by Declarant may be removed, with or without cause, solely by Declarant.

(b) Each Residential Director, other than Residential Directors appointed by Declarant, may be removed, with or without cause, by a sixty-seven percent (67%) or greater vote of all votes allocated to the Residential Sites that are entitled to vote for that Residential Director and that are represented at a meeting of the Owners of those Residential Sites at which a quorum is present.

(c) Each Commercial Director, other than Commercial Directors appointed by Declarant, may be removed, with or without cause, by a sixty-seven percent (67%) or greater vote of all votes allocated to the Commercial Spaces, Lodge Rooms and Undeveloped Land that are entitled to vote for that Commercial Director and that are represented at a meeting of the Owners of those Commercial Spaces, Lodge Rooms and Undeveloped Land at which a quorum is present.

(d) The Resort Director, other than the Resort Director appointed by Declarant, may be removed, with or without cause, by the Owners of the Resort Parcel.

(e) Directors may not be removed, except as provided in paragraphs 6.04(a) through (d) above.

6.05 Powers.

(a) Except as provided in the Declaration, the Articles and these Bylaws, the Executive Board may act on behalf of the Village Company in all instances.

(b) The Executive Board may not act on behalf of the Village Company to (i) amend the Declaration; (ii) terminate the Village Company, the Declaration or The Village at Copper; (iii) elect Directors to the Executive Board, other than to fill a vacancy for the unexpired portion of any Director's term, subject to Declarant's rights under Sections 5.01 and 5.02 above; or (iv) determine the qualifications, powers and duties or terms of office, of Directors.

6.06 Managing Agent.

The Executive Board may employ a manager or managing agent, or both, for the Village Company at a compensation established by the Executive Board to perform such duties and services as the Executive Board shall authorize. Any such delegation, however, shall not relieve the Executive Board of its responsibility under the Declaration. If, and to the extent that, the Executive Board delegates its powers relating to the collection, deposit, transfer or disbursement of Village Company funds to a manager or managing agent, or both, such manager or managing agent, or both shall:

- (a) maintain fidelity insurance coverage or a bond in an amount not less than \$50,000.00 or such higher amount as the Executive Board may require;
- (b) maintain all funds and accounts of the Village Company separate from the funds and accounts of any other associations managed by the manager or managing agent, and maintain all reserve accounts of each association so managed separate from operational accounts of the Village Company; and
- (c) have prepared and present to the Village Company an annual accounting for Village Company funds and a financial statement, which accounting and financial statement shall be prepared by the managing agent, a public accountant, or a certified public accountant.

6.07 Regular Meetings.

Regular meetings of the Executive Board may be held without call or formal notice at such places within or outside the State of Colorado, and at such times as the Executive Board from time to time by vote may determine. Any business may be transacted at a regular meeting. The regular meeting of the Executive Board for the election of Officers and for such other business as may come before the meeting may be held without call or formal notice immediately after, and at the same place as, the annual meeting of Owners, or any special meeting of Owners at which an Executive Board is elected.

6.08 Special Meetings.

Special meetings of the Executive Board may be held at any place within the State of Colorado, or by telephone; provided, that each Director can hear each other Director, at any time when called by the president, or by two or more Directors, upon the giving of at least three days' prior notice of the time and place thereof to each Director by leaving such notice with such Director or at such Director's residence or usual place of business, or by mailing or telegraphing it prepaid, and addressed to such Director at such Director's post office address as it appears on the books of the Village Company, or by telephone. Notices need not state the purposes of the meeting. No notice of any adjourned meeting of the Directors shall be required.

6.09 Quorum.

A majority of the number of Directors fixed by these bylaws, as amended from time to time, shall constitute a quorum for the transaction of business, but a lesser number may

adjourn any meeting from time to time. When a quorum is present at any meeting, a majority of the Directors in attendance shall, except where a larger number is required by law, by the Articles or by these Bylaws, decide any question brought before such meeting.

6.10 Waiver of Notice.

Before, at or after any meeting of the Executive Board, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Executive Board shall be a waiver of notice by such Director except when such Director attends the meeting for the express purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.

6.11 Informal Action by Directors.

Any action required or permitted to be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote of the Directors.

ARTICLE VII
OFFICERS AND AGENTS

7.01 General.

The Officers of the Village Company shall be a president (who shall be chosen from among the Directors), one or more vice presidents, a secretary and a treasurer. The Executive Board may appoint such other officers, assistant officers, committees and agents, including assistant secretaries and assistant treasurers, as they may consider necessary or advisable, who shall be chosen in such manner and hold their offices for such terms and have such authority and duties as from time to time may be determined by the Executive Board. One person may hold any two offices, except that no person may simultaneously hold the offices of president and secretary. In all cases where the duties of any Officer, agent or employee are not prescribed by the Bylaws or by the Executive Board, such Officer, agent or employee shall follow the orders and instructions of the president.

7.02 Removal of Officers.

The Executive Board may remove any Officer, either with or without cause, and elect a successor at any regular meeting of the Executive Board, or at any special meeting of the Executive Board called for such purpose.

7.03 Vacancies.

A vacancy in any office, however occurring, shall be filled by the Executive Board for the unexpired portion of the term.

7.04 President.

The president shall be the chief executive officer of the Village Company. The president shall preside at all meetings of the Village Company and of the Executive Board. The president shall have the general and active control of the affairs and business of the Village Company and general supervision of its officers, agents and employees. The president of the Village Company is designated as the Officer with the power to prepare, execute, certify and record amendments to the Declaration on behalf of the Village Company.

7.05 Vice Presidents.

The vice presidents shall assist the president and shall perform such duties as may be assigned to them by the president or by the Executive Board. In the absence of the president, the vice president designated by the Executive Board or (if there be no such designation) designated in writing by the president shall have the powers and perform the duties of the president. If no such designation shall be made all vice presidents may exercise such powers and perform such duties.

7.06 Secretary.

The secretary shall:

- (a) keep the minutes of the proceedings of the Owners and the Executive Board;
- (b) see that all notices are duly given in accordance with the provisions of these Bylaws, the Declaration and as required by law;
- (c) be custodian of the corporate records and of the seal of the Village Company and affix the seal to all documents when authorized by the Executive Board;
- (d) keep at the Village Company's principal offices a record containing the names and registered addresses of all Owners, the designation of the Unit owned by each Owner, and, if such Unit is mortgaged, the name and address of each Mortgagee; and
- (e) in general, perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the president or by the Executive Board. Assistant secretaries, if any, shall have the same duties and powers, subject to supervision by the secretary.

7.07 Treasurer.

The treasurer shall be the principal financial officer of the Village Company and shall have the care and custody of all funds, securities, evidences of indebtedness and other personal property of the Village Company and shall deposit the same in accordance with the instructions of the Executive Board. The treasurer shall receive and give receipts and acquittances for moneys paid in on account of the Village Company, and shall pay out of the funds on hand all bills, payrolls and other just debts of the Village Company of whatever nature

upon maturity. The treasurer shall perform all other duties incident to the office of the treasurer and, upon request of the Executive Board, shall make such reports to it as may be required at any time. The treasurer shall, if required by the Executive Board, give the Village Company a bond in such sums and with such sureties as shall be satisfactory to the Executive Board, conditioned upon the faithful performance of his duties and for the restoration to the Village Company of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the Village Company. He shall have such other powers and perform such other duties as may be from time to time prescribed by the Executive Board or the president. The assistant treasurers, if any, shall have the same powers and duties, subject to the supervision of the treasurer.

ARTICLE VIII **COMMITTEES**

8.01 General.

The Executive Board may establish committees to perform such duties and services as the Executive Board shall authorize. Any such delegation, however, shall not relieve the Executive Board of its responsibility under the Declaration. Initially, there shall be three (3) standing committees, consisting of a Commercial Committee, a Finance Committee and a Community Improvements Committee.

8.02 Structure; Purposes. Each committee shall have such organizational structure and shall perform such duties and services as are authorized by the Executive Board.

ARTICLE IX **DUES AND ASSESSMENTS**

9.01 Obligation to Pay.

(a) Each Owner, by accepting a deed to a Site or a Time Share Estate (whether or not it shall be expressly stated in such deed), shall be deemed to have covenanted and agreed, to pay to the Village Company all Assessments and other charges that the Village Company is required or permitted to levy or impose on such Owner or such Owner's Site or Time Share Estate pursuant to the Declaration or any other Village Company Document. An Owner shall not be deemed to be in good standing and shall not be entitled to vote at any annual or special meeting of Owners unless this requirement is first satisfied.

(b) Each Associate, by electing to become an Associate of the Village Company pursuant to the Declaration and these Bylaws, shall be deemed to have covenanted and agreed to pay the Village Company all Associate Dues which the Village Company is required or permitted to levy or impose on such Associate pursuant to Section 9.02 below or any other Village Company Document.

9.02 Associate Dues.

(a) On or about January 1 of each year, the Village Company shall levy and collect from each Associate annual dues (the "Associate Dues") in an amount equal to \$660.00, or such other amount as the Executive Board shall reasonably deem appropriate.

(b) Dues shall become due and payable within thirty (30) days after such notice shall have been given. Any such amounts not paid when due and payable shall bear interest until paid at the rate of eighteen percent (18%) per annum or at a rate set by the Village Company.

(c) In the event of non-payment of dues by an Associate for more than sixty (60) days, the Village Company shall have the right to terminate such Associate's association with the Village Company, such termination to be effective upon delivery of written notice from the Village Company to such Associate.

ARTICLE X
ASSOCIATES

10.01 Compliance.

Each Associate, upon electing to become an Associate of the Village Company and payment of all Associate Dues which the Village Company is required or permitted to levy pursuant to Section 9.02, shall have an association with the Village Company which shall have the attributes set forth in Section 10.02.

10.02 Attributes of Association with the Village Company.

(a) No votes shall be allocated to Associates.

(b) Associates shall be entitled to participate in and become members of any committees established by the Executive Board in accordance with Article VIII.

(c) Subject to paragraph 10.02(a), Associates shall be entitled to attend and participate in all meetings of the Village Company.

ARTICLE XI
EVIDENCE OF OWNERSHIP, REGISTRATION OF
MAILING ADDRESS AND LIEN HOLDERS

11.01 Proof of Ownership.

Except for those Owners who initially contracted to purchase a Site from the Declarant, any person on becoming an Owner shall furnish to the Village Company a photocopy or a certified copy of the recorded instrument vesting that person with an ownership interest in the Unit. Such copy shall remain in the files of the Village Company. An Owner shall not be deemed to be in good standing and shall not be entitled to vote at any annual or special meeting of Owners unless this requirement is first satisfied.

11.02 Registration of Mailing Address.

If a Site is owned by two or more Owners, such Owners shall designate one address as the registered address required by the Declaration. The registered address of an Owner or Owners shall be furnished to the secretary of the Village Company within ten days after transfer of title, or after a change of address. Such registration shall be in written form and signed by all of the Owners of the Site or by such persons as are authorized to represent the interests of all Owners of the Site. If no address is registered or if all of the Owners cannot agree, then the address of the Site shall be deemed the registered address of the Owner(s), and any notice shall be deemed duly given if delivered to the Site.

11.03 Liens.

Any Owner who mortgages or grants a deed of trust covering his Site shall give the Village Company written notice of the name and address of the Mortgagee and shall file true, correct and complete copies of the note and security instrument with the Village Company.

11.04 Address of the Village Company.

The address of the Village Company shall be Copper Mountain, Inc., Copper Mountain Resort Development, P.O. Box 3786, 325 Lake Dillon Drive, Dillon, Colorado 80435. Such address may be changed from time to time upon written notice to all Owners and all listed Mortgagees.

ARTICLE XII
SECURITY INTEREST IN MEMBERSHIP

Owners shall have the right irrevocably to constitute and appoint a Mortgagee their true and lawful attorney-in-fact to vote the votes in the Village Company allocated to such Owners at any and all meetings of the Village Company and to vest in the Mortgagee any and all rights, privileges and powers that they have as Owners under the Articles and these Bylaws or by virtue of the Declaration. Such proxy shall become effective upon the filing of notice by the Mortgagee with the secretary of the Village Company at such time or times as the Mortgagee shall deem its security in jeopardy by reason of the failure, neglect or refusal of the Village Company, the Executive Board or the Owners to carry out their duties as set forth in the Declaration. A release of the Mortgage covering the subject Site shall operate to revoke such proxy. Nothing herein contained shall be construed to relieve Owners, as mortgagors, of their duties and obligations as Owners or to impose upon the Mortgagee the duties and obligations of an Owner.

ARTICLE XIII
AMENDMENTS

13.01 By Directors.

Except as limited by law, the Articles, the Declaration or these Bylaws, the Executive Board shall have power to make, amend and repeal the Bylaws of the Village Company at any regular meeting of the Executive Board or at any special meeting called for that purpose at which a quorum is represented. If, however, the Owners shall make, amend or repeal any Bylaw, the Directors shall not thereafter amend the same in such manner as to defeat or impair the object of the Owners in taking such action.

13.02 Owners.

Subject to any rights conferred upon First Mortgagees in the Declaration, the Owners may, by the vote of the holders of at least eighty percent (80%) of the votes of the Owners, unless a greater percentage is expressly required by law, the Articles, the Declaration or these Bylaws, make, alter, amend or repeal the Bylaws of the Village Company at any annual meeting or at any special meeting called for that purpose at which a quorum shall be represented.

13.03 Limitation.

Notwithstanding the foregoing, amendment of these Bylaws is specifically subject to the requirements of Section 38-33.3-306 of Colorado Revised Statutes, as amended.

ARTICLE XIV
MISCELLANEOUS

14.01 Seal.

The corporate seal of the Village Company shall be circular in form and shall contain the name of the Village Company, the year of its organization and the words, "Seal, Colorado."

14.02 Fiscal Year.

The fiscal year of the Village Company shall be such as may from time to time be established by the Executive Board.

(End)