

BYLAWS OF
MOORE FAMILY PUD MASTER ASSOCIATION, INC.

ARTICLE 1
GENERAL

1.1 Purpose. Moore Family PUD Master Association, Inc. ("Master Association") is a non-profit corporation formed, pursuant to Articles of Incorporation filed with the Colorado Secretary of State ("Articles"), to own and govern certain facilities and functions which are or will be located on real property in Pitkin County, Colorado ("Property"), as described in the Master Declaration of Covenants, Conditions and Restrictions for Moore Family PUD, a Planned Community, recorded on August 10, 1998, at Reception No. 420466, in the office of the Clerk and Recorder of Pitkin County, Colorado ("Master Declaration") by the Declarant thereunder, James E. Moore Family Partnership, LLLP, a Colorado limited liability limited partnership, which thereafter assigned its rights to Zoom Flume, L.L.C., a Delaware limited liability company (hereinafter "Declarant"), pursuant to the Designation of Successor and Assign, recorded on August 11, 1998, at Reception No. 440552, and the Supplemental Designation of Successor and Assign, recorded September __, 1998, at Reception No. _____. Terms which are defined in the Master Declaration shall have the same meaning when used in these Bylaws, unless the context clearly requires otherwise. The term Declarant as used herein shall mean and shall include the Declarant's successors and assigns as designated by the Declarant in the manner provided for in the Master Declaration.

1.2 Binding Effect. All present and future Owners and their Lessees or other persons who might use the Property are subject to the regulations set forth in these Bylaws. The mere acquisition, rental or occupancy of any Lot or the improvements thereon or the use of the Master Association Property ("Master Association Property") will signify that these Bylaws are accepted, ratified and will be complied with.

ARTICLE 2
MEMBERSHIP AND VOTING RIGHTS

2.1 Membership. The Members of the Master Association shall be as provided for in the Articles and Master Declaration.

2.2 Voting Rights. The voting rights of the Members shall be as provided for in the Articles and Master Declaration.

2.3 Designation of Voting Member.

(a) If a Lot has only one Owner, that person or entity shall have the right to vote with respect to such Lot, provided that if the Owner is a legal entity, the entity should designate a voting agent and register his name with the Secretary. Otherwise, the vote may be cast by any person present at a

meeting of the Members who purports to be the agent of the entity or, if there is more than one such person, the vote must be cast in accordance with their unanimous agreement. There is unanimous agreement if either of the agents casts a vote without prompt protest to the presiding officer of the other agent(s). With respect to mail-in votes, if no designated agent has been registered with the Secretary, the Master Association is entitled to mail all voting materials, in care of the entity, at its last known address, and may accept whatever voting materials are returned by the entity.

(b) If a Lot has more than one Owner, the Owners may designate a voting agent and register his name with the Secretary. If no such registration is made, the vote may be cast by any Owner present at a meeting of the Members or, if more than one of the Owners is present, the vote must be cast in accordance with their unanimous agreement. There is unanimous agreement if any one of the multiple Owners casts his Lot's vote without protest being made promptly to the presiding officer by any other multiple Owner. Votes by mail may be cast only through a representative selected by the Owners and registered with the Master Association. If no representative is registered with the Master Association, the Executive Board of the Master Association (hereafter "Executive Board") may send all voting materials to any one Owner, who is then entitled to vote on behalf of the Lot.

2.4 Election of Directors. The election of directors ("Directors") shall be subject to the right of the Declarant to appoint Directors as provided for in the Master Declaration. Cumulative voting shall not be permitted in the election of Directors.

2.5 Majority Vote. Unless otherwise expressly provided in these Bylaws or the Master Declaration, any action which may be taken by the Master Association may be taken by a majority vote of a quorum.

2.6 Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of Members representing at least 50% of the total votes of the Master Association then entitled to be cast, shall constitute a quorum. A quorum shall be deemed present throughout any meeting of the Members if a quorum was present at the beginning of such meeting.

2.7 Proxies. Votes may be cast in person or by proxy. If a Unit is owned by more than one person, each Owner of the Lot may vote or register protest to the casting of votes by the other Owners of the Lot through a duly executed proxy. An Owner may not revoke a proxy except by actual notice of revocation to the person presiding over a meeting of the Master Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates eleven (11) months after its

date, unless it provides otherwise. Upon conveyance by the Member of title to his Lot a proxy shall automatically cease to be effective.

ARTICLE 3
MEETINGS OF MEMBERS

3.1 **Place of Meetings.** Meetings of the members shall be held at a suitable place designated by the Executive Board.

3.2 **Annual Meetings.** The annual meetings of the Members shall be held at a time designated by the Executive Board in the month of _____ in each year, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting.

3.3 **Special Meetings.** Special meetings of the Members may be called by the President, or by a majority of the Executive Board, or by Members having twenty percent (20%) of the votes of the Master Association.

3.4 **Attendance.** Meetings shall be open to attendance by all Members, any persons holding currently valid voting proxies of Members, and the designated representatives of the First Mortgagees of record, and the Declarant, its successors and assigns.

3.5 **Notice of Meetings.** It shall be the duty of the Secretary to mail a notice of each annual or special meeting to each member of record and to each First Mortgagee of record if such First Mortgagee has filed a written request for such notice together with a current address with the Secretary at least 10 days prior to any such meeting. The notice shall state the purpose of the proposed meeting or that it is a regular meeting, as well as the day, hour and place where it is to be held. Each notice must be sent by first class mail, postage prepaid, not less than ten (10) days nor more than fifty (50) days prior to the date of the proposed meeting. The notice may set forth time limits for speakers and nominating procedures for the meeting. The notice of any meeting must state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Master Declaration or Bylaws, any budget changes and any proposal to remove an officer or members of the Executive Board.

3.6 **Adjournment.** If any meeting cannot be organized because a quorum has not attended, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is obtained. Adjourned meetings may be reconvened only upon the giving of further notice as above provided.

3.7 Action Without Meeting. Any action which, under the provisions of the Colorado Revised Nonprofit Corporation Act, may be taken at a meeting of the Members, may be taken without a meeting if such action is authorized by a writing signed by all of the Members who would be entitled to vote at a meeting and filed with the Secretary or as otherwise provided in the Colorado Revised Nonprofit Corporation Act.

3.8 Waiver. The transaction of business at any regular or special meeting of the Members, however called and noticed, shall be valid as though transacted as a meeting duly held after regular call and notice, if a quorum be present either in person (or by proxy), and if, either before or after the meeting, each of the Members not present in person or by proxy signs a written waiver of notice, a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

3.9 Minutes. Minutes or a similar record of the proceedings of meetings of Members, when signed by the President or Secretary, shall be presumed to truthfully evidence the matters set forth therein. A recitation in the minutes of any such meeting that notice of the meeting was properly given shall be prima facie evidence that such notice was given.

ARTICLE 4 EXECUTIVE BOARD

4.1 Directors. The affairs of the Master Association shall be governed by an Executive Board composed of no less than five (5) persons, as may be determined from time to time by the Members, except as may be otherwise provided in the Master Declaration during the period of Declarant control. Directors may, but need not be, Members of the Master Association. Directors shall not receive any salary for their services as Directors, but any Director may serve the Master Association in some other capacity and receive compensation therefor, and any Director may be reimbursed for his actual expenses incurred in the performance of his duties as a Director.

4.2 General Powers. The Executive Board has the powers and duties necessary for the administration of the affairs of the Master Association and may do all acts which are authorized by law, the Master Declaration, or these Bylaws directed to be exercised exclusively by the Members. The Executive Board shall not enter into any service contract for a term exceeding three years without the approval of the Members, except for any contract with a public utility company which requires a term in excess of three years or any maintenance contract with the seller

or entity related to the seller of an asset which the Master Association has purchased or leased.

4.3 Specific Powers. Without limitation on the general powers stated in Section 4.3, the Executive Board is vested with, and responsible for, the following powers and duties:

(a) to elect and remove all officers of the Master Association, and to appoint and remove all agents and employees of the Master Association; to prescribe such powers and duties for them as may be consistent with law, the Articles, the Master Declaration, and these Bylaws; to fix their compensation; and to require from them security for faithful service when and in the amount deemed advisable by the Executive Board;

(b) to conduct the business of the Master Association;

(c) to change the principal office for the transaction of the business of the Master Association from one location to another within Pitkin County, Colorado, to designate any place within Pitkin County, Colorado for the holding of any annual or special meeting of Members; and to adopt a corporate seal and to alter the form of such seal from time to time, as the Executive Board in its sole judgment may deem best and in compliance with the provisions of law;

(d) to borrow money and to incur or assume indebtedness for the Master Association, and to cause to be executed and delivered therefor, in the Master Association's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidences of debt and securities; provided, however, that any portion of the Master Association Property which consists of real property may be conveyed or subjected to a security interest by the Master Association only if persons entitled to cast at least eighty percent (80%) of the votes agree to that action;

(e) to prepare, adopt, and modify from time to time, the Master Association's annual budget; to fix and levy from time to time assessments upon the Owners as provided in the Master Declaration, to determine and fix the due date for the payment of installments of such assessments and the date upon which the same shall become delinquent, and to hold all funds collected by reason of such assessments for the Owners and in accordance with the purpose for which the assessments were collected;

(f) to establish a working capital reserve fund as set forth in the Master Declaration;

(g) to enforce the provisions of the Master Declaration; these Bylaws, its rules, deed restrictions and covenants, or other agreements of the Master Association;

(h) to contract and pay the premiums for insurance coverage in accordance with provisions of the Master Declaration and agreements with The Aspen Skiing Company or third parties requiring insurance coverage relative to any ski lifts or ski trails which the Lot Owner may be entitled to use by grant from time to time and to review, not less frequently than annually, all insurance policies and bonds obtained by the Executive Board;

(i) to contract, pay for, and discharge personnel to provide Maintenance and services relating to the Master Association Property; to employ personnel necessary for the operation of the Master Association Property, including legal and accounting services; to contract and pay for alterations, improvements, and Maintenance;

(j) to grant easements to and over the Master Association Property;

(k) to take and hold by purchase, gift, or otherwise real and personal property for the Master Association, to exercise all of the rights, powers and privileges of ownership to the same, and to use, manage, mortgage, sell, transfer, lease, license, or otherwise dispose of any such property or any interest therein; provided, however, that any portion of the Master Association Property which consists of real property may be conveyed or subjected to a security interest by the Master Association only if persons entitled to cast at least eighty percent (80%) of the votes agree to that action;

(l) to adopt and amend, by majority vote, such rules consistent with the Master Declaration, the Articles and these Bylaws as the Executive Board may deem necessary for the management and operation of the Master Association Property;

(m) to enter into a management agreement with a managing agent to perform such duties and services as the Executive Board shall authorize, to the extent such services and duties do not require the collective decision-making authority of the Executive Board, including but not limited to the duties listed in Section 4.4 other than this Subparagraph (m); provided, that, if the Master Association delegates the powers of an executive board or officers relating to collection deposit, transfer, or disbursement of Master Association funds to other persons or to a managing agent, the following shall be required:

(i) That the other persons or managing agent maintain fidelity insurance coverage or a bond in an amount not

less than fifty thousand dollars or such higher amount as the Executive Board may require;

(ii) That the other persons or managing agent maintain all funds and accounts of the Master Association separate from the funds and accounts of other associations managed by the other persons or managing agent and maintain all reserve accounts of each association so managed separate from operational accounts of the Master Association; and,

(iii) That an annual accounting for Master Association funds and a financial statement be prepared and presented to the Master Association by the managing agent, a public accountant, or a certified public accountant.

(n) to enter into agreements with third parties for the Maintenance of the Master Association Property and maintenance of the easements, if any, for the benefit of the Master Association or Lot Owners, including without limitation the maintenance of ski trails or ski lifts that may be used by the Lot Owners;

(o) to establish and prescribe the standards of care for the maintenance of such Master Association Property or the easements for the benefit of the Master Association;

(p) to establish orderly procedures for giving notice and an impartial hearing to any Owner who is alleged to be in default in paying his assessments or the installments thereof or to have violated the Master Declaration, Articles, these Bylaws, or the Master Association's rules; and,

(q) to obtain a fidelity bond or fidelity insurance on behalf of the Executive Board.

4.4 Election of Directors. Subject to the right of the Declarant to appoint and remove Directors as provided for in the Master Declaration, the initial Executive Board designated in the Articles shall serve until the first annual meeting of Members, and, thereafter, the Directors shall be elected by the Members. Any person serving as Director may be reelected, and there shall be no limitation on the number of terms which he may serve. Any person desiring to be a candidate for Director shall submit a written statement to that effect to the Secretary, signed by the candidate, or be nominated orally by a Member at the meeting at which voting is to occur.

4.5 Terms of Office. The Directors shall serve for a term of one (1) year and/or until their respective successors are elected.

4.6 Vacancies. A vacancy shall be deemed to exist in the case of death, resignation, an adjudication of the incompetence of any Director, or in case the Members fail to elect the full number of authorized Directors at any meeting at which such election is to take place. Subject to the right of the Declarant to appoint Directors as provided for in the Articles and the Master Declaration, a vacancy in a Director's seat, caused by any reason other than the removal of a Director by a vote of the Members or Declarant, shall be filled by a vote of the majority of the remaining Directors, even though they may constitute less than a quorum. Each person so elected shall be a Director until a successor is elected at the next annual meeting of the Members or at a special meeting of the Members called for that purpose.

4.7 Removal. At any annual or special meeting of the Members duly called, if the prior notice of the meeting states this as one of its purposes, any one or more of the Directors may be removed with or without cause by sixty-seven percent (67%) of the Members present in person or by proxy, other than a director appointed by the Declarant. A successor or successors may then and there be elected to fill the vacancy thus created. Any such successor shall serve for the unexpired term of his predecessor in office. Any Director whose removal has been proposed by any Member shall be given an opportunity to be heard at the meeting, if he is present. This Section shall be subject to the right of the Declarant to remove and appoint Directors as provided for in the Articles and Master Declaration.

4.8 Executive Board Meetings. The first meeting of the newly elected Executive Board shall be held as soon as practicable following the meeting at which the Executive Board is elected. Other regular meetings of the Executive Board may be held at such time and place as shall be determined, from time to time, by a resolution adopted by the majority of the Directors, but at least one such meeting shall be held during each fiscal year. Notice of regular meetings of the Executive Board (other than the first meeting of the newly elected Executive Board) shall be given by the Secretary to each Director, personally or by mail, telephone, or telegraph, at least two days prior to the date set for such meeting.

4.9 Special Executive Board Meetings. Special meetings of the Executive Board may be called by the President or, if he is absent or refuses to act, by the Vice President or by any two Directors. At least two days' notice shall be given by the Secretary to each Director, personally or by mail, telephone, or telegraph. Such notice shall state the time, place, and purpose of the meeting. If service is by mail, each such notice shall be sent, postage prepaid, to the address reflected on the records of the Master Association and shall be deemed given, if not actually received earlier, at 5: 00 p.m. of the second day after it is deposited in a regular depository of the United States mail.

Whenever any Director has been absent from any special meeting of the Executive Board, an entry in the minutes to the effect that notice has been duly given shall be presumptive evidence that due notice of such meeting was given to such Director.

4.10 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 and receipt of such notice. Attendance by a Director at any meeting of the Executive Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at a meeting of the Executive Board, no notice shall be required, and any business may be transacted at such meeting.

4.11 Quorum. At all meetings of the Executive Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Executive Board. A quorum shall be deemed present throughout any meeting of the Directors if a quorum was present at the beginning of such meeting. If at any meeting of the Executive Board there is less than a quorum, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, which shall be reconvened only upon the giving of notice as above provided, any business which might have been transacted at the meeting as originally called may be transacted.

4.12 Consent by Directors. The Directors shall have the right to take any action without a meeting which they could have taken at a meeting by obtaining the vote or written consent of all the Directors or as otherwise provided in the Colorado Revised Nonprofit Corporation Act, as amended from time to time. Any action so approved shall have the same effect as though taken at a meeting of the Executive Board.

4.13 Committees. The Executive Board may, by resolution, from time to time designate such committees as it shall desire and may establish the purposes and powers of each such committee created. The resolution establishing the committee shall provide for the appointment of its members, as well as a chairman, shall state the purposes of the committee, the specific powers delegated to it, and shall provide for such reports, termination, and other administrative matters as the Executive Board deems appropriate.

ARTICLE 5 **OFFICERS**

5.1 Officers. The Master Association shall have a President, one or more Vice Presidents, a Secretary, and a Treasurer (who may be the Secretary). All such officers shall be

elected by the Executive Board and hold office at its pleasure. Only the President need be a Director, although other officers may be Directors.

5.2 Removal. Upon an affirmative vote of a majority of the entire Executive Board, any officer may be removed, either with or without cause, and his or her successor elected except as otherwise provided in the Articles and Master Declaration. Any officer may resign at any time by giving written notice to the Executive Board, the President, or the Secretary, such resignation taking effect at the date of receipt of the notice or at any later time specified therein, and unless otherwise specified in the notice, acceptance of such resignation by the Executive Board shall not be necessary to make it effective.

5.3 Compensation. Officers, agents, and employees shall receive such reasonable compensation for their services as may be authorized or ratified by the Executive Board. Appointment of any officer, agent, or employee shall not of itself create contractual rights of compensation for services performed by such officer, agent, or employee.

5.4 President. The President shall be the chief executive officer of the Master Association. He shall preside at all meetings of the Master Association and of the Executive Board. He shall have all of the general powers and duties which are usually vested in the office of the President of a corporation, including but not limited to the power to appoint committees from among the Members from time to time as he may deem appropriate to assist in the conduct of the affairs of the Master Association. The President shall be ex officio a member of all standing committees and shall have such other powers and duties as may be prescribed by the Executive Board or these Bylaws.

5.5 Vice President. The Vice President (in order of designation at the time of appointment, if more than one) shall take the place of the President and perform his duties whenever the President shall be absent, disabled, unwilling, or unable to act. If neither the President nor any Vice President is able to act, the Executive Board shall appoint some member of the Executive Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Executive Board or these Bylaws.

5.6 Secretary. The Secretary shall keep the minutes of all meetings of the Executive Board and the minutes of all meetings of the Master Association at the principal office of the Master Association or at such other place as the Executive Board may order. The Secretary shall perform all other duties given to him by the Executive Board or these Bylaws. The Secretary shall keep the seal of the Master Association, shall have charge of such books and papers as the Executive Board may direct, shall give or

cause to be given notices of meetings of the Members and of the Executive Board, shall maintain a book of record Members listing the names, addresses, and telephone numbers of the Members as furnished to the Master Association, and shall ascertain, certify, record, and publicize the outcome of all votes taken by the Directors or the Members, as the case may be. The Secretary shall also be responsible for all filings required by law, except tax returns. The Secretary shall also be responsible for the preparation, execution, certification and recordation of any amendments to the Master Declaration, Articles or Bylaws on behalf of the Master Association.

5.7 Treasurer. The Treasurer shall have the responsibility for Master Association funds and securities and shall be responsible for keeping, or causing to be kept, full and accurate accounts, tax records, and business transactions of the Master Association, including accounts of all assets, liabilities, receipts and disbursements, and books belonging to the Master Association. The Treasurer's books and records shall be open to inspection by all Owners and First Mortgagees at convenient weekday business hours. The Treasurer shall make a report, at least once annually, to the Executive Board containing the Master Association's balance sheet as of the end of the fiscal period covered by the report and a statement of the Master Association's income and expenses for the same period. The Executive Board shall cause to be transmitted a summary of the Treasurer's Report to each Member. The Treasurer shall co-sign with another person designated by the Executive Board all checks and promissory notes on behalf of the Master Association. The Treasurer shall be responsible for keeping the assessment roll required in the fiscal management of the Master Association and for filing tax returns as required by law.

ARTICLE 6 FISCAL MANAGEMENT

6.1 Assessments. Assessments shall be in amounts sufficient to pay for the estimated Common Expenses, including the following expenses: Maintenance, insurance, service and leasing contracts for the Master Association and the Master Association Property, management fees, debt service, debt retirement, printing supplies and postage, employees' compensation, and taxes paid by the Master Association, and all other fiscal outlays required or permitted under the Master Declaration.

6.2 Assessment Roll. The Treasurer shall maintain an assessment roll which shall include a separate account for each Lot, except for any Lot which is Master Association Property. Such account shall designate the name and address of the Owner, the amount of each assessment against the Owner, the due dates of

all assessment installments, the amounts paid by the Owner, and all unpaid assessments.

6.3 Statement of Assessments. Upon written request to the Treasurer by any Owner, prospective Mortgagee or purchaser of any Lot and payment of a reasonable service fee established by the Executive Board, the Treasurer shall issue a written statement of the unpaid assessment receivable or other charges due and owing from the Owner for the Lot involved, and such statement shall be conclusive upon the Master Association if the person to whom it is given relies upon it in good faith. If the statement is not given within ten (10) days of the making of an authorized request for it, the person making the request shall, as against the Master Association, be entitled to assume that no assessments or other charges are unpaid, unless the lien securing the same shall have been recorded in the land records in Pitkin County, Colorado or unless the person making the request has actual notice that assessments or other charges are unpaid.

6.4 Budget. Annually it shall be the responsibility of the Executive Board to establish and adopt an operating budget for the Master Association's fiscal year. The budget shall be estimated based on the previous year's budget and projected expense for the coming year. The budget shall provide for the allocation of any surplus funds remaining from any prior budget period. Within thirty (30) days after adoption of the proposed budget by the Executive Board, the Executive Board shall mail, by ordinary first class mail, or otherwise deliver a summary of the budget to all the Owners and shall set a date for a meeting of the Owners to consider ratification of the budget which date shall be not less than fourteen (14) days nor more than sixty (60) days after the date of mailing or delivery of the summary. Unless at that meeting a majority of all Owners reject the budget, the budget is ratified and adopted. In the event the Owners reject the proposed budget, the last budget ratified by the Owners must be continued until such time as the Owners ratify a subsequent budget proposed by the Executive Board.

6.5 Fiscal Year. The fiscal year shall be determined by the Executive Board. This shall be the Master Association's budgeting and accounting period. Assessments shall be prepared, levied, and collected at such times and in such manner as to insure that sufficient funds are available for budgeted expenditures and operations when needed.

6.6 Bank Accounts. One or more bank accounts shall be maintained in the name of the Master Association. All checks and drafts upon the funds to the credit of the Master Association in any of its depositories shall be signed by such of its officers or agents and shall from time to time be determined by resolution of the Executive Board, which may provide for the use of facsimile signatures under specified conditions; and all notes,

acceptances, drafts and other evidences of indebtedness payable to the Master Association shall, for the purpose of deposit, discount or collection, be endorsed by such officers or agents of the corporation and in such manner as shall From time to time be determined by resolution of the Executive Board.

6.7 Records and Inspections. The Executive Board shall keep detailed, accurate records of the receipts and expenditures affecting the Master Association Property. Such records authorizing the payments shall be available for examination by the Owners at convenient weekday business hours.

ARTICLE 7
MISCELLANEOUS

7.1 Indemnification. Subject to the limitations and standards of care set forth in Sections 7.2 and 7.3 and the Act, any person who is or was a Director, officer, employee, fiduciary, or agent of the Master Association or is or was serving at the request of the Master Association as a director, manager, officer, employee, fiduciary, or agent of another corporation, partnership, joint venture, trust, or other enterprise and who was or is a party or threatened to be made a party to any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he is or was serving in such capacity, may be indemnified by the Master Association to the extent and in the manner described herein. The indemnification authorized by this Section shall continue as to any person who has ceased to be a Director, officer, employee, fiduciary, or agent and shall inure to the benefit of the heirs, executors, and administrators of such person.

(a) The Master Association shall indemnify such person who has been successful on the merits in defense of any such proceeding against expenses, including reasonable attorneys' fees, actually and reasonably incurred by him in connection therewith.

(b) The Master Association shall indemnify such person against expenses, including reasonable attorneys' fees, judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in such proceeding (other than an action brought by or in the right of the Master Association) if he acted in good faith and in a manner he reasonably believed to be in the best interests of the Master Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful.

(c) In any threatened, pending or completed action by or in the right of the Master Association to procure a judgment in its favor against such person, the Master Association shall

indemnify such person against expenses, including reasonable attorneys' fees, actually and reasonably incurred by him in connection with the defense or settlement of such action, if he acted in good faith and in a manner he reasonably believed to be in the best interests of the Master Association. The Master Association shall not indemnify such person if he shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Master Association unless and only to the extent the court in which such action was brought determines upon application that such person is fairly and reasonably entitled to such indemnity for such expenses as the court shall deem proper.

(d) Any indemnification authorized under Subparagraphs (b) and (c) (unless ordered by a court) shall be made only upon a determination that such person has met the standard of conduct set forth in such subparagraphs. Such determination shall be made by a majority of a quorum of disinterested Directors, so if a disinterested quorum is not available, or even if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel chosen by the Executive Board in a written opinion, or by vote of the Members.

(e) Expenses (including reasonable attorneys' fees) incurred in defending such proceeding may be paid by the Master Association in advance of the final disposition of such action, suit or proceeding as authorized in Subparagraph (d) upon receipt of an undertaking by or on behalf of such person to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Master Association.

The Master Association shall also have the power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee, fiduciary, or agent of the Master Association or is serving at the request of the Master Association in said capacity or a similar capacity of another association against any liability asserted against him and incurred by him in any such capacity or wising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability under the provisions of this Section.

Rights of indemnification under this Section shall be in addition to rights which such person may otherwise be lawfully entitled.

7.2 Declarant's Acts or Omissions. Neither the Master Association nor any Owner except the Declarant is liable for any cause of action based upon the Declarant's acts or omissions in connection with any part of the common interest community which the Declarant has the responsibility to maintain.

7.3 Standard of Care. If appointed by the Declarant, in the performance of their duties the officers and members of the Executive Board are required to exercise the care required of fiduciaries. If not appointed by the Declarant, no member of the Executive Board and no officer shall be liable for actions taken or omissions made in the performance of such members' duties except for wanton and willful acts or omissions.

7.4 Conflicts Null and Void. In case any of these Bylaws conflict with any provisions of the laws of the State of Colorado, the Articles, or the Master Declaration, such conflicting Bylaws shall be null and void, but all other Bylaws shall remain in full force and effect.

7.5 Amendment.

(a) By Directors. Except as committed to action by the Members or otherwise limited by law, the Articles, the Master Declaration, or these Bylaws, the Executive Board shall have the power to make, amend and repeal the Bylaws of the Master Association at any regular meeting of the Executive Board or at any special meeting called for that purpose at which a quorum is present. However, if the Members shall make, amend and repeal any Bylaw, the Directors shall not thereafter amend the same in such manner as to defeat or impair the object of the Members in taking such action.

(b) By Members. Except as limited by law, these Bylaws may be amended by majority vote of the Members in a duly constituted meeting of Members for such purpose.

(c) Consent of Declarant. Notwithstanding the foregoing, during the period of Declarant Control, these Bylaws shall not be subject to amendment or repeal without the written consent of the Declarant.

(d) References to Bylaws. From and after any amendment of these Bylaws, any references to "the Bylaws" shall be deemed to include any such amendments, unless otherwise stated.

7.6 Copy of Bylaws. This Master Association shall keep in its office for the transaction of business the original or a copy of these Bylaws, as amended from time to time, certified by the Secretary, which shall be open to inspection by the Members and First Mortgagees at reasonable times during office hours.

7.7 Limitation of Liability. Subject to the limitations set forth in Sections 7.2 and 7.3 and the Act, the Executive Board shall not be liable for any failure of any service to be obtained and paid for by the Executive Board hereunder, or for


injury or damage to person or property caused by the elements or by another Owner or person, unless caused by the willful and wanton acts or omissions of the Executive Board. No diminution of abatement of Common Expense assessments shall be claimed or allowed for inconveniences or discomfort arising for the making of repairs or improvements to the Master Association Property or from any action taken by the Executive Board to comply with any law, ordinance, or order of a governmental authority.

7.8 Severability. The provisions hereof shall be deemed independent and severable, and invalidity or partial invalidity or unenforceability of any provision or portion hereof shall not affect the validity or unenforceability of any other provision hereof.

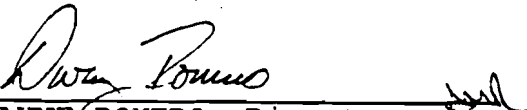
7.9 Interpretation. The provisions of these Bylaws shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of a planned community. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce such provision or any other provision hereof.

The foregoing Bylaws of Moore Family PUD Master Association, Inc. were adopted by its Executive Board with the approval and consent of Declarant on the 11th day of August, 1998.

EXECUTIVE BOARD:


ROBERT DANIEL, Director


DAVID PARKER, Director


DWAYNE ROMERO, Director


BAYARD DOMINICK, Director


ANNE RUH, Director

Being all of the Directors of Moore Family PUD Master Association, Inc.

RESIGNATION OF DIRECTOR

CLAYTON T. STONE hereby resigns as a Director of Moore
Family PUD Master Association, Inc., effective August 11, 1998.


CLAYTON T. STONE

RESOLUTION
OF
THE EXECUTIVE BOARD
OF MOORE FAMILY PUD MASTER ASSOCIATION, INC. ("ASSOCIATION")

PURSUANT TO THE COLORADO NON-PROFIT CORPORATION CODE, the undersigned, being all of the Directors of the Executive Board of the Association, hereby consent to the following resolutions as and for their unanimous act.

BE IT HEREBY RESOLVED that the Executive Board of the Association accepts the Resignation of CLAYTON T. STONE as a Director of the Association, effective August 11, 1998; and


BE IT HEREBY FURTHER RESOLVED that ANNE RUH is appointed as a Director of the Association, effective August 11, 1998, to serve until the next annual meeting of the voting Members, or until her successor is elected and shall qualify.

DATED October 1, 1998.


EXECUTIVE BOARD:



ROBERT DANIEL, Director



DAVID PARKER, Director



DWAYNE ROMERO, Director



BAYARD DOMINICK, Director

Moore Family PUD

Projected Homeowner's Association Budget

1	CONTRACT SERVICES	0
2	CHAIR LIFT O&M & INSURANCE	\$ 50,000
3	OPEN SPACES & TRAILS	0
6	GENERAL AND ADMINISTRATIVE	\$ 40,903
7	<u>REPLACEMENT RESERVE FUNDING</u>	<u>\$ 17,325</u>
8	TOTAL EXPENSES	\$ 108,228
	QUARTERLY SINGLE FAMILY HOA DUES	\$ 538

(1) HOA Assessments (Voting Ratio: 3:1, SF to AH)

(2) Assumes Moore PUD HOA votes to be incorporated into Aspen Highlands Metro Districts