

**BYLAWS
OF
THE FARM AT BUENA VISTA OWNERS ASSOCIATION, INC.**

Adopted effective as of September 7, 2017

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ARTICLE 1.
ASSOCIATION, OFFICES, REGISTERED AGENT

1.1. **Purpose.** **The Farm at Buena Vista Owners Association, Inc.** is organized and shall be operated as and constitute the Association under the Declaration of Covenants, Conditions, Restrictions and Reservations for The Farm at Buena Vista (the “**Declaration**”) as recorded in Chaffee County, Colorado. All capitalized terms used and not otherwise defined herein, shall have the meanings as provided in the Declaration.

1.2. **Principal Office.** The principal office of the Association shall be located at 301 East Main Street, Suite 230, Buena Vista, CO 81211. The Association may have such other or additional offices in the State of Colorado as may be established from time to time by resolution of the Board of Directors.

1.3. **Registered Agent.** Until a successor is named by an appropriate resolution of the Board of Directors, the registered agent shall be LRRC Service Company LLC, and the registered office for the Association shall be 1200 Seventeenth Street, Suite 3000, Denver, CO 80222.

ARTICLE 2.
MEMBERSHIP

2.1. **Membership.** Memberships, the qualifications for being Members, and the rights of Members to transfer memberships are as set forth in the Declaration and the Articles of Incorporation of the Association.

2.2. **Dues.** As more fully provided in the Declaration, each Member is obligated to pay to the Association common and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Annual common assessments shall be established by the Declarant prior to the Turnover Date, and after such date by the Board of Directors, as provided in the Declaration, and shall be payable by each Member of the Association. The Board of Directors shall have the right to suspend or change such annual assessments from time to time. If, under existing circumstances, the Board of Directors deems it necessary or advisable to have a special assessment at any time for emergencies, then, upon written notice to the Members, each Member shall pay such special assessment to the Association as provided in such notice. Notwithstanding any of the foregoing, the total assessments for any year shall not exceed such maximum amount allowed by law for the Association to remain exempt under the Colorado Common Interest Ownership Act.

As provided in the Declaration, Wayfarer Development, LLC, or its successors as Declarant, shall not be required to pay any assessments during the development and sale of lots and undeveloped lots for sale until the Turnover Date. After the Turnover Date, if Wayfarer Development, LLC should retain ownership of and have completed construction of a residence on a Unit, then it shall be assessed the annual assessments on Units that it owns on the same basis as other Unit Owners. This Section 2.2 may not be amended or removed without consent of the Declarant.

2.3. **Control By Declarant.** Until the Turnover Date, no special meeting of Members of the Association shall be called, unless a meeting is called by the Declarant, and Members shall not be entitled to vote except as provided in the Declaration. The Declarant shall have all the powers, authority, rights and duties to completely manage, in accordance with these Bylaws and the Declaration, the Association through a Board of Directors of its choosing until the Turnover Date, at which point the management of the Association will turn over to the Board of Directors and Members.

ARTICLE 3. MEETINGS

3.1. **Annual Meetings.** The annual meeting of Members shall be held at the principal office of the Association at such date and time as set by the Declarant before the Turnover Date or by the Board of Directors after the Turnover Date. The Secretary shall serve personally, or by regular mail, at least five (5) days prior to the date set for such meeting, a written notice thereof, addressed to each Member at his/her address shown on the records in the office of the Secretary of the Association, or in lieu of any address being recorded in the office of the Secretary by the Member, at the Member's last known address as determined by the Secretary; but at any meeting at which all Members present have waived notice in writing, the giving of notice as above required may be dispensed with.

3.2. **Quorum.** The presence, in person or by proxy, of twenty percent (20%) of the Members shall be necessary to constitute a quorum for the transaction of business at a meeting of the Members, but a lesser number may adjourn to some future time.

3.3. **Special Meetings.** Special meetings of Members other than those regulated by Statute may be called at any time by a majority of the Directors. Notice of such meeting, stating the purpose for which it is called, shall be served personally or by mail, not less than five (5) days before the date for such meeting. If mailed, it shall be directed to a Member at his address as it appears on the records in the office of the Secretary of the Association; but at any meeting at which all Members shall be present, or of which Members not present have waived notice in writing, the giving of notice as above described may be dispensed with. The Board of Directors shall also, in like manner, call a special meeting of Members whenever so requested in writing by Members representing not less than one-third (1/3) of the total membership, subject to Section 2.3 above. No business other than that specified in the call for the meeting shall be transacted at any special meeting of Members.

3.4. **Voting.** Except as otherwise provided in the Declaration, each Member shall have one (1) vote for each Unit owned in the Community. If title to a Unit is held by more than one person or entity, the membership relating to that Unit shall be shared by all such persons in the same proportionate interest by which the title to the Unit is held. The person entitled to cast the vote for the Unit shall, if requested by the Association, be designated by a certificate of appointment signed by the persons sharing such interest and filed with the Secretary of the Association. Such certificate shall be valid until revoked, or until superseded by a subsequent certificate, or until a change in the ownership of the Unit concerned. A certificate designating the person entitled to cast the vote of a Unit may be revoked by any owner thereof. The right to vote by Members shall be defined and limited as provided in the Declaration. Notwithstanding

anything provided in this Section 3.4, no Member shall be entitled to vote on any matter coming before the Association if such member is delinquent or has for any reason failed to pay when due any dues or assessments levied against the Member's Unit pursuant to the Declaration or other powers of the Association. The Member's vote shall be reinstated once all dues and assessments, together with interest thereon, have been paid in full by such Member.

ARTICLE 4. DIRECTORS

4.1. **Number and Qualifications.** The number of initial Directors of the Association shall be one (1), or such number as the Declarant may prescribe prior to the Turnover Date, and prior to the Turnover Date, the Declarant shall have the sole right to elect and remove Directors. After the Turnover Date, the number of Directors shall be five (5), and thereafter the number of Directors shall be as determined by resolution of the Board of Directors from time to time, but not more than five (5). As long as Declarant owns a portion of the Property, at least one (1) Director must be the Declarant or a representative appointed by the Declarant. Except for representatives of the Declarant who may be Directors, all Directors must be Members of the Association. After the Turnover Date, Directors shall be elected bi-annually.

4.2. **Term of Office.** The term of office of each of the Directors other than a Director appointed by Declarant shall be two (2) years, and thereafter until his or her successor has been elected.

4.3. **Duties of Directors.** The Board of Directors shall have the control and general management of the affairs and business of the Association. Such Directors shall in all cases act as a Board, and they may adopt such rules and regulations for the conduct of their meetings and the management of the Association as they may deem proper, not inconsistent with these Bylaws and the laws of the State of Colorado.

4.4. **Directors' Meetings.** Regular meetings of the Board of Directors shall be held at such times as the Board of Directors may determine, and after the Turnover Date, immediately following the annual meeting of the Members. Special meetings of the Board of Directors may be called by the President at any time, and shall be called by the President or the Secretary upon the written request of two (2) Directors.

4.5. **Notice of Meetings.** Notice of meetings other than the regular annual meetings shall be given by service upon each Director in person or by mailing to him at his last known post office address, at least two (2) days before the date therein designated for such meeting, including the day of mailing, or a written or printed notice thereof specifying the time and place of such meeting, and the business to be brought before the meeting, and no business other than that specified in such notice shall be transacted at any special meeting. At any meeting at which every member of the Board of Directors is present, although held without notice, any business may be transacted which might have been transacted if the meeting had been duly called.

4.6. **Action Without a Meeting.**

(a) *Voting Procedure.* Any action required or permitted to be taken at a meeting of the Board of Directors or any committee thereof may be taken without a meeting if written notice is transmitted to each member of the Board of Directors or committee pursuant to Section 4.5 and each such member either: (a) votes in writing for such action; (b) votes in writing against such action; (c) abstains in writing from voting; or (d) fails to respond by the time stated in the notice. Proposals for such action and votes for or against the same by the members of the Board of Directors may be submitted via electronic mail, consistent with the requirements of this Section 4.6.

(b) *Action Taken.* Action is taken under this Section 4.6 only if at the end of the time stated in the notice, the affirmative vote for such action equals or exceeds the minimum number of votes that would be necessary to take such action at a meeting at which all of the Directors then in office were present and voted.

(c) *Notice Required.* The notice required by Section 4.6(a) shall state (i) the action to be taken; (ii) the time by which a member of the Board of Directors or committee must respond; and (iii) that failure to respond by the time stated in the notice will have the same effect as abstaining in writing by the time stated in the notice and failing to demand in writing by the time stated in the notice that action not be taken without a meeting. Unless such notice states a different effective date, action taken pursuant to this Section 4.6 shall be effective at the end of the time to respond stated in the notice.

(d) *Revocation of Vote.* Any Director or committee member who has delivered a writing pursuant to this Section 4.6 may revoke such writing by a new writing dated by the member of the Board of Directors or committee describing the action and stating that the prior vote of the member of the Board of Directors or committee with respect thereto is revoked. Such revocation shall only be effective if it is received by the Association before the last writing necessary to effect the action is received by the Association.

(e) *Manner of Notice.* All communications under this Section 4.6 may be transmitted or received by the Association by electronically transmitted facsimile, e-mail, or other form of wire or wireless communication. For purposes of this Section 4.6, communications to the Association are not effective until received by the Association.

(f) *Validity of Action.* Action taken pursuant to this Section 4.6 has the same effect as action taken at a meeting of Directors and may be described as such in any document.

(g) *Recordkeeping.* All written instruments necessary for any action taken pursuant to this Section 4.6 shall be filed with the minutes of the meetings of the Board of Directors. In the event action is taken by the requisite affirmative vote of the members of the Board of Directors, the emails describing such action and the affirmative votes

therefor shall be stored with, and in the same manner, as the minutes of the meetings of the Board of Directors. (By way of clarification, to the extent necessary to carry out the foregoing sentence, emails containing affirmative votes shall be printed out as “hard copies” and shall be included with the paper records of the minutes of the meetings of the Board of Directors so long as such minutes are kept by the Association in physical form.)

4.7. **Quorum.** At any meeting of the Board of Directors before the Turnover Date, one (1) Director shall constitute a quorum. On the Turnover Date, and thereafter, a majority of the Directors shall constitute a quorum for the transaction of business; but in the event a quorum is not present, a lesser number may adjourn the meeting to some future time, not more than ten (10) days later.

4.8. **Voting.** At all meetings of the Board of Directors, each Director is entitled to one (1) vote.

4.9. **Director Proxies.** For purposes of determining a quorum with respect to a particular proposal, and for purposes of casting a vote for or against a particular proposal, a Director may be deemed to be present at a meeting and to vote if the Director has granted a signed written proxy to another Director who is present at the meeting, authorizing the other Director to cast the vote that is directed to be cast by the written proxy with respect to the particular proposal that is described with reasonable specificity in the proxy.

4.10. **Resignation of Directors.** Any Director shall be entitled to resign his or her position on the Board of Directors at any time upon delivery of written notice to the Board of Directors.

4.11. **Vacancies.** After the Turnover Date, any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors, other than any vacancy in a position of a director appointed by Declarant, which may only be filled by Declarant. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. After the Turnover Date, any directorship to be filled by reason of an increase in the number of Directors shall be filled by the affirmative vote of a majority of the Directors then in office or by an election of the majority of the Members at an annual meeting or at a special meeting of Members called for that purpose. After the Turnover Date, a Director chosen to fill a position resulting from an increase in the number of Directors shall hold office until the next annual meeting of Members and until his successor has been elected and shall qualify.

4.12. **Removal of Directors.** After the Turnover Date, any one or more of the Directors other than a Member appointed by the Declarant may be removed either with or without cause, at any time by a vote of the Members representing fifty-one percent (51%) of the total membership at any special meeting called for that purpose. Such right is subject to Section 2.3 above and the Declaration.

ARTICLE 5. OFFICERS

5.1. **Number.** The officers of the Association shall be a President, Vice President, Secretary and Treasurer. All such offices may be held by the same person. Appointment of a Vice President shall not be mandatory.

5.2. **Election.** All officers of the Association shall be elected annually by the Board of Directors at its meeting held immediately after the meeting of the Members, and shall hold office for the term of two (2) years and until the earlier of their resignation, removal, death or their successors are duly elected.

5.3. **Duties of Officers.** The duties and powers of the officers of the Association shall be as follows:

(a) **President.** The President shall preside at all meetings of the Board of Directors and Members and have the following duties.

(i) Present at each bi-annual meeting of the Members and Directors a report of the condition of the business of the Association.

(ii) Cause to be called regular and special meetings of the Members and Directors in accordance with these Bylaws.

(iii) Sign and make all contracts and agreements in the name of the Association.

(iv) See that the books, reports, statements and certificates required by Colorado statute are properly kept, made and filed according to law.

(v) Sign all certificates of membership, notes, checks, drafts or bills of exchange, warrants or other orders for the payment of money duly drawn by the Treasurer.

(vi) Enforce these Bylaws and perform all the duties incident to the position and office, and which are required by law.

(b) **Vice President.** During the absence and inability of the President to render and perform his duties or exercise his powers as set forth in these Bylaws or in the acts under which this Association is organized, the same shall be performed and exercised by the Vice President (if any); and when so acting, he shall have all the powers and be subject to all the responsibilities hereby given to or imposed upon such President.

(c) **Secretary.** The Secretary shall keep the minutes of the meetings of the Board of Directors and of the Members in appropriate books and have the following responsibilities.

(i) Give and serve all notices of the Association.

(ii) Be custodian of the records and of the seal, and affix the latter when required.

(iii) Keep the membership books in the manner prescribed by law, so as to show at all times names of the Members thereof, alphabetically arranged, their respective places of residence, their post office address, and the time at which each person became a Member.

(iv) Present to the Board of Directors at its stated meetings all communications addressed to him personally by the President or any officer or member of the Association.

(v) Attend to all correspondence and perform all of the duties incident to the office of Secretary.

(d) **Treasurer.** The Treasurer shall have the care and custody of and be responsible for all the funds and securities of the Association, and deposit all such funds in the name of the Association in such bank or banks, trust company or trust companies or safe deposit vaults as the Board of Directors may designate and have the following responsibilities.

(i) Sign, make and endorse in the name of the Association all checks, drafts, warrants and orders for the payment of money and pay out and dispose of same and receipt therefor, under the direction of the President and/or the Board of Directors.

(ii) Exhibit at all reasonable times his books and accounts to any Director or Member of the Association upon application at the office of the Association during business hours.

(iii) Render a statement of the condition of the finances of the Association at each regular meeting of the Board of Directors, and at such other times as shall be required of him, and a full financial report at the annual meeting of the Members.

(iv) Keep at the office of the Association correct books of account of all its business and transactions and such other books of account as the Board of Directors may require.

(v) Do and perform all duties pertaining to the office of Treasurer.

5.4. **Vacancies.** All vacancies in any office shall be filled by the Board of Directors without undue delay at its regular meeting or at any special meeting.

5.5. **Compensation of Officers.** Each officer shall receive such salary or compensation as may be determined by the Board of Directors.

5.6. **Removal of Officers.** The Board of Directors may remove any officer, by a majority vote, at any time with or without notice or cause.

ARTICLE 6. STANDARDS OF CONDUCT FOR OFFICERS AND DIRECTORS

6.1. **Standards of Conduct.** Each Director and officer shall perform their duties as a Director or officer, including without limitation their duties as a member of any committee of the board, in good faith, in a manner the Director or officer reasonably believes to be in the best interests of the Association, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances. In the performance of their duties, a Director or officer shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by the persons designated below. However, a Director or officer shall not be considered to be acting in good faith if the Director or officer has knowledge concerning the matter in question that would cause such reliance to be unwarranted. A Director or officer shall not be liable to the Association or its members for any action the Director or officer takes or omits to take as a Director or officer if, in connection with such action or omission, the Director or officer performs their duties in compliance with this section. A Director or officer, regardless of title, shall not be deemed to be a trustee with respect to the Association or with respect to any property held or administered by the Association including, without limitation, property that may be subject to restrictions imposed by the donor or transferor of such property.

6.2. **Reliance.** The designated persons on whom a Director or officer are entitled to rely are: (i) one or more officers or employees of the Association whom the Director or officer reasonably believes to be reliable and competent in the matters presented; (ii) legal counsel and public accountants (including legal counsel to the Association or any public accountant providing services to the Association), or any other person as to matters which the Director or officer reasonably believes to be within such person's professional or expert competence; or (iii) with respect to a Director, a committee of the Board of Directors on which the Director or officer does not serve if the Director reasonably believes the committee merits confidence.

ARTICLE 7. INDEMNIFICATION

7.1. **Definitions.** For purposes of this Article VIII, the following terms shall have the meanings set forth below:

(a) **"Association"** means the Association and, in addition to the resulting or surviving corporation, any domestic or foreign predecessor entity of the Association in a merger, consolidation or other transaction in which the predecessor's existence ceased upon consummation of the transaction.

(b) "**Expenses**" means the actual and reasonable expenses, including attorneys' fees, incurred by a party in connection with a proceeding.

(c) "**Liability**" means the obligation to pay a judgment, settlement, penalty, fine (including an excise tax assessed with respect to a private corporation or an employee benefit plan) or expense incurred with respect to a proceeding.

(d) "**Official Capacity**" when used with respect to a director of the Association means the office of director in the Association, and when used with respect to a person in a capacity other than as a director (even if such person is also a director) means the office in the Association held by the officer or the employment relationship undertaken by the employee on behalf of the Association in the performance of his or her duties in his or her capacity as such officer or employee. "Official capacity" does not include service for any other foreign or domestic corporation or for any partnership, joint venture, trust, other enterprise or employee benefit plan when acting directly on behalf of such other corporation, partnership, joint venture, trust, enterprise or plan as a director, officer, employee, fiduciary or agent thereof.

(e) "**Party**" means any person who was, is, or is threatened to be made, a named defendant or respondent in a proceeding by reason of the fact that such person is or was a director or officer of the Association, and any person who, while a director or officer of the Association, is or was serving at the request of the Association as a director, officer, partner, trustee, employee, fiduciary or agent of any other foreign or domestic corporation or of any partnership, joint venture, trust, other enterprise or employee benefit plan. A party shall be considered to be serving an employee benefit plan at the Association's request if such party's duties to the Association also impose duties on or otherwise involve services by such party to the plan or to participants in or beneficiaries of the plan. "Party" also means any person for whom the board of directors has authorized indemnification pursuant to Section 7.3, below.

(f) "**Proceeding**" means any threatened, pending or completed action, suit or proceeding, or any appeal therein, whether civil, criminal, administrative, arbitative or investigative (including an action by the Association) and whether formal or informal.

7.2. **Right to Indemnification.**

(a) **Standards of Conduct.** Except as provided in Section 7.2(d) below, the Association shall indemnify any Director or officer of the Association made a party to a proceeding against liability incurred in or as a result of the proceeding if (i) such party conducted himself or herself in good faith; (ii) such party reasonably believed (A) in the case of a director or officer acting in his or her official capacity, that his or her conduct was in the Association's best interests, and (B) in all other cases, that such party's conduct was at least not opposed to the Association's best interests; and (iii) in the case of any criminal proceeding, such party had no reasonable cause to believe his or her conduct was unlawful. For purposes of determining the applicable standard of conduct under this Section 7.2, any party acting in his or her official capacity who is also a director of the

Association shall be held to the standard of conduct set forth in Section 7.2(a)(ii)(A), even if such party is sued solely in a capacity other than as such director.

(b) **Employee Benefit Plans.** A party's conduct with respect to an employee benefit plan for a purpose such party reasonably believed to be in the interests of the participants in or beneficiaries of the plan is conduct that satisfies the requirements of Section 7.2(a)(ii)(B). A party's conduct with respect to an employee benefit plan for a purpose that such party did not reasonably believe to be in the interests of the participants in or beneficiaries of the plan shall be deemed not to satisfy the requirements of Section 7.2(a)(i).

(c) **Settlement.** The termination of any proceeding by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, is not of itself determinative that the party did not meet the applicable standard of conduct set forth in Section 7.2 (a).

(d) **Indemnification Prohibited.** Except as hereinafter set forth in this Section 7.2(d), the Association may not indemnify a party under this Section 7.2 either (i) in connection with a proceeding by the Association in which the party is or has been adjudged liable for gross negligence or willful misconduct in the performance of the party's duty to the Association; or (ii) in connection with any proceeding charging that the party derived an improper personal benefit, whether or not involving action in the party's official capacity, in which the party was adjudged liable on the basis that the party derived an improper personal benefit (even if the Association was not thereby damaged).

(e) **Court-Ordered Indemnification.** Notwithstanding the foregoing Section 7.2(d), the Association shall indemnify any such party if and to the extent required by the court conducting the proceeding, or any other court of competent jurisdiction to which the party has applied, if it is determined by such court, upon application by the party, that despite the adjudication of liability in the circumstances in clauses (i) and (ii) of Section 7.2(d) or whether or not the party met the applicable standard of conduct set forth in Section 7.2(a), and in view of all relevant circumstances, the party is fairly and reasonably entitled to indemnification for such expenses as the court deems proper in accordance with the Act.

(f) **Claims by Corporation.** Indemnification permitted under this Section 7.2 in connection with a proceeding brought by the Association against a party shall be limited to expenses incurred in connection with the proceeding and ordered pursuant to Section 7.2(e).

(g) **Combined Proceedings.** If any claim made by the Association against a party is joined with any other claim against such party in a single proceeding, the claim by the Association (and all expenses related thereto) shall nevertheless be deemed the subject of a separate and distinct proceeding for purposes of this Article.

7.3. **Prior Authorization Required.** Any indemnification under Section 7.2 (unless ordered by a court) shall be made by the Association only if authorized in the specific case after a determination has been made that the party is eligible for indemnification in the circumstances because the party has met the applicable standard of conduct set forth in Section 7.2(a) and after an evaluation has been made as to the reasonableness of the expenses. Any such determination, evaluation and authorization shall be made by the board of directors by a majority vote of a quorum of such board, which quorum shall consist of directors not parties to the subject proceeding, or by such other person or body as permitted by law. The board may in its sole determination and discretion, but is not required to, authorize indemnification in the same manner as provided to directors and officers under this Section 7.3 to other parties, including without limitation employees, fiduciaries or agents of the Association.

7.4. **Success on Merits of Directors or Officers; Mandatory Indemnification.** Notwithstanding any other provision of this Article VIII, the Association shall indemnify a party to the extent such party has been wholly successful, on the merits or otherwise, in the defense of any proceeding to which the person was a party because the person is or was a director or officer, against reasonable expenses incurred by the person in connection with the proceeding.

7.5. **Advancement of Expenses.** The Association may pay for or reimburse the expenses, or a portion thereof, incurred by a party in advance of the final disposition of the proceeding if (a) the party furnishes the Association a written affirmation of such party's good-faith belief that he or she has met the standard of conduct described in Section 7.2(a)(i); (b) the party furnishes the Association a written undertaking, executed personally or on behalf of such party, to repay the advance if it is ultimately determined that the party did not meet such standard of conduct; and (c) a determination is made that the facts then known to those making the determination would not preclude indemnification under this Article in the manner provided in Section 7.3. The undertaking required by clause (b) must be an unlimited general obligation of the party, but need not be secured and may be accepted without reference to financial ability to make repayment.

7.6. **Payment Procedures.** The Association shall promptly act upon any request for indemnification, which request must be in writing and accompanied by the order of court or other reasonably satisfactory evidence documenting disposition of the proceeding in the case of indemnification under Section 7.4 and by the written affirmation and undertaking to repay as required by Section 7.5 in the case of indemnification under such Section. The right to indemnification and advances granted by this Article shall be enforceable in any court of competent jurisdiction if the Association denies the claim, in whole or in part, or if no disposition of such claim is made within ninety days after written request for indemnification is made. A party's expenses incurred in connection with successfully establishing such party's right to indemnification, in whole or in part, in any such proceeding shall also be paid by the Association.

7.7. **Insurance.** The board of directors shall obtain such insurance policies, notwithstanding any interest of the directors in the proceeds thereof, in such amounts as the board of directors deems appropriate to protect itself and any person who is or was a director, officer, employee, fiduciary or agent of the Association, or who, while a director, officer,

employee, fiduciary or agent of the Association, is or was serving at the request of the Association as a director, officer, partner, trustee, employee, fiduciary or agent of any other foreign or domestic corporation or of any partnership, joint venture, trust, other enterprise or employee benefit plan against any liability asserted against or incurred by such person in any such capacity or arising out of such person's status as such, whether or not the Association would have the power to indemnify such person against such liability under applicable provisions of law or this Article. Any such insurance may be procured from any insurance company designated by the board of directors, whether such insurance company is formed under the laws of Colorado or any other jurisdiction, including any insurance company in which the Association has an equity or any other interest, through stock ownership or otherwise. The Association may create a trust fund, grant a security interest or use other means (including, without limitation, a letter of credit) to ensure the payment of such sums as may become necessary to effect indemnification as provided herein.

7.8. **Right to Impose Conditions to Indemnification.** The Association shall have the right to impose, as conditions to any indemnification provided or permitted in this Article, such reasonable requirements and conditions as may appear appropriate to the board of directors in each specific case and circumstances, including, but not limited to, any one or more of the following: (a) that any counsel representing the party to be indemnified in connection with the defense or settlement of any proceeding shall be counsel mutually agreeable to the party and to the Association; (b) that the Association shall have the right, at its option, to assume and control the defense or settlement of any claim or proceeding made, initiated or threatened against the party to be indemnified; and (c) that the Association shall be subrogated, to the extent of any payments made by way of indemnification, to all of the indemnified party's right of recovery, and that the party to be indemnified shall execute all writings and do everything necessary to assure such rights of subrogation to the Association.

7.9. **Applicability; Effect.** The indemnification provided in this Article shall be applicable to acts or omissions that occurred prior to the adoption of this Article, shall continue as to any party entitled to indemnification under this Article who has ceased to be a director, officer or employee of the Association or, at the request of the Association, was serving as and has since ceased to be a director, officer, partner, trustee, employee, fiduciary or agent of any other domestic or foreign corporation, or of any partnership, joint venture, trust, other enterprise or employee benefit plan, and shall inure to the benefit of the estate and personal representatives of each such person. The repeal or amendment of this Article or of any Section or provision hereof that would have the effect of limiting, qualifying or restricting any of the powers or rights of indemnification provided or permitted in this Article shall not, solely by reason of such repeal or amendment, eliminate, restrict or otherwise affect the right or power of the Association to indemnify any person, or affect any right of indemnification of such person, with respect to any acts or omissions that occurred prior to such repeal or amendment. All rights to indemnification under this Article shall be deemed to be provided by a contract between the Association and each party covered hereby.

7.10. **Indemnification of Agents.** The Association shall have the right, but shall not be obligated, to indemnify any agent of the Association not otherwise covered by this Article to the fullest extent permissible by the laws of Colorado. Unless otherwise provided in any separate

indemnification arrangement, any such indemnification shall be made only as authorized in the specific case in the manner provided in Section 7.3.

7.11. **Limitation**. Notwithstanding any other provision of this Article 7, during any period that the corporation is a "private foundation" within the meaning of section 509 of the Internal Revenue Code of 1986, as amended (the "**Code**"), or any corresponding provision of any future United States tax law, the corporation shall not indemnify any person from or against or advance to any person the cost of such expenses, judgments, fines or amounts paid or necessarily incurred, nor shall the corporation purchase or maintain such insurance, to the extent that any such indemnification, purchase or maintenance would be determined to be an act of self-dealing within the meaning of section 4941 of the Code, to be a taxable expenditure within the meaning of section 4945 of the Code, or to be otherwise prohibited under the Code, unless and to the extent (i) a court orders such indemnification, or (ii) the purchase or maintenance of such insurance can be treated as reasonable compensation to such person.

ARTICLE 8. GENERAL

8.1. **Amendments**. These Bylaws may be altered, amended, repealed, or added to by either the Declarant or an affirmative vote of a majority of the Board of Directors prior to the Turnover Date, and after the Turnover Date by the vote of a majority of the Members.

8.2. **Gender**. Pronouns stated in the masculine gender in these Bylaws shall be deemed to include the masculine, feminine and neuter genders.

8.3. **Conflict**. In the event that any provision of these Bylaws conflicts with any provision of the Declaration, the Declaration shall control.

8.4. **Designation of Authority**. So long as there exist 30 or more Units within the Association, if the Board of Directors delegates powers of the Board or officers of the Association relating to collection, deposit, transfer or disbursement of Association funds to other persons or to a managing agent, then:

(a) ***Insurance***. The other persons or managing agent must maintain fidelity insurance coverage or a bond in an amount not less than fifty thousand dollars or such higher amount as the Board of Directors may require;

(b) ***Separate Accounts***. The other persons or managing agent must maintain all funds and accounts of the 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 Association; and

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

APPROVED AND ADOPTED as of September 15, 2017.

**THE FARM AT BUENA VISTA OWNERS
ASSOCIATION, INC.**

By: Charles Chupp, Jr.
Name: Charles Chupp Jr.
Title: President and Treasurer