

APPLICABLE SECTIONS FROM THE BYLAWS

On Whether Assessments are Mandatory:

ARTICLE VIII

Section 1. Basis and Maximum Annual Assessment. Each member agrees to pay to the Association an annual assessment, to be determined annually by the majority vote of the attending designated voters and proxies at the annual meeting.

Original Section 1 Wording:

SECTION 1. Creation of the Lien and Personal Obligation of Assessments. Each member is deemed to covenant and agrees to pay to the Association an annual assessment ...

Wording of Cripple Creek Mountain Estates Covenant:

4.4 ASSESSMENTS.

(a) Owners, by acceptance of any deed for property within the Subdivision, whether or not it shall be so expressed therein, or by acceptance of any other conveyance thereof (except a conveyance in connection with the establishment of a mortgage) shall be deemed to covenant and agree to pay to the Association: (1) annual assessments; (2) special assessments for capital improvements or maintenance

Section 2. Purpose of Assessments. Assessment funds shall be used for road maintenance and other committee budgets authorized by the Board of Directors. ...

Section 3. Uniform Rate. The annual assessment shall be the same for each tract as presently constituted.

Section 5. Effect of Non-payment of Assessment. If an assessment is not paid by the due date prescribed in Section 4 of this Article, then the status of all members sharing ownership in that tract shall automatically become Delinquent. Delinquent Members shall lose their voting privileges at ensuing Association meetings.

On Whether Membership is Mandatory:

ARTICLE III

Section 1. **Qualifications** for Membership. Every person or entity who is a record owner of a fee interest, undivided fee interest or an equitable interest in any tract, regardless of whether said tract may now or hereafter be further divided, shall be **entitled to be** a member of the Association. Membership shall be appurtenant to any tract and may not be separated from ownership of any tract which is subject to assessment by the Association. Ownership interest in such tract shall be the sole **qualification** for membership.

On the Benefits of Membership:

Section 3. Membership Rights and Privileges. Each member shall be entitled to attend and participate in any meeting of the Association (Annual or Special Meeting), except that only an designated Active Paid Member from each tract may vote. All Active Paid Members shall have the right to run for the Board of Directors.