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**AMENDED AND RESTATED BYLAWS
OF
LAS LOMAS HOMEOWNERS ASSOCIATION**

The affairs of the Las Lomas Homeowners' Association, a New Mexico non-profit corporation (hereinafter referred to as the "Association"), shall be administered and regulated pursuant to the following Bylaws, to-wit:

ARTICLE I - OBJECT

1.01 Purpose. The purpose for which this non-profit corporation is formed is to govern the real estate subdivision situated in the County of Santa Fe, State of New Mexico, which is known as the "Las Lomas Subdivision," and which property is protected pursuant to the provisions of the Amended and Restated Declaration of Protective Covenants for the Las Lomas Subdivision (hereinafter referred to as the "Declaration") filed for record on October 12, 2007, and Duly Recorded as Instrument #1502780 of the Records of Santa Fe County. These Bylaws are subject to the provisions of the Declaration and, in the event any Bylaw adopted by the Association is or becomes inconsistent with the Declaration, the provisions of the Declaration shall control and such Bylaw shall be void ab initio.

1.02 Owners Subject to Bylaws. All present or future Owners, present or future occupants, or any other person or entity that might use in any manner any improvement on or any portion of the Subdivision are subject to the regulations set forth in these Bylaws. The mere acquisition or rental by any person of any of the Lots of the Subdivision or the mere act of occupancy of any of said Lots will signify that these Bylaws are accepted, ratified, and will be complied with by such person.

ARTICLE II - DEFINITIONS

2.01 Reference to Declaration. All definitions stated in the Declaration are incorporated herein by reference as if fully restated in these Bylaws.

ARTICLE III - MEMBERSHIP, VOTING, MAJORITY
OF OWNERS, QUORUM, PROXIES

3.01 Membership. Ownership of a Lot is required in order to qualify for membership in the Association. Any person becoming an Owner of a Lot shall automatically become a member of this Association and be subject to these Bylaws and the Declaration. Such membership shall terminate without any formal Association action whenever such person ceases to own a Lot, but such termination shall not relieve or release any such former Owner from any liability or obligation incurred under or in any way connected with this Association during the period of such ownership and membership in this Association, or impair any rights or remedies which the Board of Directors of the Association or others may have against such former Owner and member arising out of or in any way connected with Lot ownership, Association membership, and the Declaration or obligations incident thereto.

3.02 Voting

- A. There shall be one (1) vote for each Lot owned.
- B. Right to Vote. Each Owner shall be entitled to vote as provided in this Article

on all matters properly submitted for vote to the membership of the Association. The right to vote may not be severed from any Lot, and any sale, transfer, or conveyance of the beneficial interest of the fee of any Lot to a new Owner shall operate to transfer the appurtenant voting rights without the requirement of any express reference thereto.

C. Multiple Ownership and Voting Rights. If title to any Lot shall be held by two or more persons, then each such co-tenant shall be a member of this Association but the co-tenants collectively shall be entitled to only one vote for such Lot. Any one co-tenant owner of a Lot attending a meeting may, and shall be deemed to, have the authority to cast the vote of all other co-owners of that Lot who are absent from such meeting and have not executed a proxy with respect to their vote.

3.03 Definition of Percentage. When any provision of the Declaration or Bylaws calls for the vote or the consent of the members in any stated percentage, the following rules apply, unless the specific language of the provision provides to the contrary:

A. Whenever a vote of the members is required, it is sufficient to obtain the written consent of members having the same percentage of votes; and

B. The percentage requirement shall be a percentage of the total Voting Power of the Association and not a percentage of the number of members of the Association.

"Voting Power of the Association" means the total number of votes of all members at the time the pertinent vote is to be taken.

Any provision of this Declaration requiring a vote by the members shall be satisfied if the required percentage or number of members give their written consent. In any election held pursuant to the requirements of this Declaration, ballots may be transmitted to Owners in the manner provided for the giving of notice.

3.04 Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of members having at least twenty-five percent (25%) of the Voting Power of the Association shall constitute a quorum. Except as otherwise provided in the Declaration, the affirmative vote of members holding a majority of the votes present, either in person or by proxy, shall be required to transact business and to adopt decisions binding on all Owners.

3.05 Proxies. Votes may be cast in person or by proxy. Proxies must be in writing, dated, and filed with the Secretary before the appointed time of each meeting but no Lot Owner may vote for more than one (1) additional Lot Owner. Revocation of any proxy may be made at any time by written notice to the Secretary. A revocation of a proxy shall not affect any vote or act taken or authorized pursuant thereto prior to such notice to the Secretary. A proxy shall terminate one year after its date, unless it specifies a shorter term. Conveyance of a Lot or undivided interest therein by an Owner shall be deemed revocation of any proxy executed by such Owner unless the successor in interest to such Owner assumes or takes subject to a mortgage containing an irrevocable proxy.

3.01 Number and Qualification. The affairs of the Association shall be governed by a Board of Directors composed of **ARTICLE IV - ADMINISTRATION** more than five (5) persons. The number of directors may be increased or reduced by amendment of the Declaration and these Bylaws.

4.01 Association Responsibilities. The Owners of the Lots will constitute the Las Lomas Homeowners' Association, which will have the responsibility of administering the Subdivision through a Board of Directors.

3.02 Power and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association. The Board of Directors may do

4.02 Place of Meeting. Meetings of the members of the Association shall be held at such place as the Board of Directors may determine within Santa Fe County, New Mexico.

4.03 Annual Meeting. The first annual meeting of the members of the Association shall be held on a date selected by the Board of Directors between April 15, 1992, and June 15, 1992. Thereafter the annual meetings of the Association shall be held on a date selected by the Board of Directors between April 15 and June 15 of each year. At such meetings there shall be elected by the members a Board of Directors subject to election in accordance with the requirements of paragraph 5.05 of Article V of these Bylaws. The members may also transact such other business of the Association as may properly come before the meeting.

4.04 Special Meeting. It shall be the duty of the President to call a special meeting of the members of the Association as directed by resolution of the Board of Directors or upon a petition signed by members having at least twenty-five percent (25%) of the Voting Power of the Association, which resolution or petition shall be presented to the President. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of members having at least seventy-five percent (75%) of the Voting Power of the Association, either in person or proxy. Any such meeting shall be held within thirty (30) days after receipt by the President of such resolution or petition.

4.05 Notice of Meeting. The President or the Secretary shall send a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each member of the Association, at least fifteen (15) days and not more than sixty (60) days prior to such meeting or as otherwise provided herein. The sending of a notice in the manner provided in this paragraph and in paragraph 9.02 shall be considered notice served. The certificate of the President or the Secretary that notice was properly given as provided in these Bylaws shall be *prima facie* evidence thereof. Notices of meetings shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or these Bylaws, any Annual Budget changes, and any proposal to remove a director.

4.06 Adjourned Meetings. If any meeting of members of the Association cannot be organized because a quorum is not present, the members who are present, either in person or by proxy, may adjourn the meeting, from time to time, for periods of no longer than a week, until a quorum is obtained or until a conclusion can be reached. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

4.07 Rules of Meetings. The Board may prescribe reasonable rules for the conduct of all meetings of the Board and of the members of the Association, and in the absence of such rules, Robert's Rules of Order shall be used.

ARTICLE V - BOARD OF DIRECTORS

5.01 Number and Qualification. The affairs of the Association shall be governed by a Board of Directors composed of not fewer than three (3) and not more than five (5) persons. The number of directors may be increased or reduced by amendment of the Declaration and these Bylaws, provided, however, that the number of directors shall not be reduced to fewer than three (3).

5.02 Power and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association. The Board of Directors may do

all such acts and things as are not by law or by the Articles of Incorporation or these Bylaws or by the Declaration directed to be exercised and done by the Owners.

5.03 Other Powers and Duties. In addition to the powers and duties permitted by law, the Board of Directors shall be empowered and shall have the duties as follows:

A. To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations, and all other provisions set forth in the Declaration, the Articles, and these Bylaws;

B. To adopt, establish, make, publish, and enforce compliance with such reasonable rules and regulations as may be necessary for the operation, use, and occupancy of the Subdivision with the right to amend same from time to time; a copy of such rules and regulations shall be sent to each member promptly upon adoption thereof;

C. To keep in good order, condition, and repair all of the private roadways within the Subdivision;

D. To fix, determine, levy, and collect periodically the prorated assessments to be paid by each of the Owners toward the gross expenses of the entire Subdivision and to adjust, decrease or increase the amount of the assessments, and to credit any excess of assessments over the expenses and cash reserves (as determined from time to time by the Board of Directors) to the Owners against the next succeeding assessment period; to levy and collect special assessments whenever in the opinion of the Board it is necessary to do so in order to meet increased operating or maintenance expenses or costs, or additional capital expenses, or because of emergencies; all assessments shall be in statement form and shall have set forth the detail of the various expenses for which the assessments are being made;

E. To impose penalties and collect delinquent assessments by suit or otherwise and to enjoin or seek damages from an Owner as is provided in the Declaration and these Bylaws;

F. To enter into contracts, within the scope of their duties and powers;

G. To establish a bank account for the common treasury and for all separate funds which are required or may be deemed advisable by the Board of Directors;

H. To keep and maintain detailed and accurate books and records showing in chronological order all of the receipts, expenses, or disbursements pursuant to appropriate specificity and itemization and to permit examination thereof at any reasonable time by each of the Owners and Mortgagees, and upon affirmative vote of at least a majority of the Lot Owners, to cause a complete audit to be made of the books and accounts by a competent certified public accountant;

I. To prepare and deliver annually to each Owner a statement showing all receipts, expenses, or disbursements since the last statement;

J. To foreclose the lien against a Lot for default in the payment of assessments for Association expenses;

K. To designate and remove the personnel necessary to carry out the duties and responsibilities of the Association;

L. To provide for reimbursement of expenses, if any, of directors and officers and for reasonable compensation of employees of the Association; this provision shall not preclude the Board of Directors from employing a director as an employee of the Association nor preclude the contracting with a director for the management of the Subdivision in accordance with the provisions of Section 5.16 of this Article;

M. To declare the office of a member of the Board of Directors to be vacant in the event such director shall be absent from three (3) consecutive meetings of the Board of Directors;

N. To suspend the voting rights of a member of the Association for failure to comply with these Bylaws or the Regulations of the Association or with any other obligations of the Owners pursuant to the Declaration;

O. To acquire, hold, and dispose of Lots and mortgage the same (such expenditures and hypothecations are included in the budget adopted by the Association); and

P. In general, to carry on the administration of this Association and to do all of those things necessary and reasonable and not inconsistent with the Articles, the Declaration, and these Bylaws in order to carry out the governing and operation of the Subdivision.

5.04 Managing Agent. The Board of Directors may employ for the Association a managing agent, at a compensation established by the Board of Directors, to perform such day-to-day management duties and services as the Board of Directors shall delegate and authorize. The term of any contract with a managing agent shall not exceed three (3) years.

5.05 Election and Term of Office. Members of the Board of Directors shall be elected by a majority or plurality, as appropriate, of votes cast at the annual meeting of the members of the Association; the terms of the current directors' service shall be as follows:

- Position 1: until the 2011 annual meeting of the Association (currently held by Ted Johnson);
- Position 2: until the 2011 annual meeting of the Association (currently held by Lori Lanier);
- Position 3: until the 2009 annual meeting of the Association (currently held by Susan Crawford);
- Position 4: until the 2010 annual meeting of the Association (currently held by John Burke); and
- Position 5: until the 2010 annual meeting of the Association (currently held by Jean Salazar).

Upon the expiration of the term of any director position, the person elected to such position shall serve for a period of three (3) years such that terms of the directors are staggered. A director shall serve until his or her term expires and a successor is duly elected and qualified, the director resigns or is unable to serve, or the director is removed in the manner hereinafter provided. Any vacancy in the Board of Directors occurring before the end of a term shall be filled in the manner provided in Section 5.06 hereof.

5.06 Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a director by a vote of the members of the Association shall be filled by decision of the remaining directors, even though they may constitute less than a quorum; and each person so

elected shall be a director until a successor is elected at the next annual meeting of the members of the Association.

5.07 Removal of Directors. At any regular or special meeting of the members of the Association duly called, any one or more of the directors may be removed with or without cause by the vote of two-thirds (2/3) of the Voting Power of the Association, and a successor may then and there be elected to fill each vacancy thus created. Any director whose removal has been proposed by the members shall be given the opportunity to be heard at the meeting.

5.08 Organizational Meeting. The first meeting of a newly elected Board of Directors shall be held within thirty (30) days of election at such place as shall be fixed by the directors at the meeting at which such directors were elected and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, providing a majority of the whole Board of Directors shall be present.

5.09 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors but at least one such meeting shall be held each year. Notice of regular meetings of the Board of Directors shall be given to each director personally, by mail, email or telephone at least seven (7) days prior to the day named for such meetings. There shall be a regular meeting of the Board of Directors immediately following the annual meeting of members of the Association held pursuant to paragraph 4.03 here, and notice of such annual meeting to members of the Association in accordance with paragraph 4.05 hereof shall be deemed notice to each director of such regular meeting.

5.10 Special Meetings. Special meetings of the Board of Directors may be called by the President on seven (7) days' notice to each Director, given personally, by mail, email or telephone, which notice shall state the time, place (as herein provided), and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) directors.

5.11 Waiver of Notice. Before or at any meeting of the Board of Directors, 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 Board shall be a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

5.12 Board of Directors' Quorum. At all meetings of the Board of Directors, 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 Board of Directors. If, at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time for periods of no longer than one week until a quorum is obtained or until a conclusion can be reached. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

5.13 Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all of the directors. Any action so approved shall have the same effect as though taken at a meeting of the Board. Notwithstanding the foregoing, regular or special meetings of the Board of Directors may be held by telephone conference.

5.14 Compensation. The members of the Board of Directors shall serve without salary or compensation but may be reimbursed for out-of-pocket expenses authorized by the Board of Directors in accordance with the provisions of Article V Section 5.03 L and Article XVI Section 16.01

5.15 Fidelity Bonds. The Board of Directors may require that all officers and employees of the Association handling or responsible for Association funds furnish adequate fidelity bonds. The premiums on such bonds may be paid by the Association.

5.16 Common or Interested Directors. Each member of the Board of Directors shall exercise his powers and duties in good faith and with a view to the interests of the Association. No contract or other transaction between the Association and any of its directors, or between the Association and any corporation, firm, or association (including the Declarant) in which any of the directors of the Association are directors or officers or are pecuniarily or otherwise interested is either void or voidable because any such director is present at the meeting of the Board of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his vote is counted for such purpose, if any of the conditions specified in any of the following subparagraphs exist:

A. The fact of the common directorate or interest is disclosed or known to the Board of Directors or a majority thereof or noted in the minutes, and the Board of Directors authorizes, approves, or ratifies such contract or transaction in good faith by a vote sufficient for the purpose; or

B. The fact of the common directorate or interest is disclosed or known to Owners having at least a majority of the Voting Power of the Association, and the Owners approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; or

C. The contract or transaction is commercially reasonable to the Association at the time it is authorized, ratified, approved, or executed.

Any common or interested directors may be counted in determining the presence of a quorum of any meeting of the Board of Directors or committee thereof which authorizes, approves, or ratifies any contract or transaction and may vote thereat to authorize any contract or transaction with like force and effect as if such director were not such director or officer of such Association or not so interested.

ARTICLE VI - OFFICERS

6.01 Designation. The officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the Board of Directors.

6.02 Election of Officers. The officers of the Association shall be elected annually, from the membership of the Association, by the Board of Directors at the organizational meeting of each new Board and shall hold office at the pleasure of the Board. Vacancies in the officers of the Association shall be filled by the Board. One person may hold two (2) or more offices; however, no person may simultaneously hold the position of President and Secretary. All officers must be members of the Association or officers or directors of corporate owners, partners in any partnership, or trustees of any trust owning a Lot, or other persons similarly situated.

6.03 Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without the cause, and his successor

elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for that purpose.

6.04 President. The President shall be elected from among the Board of Directors and shall be the chief executive officer of the Association. The President shall preside at all meetings of the Association and of the Board of Directors. The President shall have all of the general powers and duties which are usually vested in the office of president of a non-profit corporation, including, but not limited to, the preparation, execution, certification, and recordation of amendments to the Declaration, the power to appoint committees from among the members from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association or as may be established by the Board or by the members of the Association at any regular or special meeting.

6.05 Vice President. The Vice President shall have all the powers and authority and perform all the functions and duties of the President in the absence of the President, or due to the President's inability for any reason to exercise such powers and functions or perform such duties.

6.06 Secretary. The Secretary shall keep all the minutes of the meetings of the Board of Directors and have minutes of all meetings of the Association. The Secretary shall have charge of such books and papers as the Board of Directors may direct and shall, in general, perform all the duties incident to the office of secretary. The Secretary shall compile and keep up to date at the principal office of the Association a complete list of members and their last-known addresses as shown on the records of the Association.

Such list shall also show opposite each member's name the number or other appropriate designation of the Subdivision, the Lot owned by such member, and the percentage ownership of the Subdivision assigned to such Lot. Such list shall be open to inspection by members and other persons lawfully entitled to inspect the same at reasonable times during regular business hours.

6.07 Treasurer. The Treasurer shall have the responsibility for Association funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors and shall pay all charges and obligations of the Association before the same shall become due.

6.08 Managing Agent. Subject to the Board of Directors' approval, the officers may delegate day-to-day management duties to a managing agent.

ARTICLE VII - INDEMNIFICATION AND LIABILITY

7.01 Indemnification. The Association shall indemnify every director and officer of the Association, and their heirs, executors, administrators, successors, and assigns, against all costs and expenses, including attorney's fees, actually and necessarily incurred in connection with any action, suit, or proceeding to which such person may be made a party by reason of being or having been a director or officer of the Association, except as to matters as to which such person shall be finally adjudged in such action, suit, or proceeding to be liable for actual negligence or misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of actual negligence or misconduct in the performance of his duty as such director or officer in relation to the matter involved.

The foregoing rights shall not be exclusive of other rights to which such director or officer may be entitled. All liability, loss, damage, costs, and expense incurred or suffered by the

Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as Common Expenses. Nothing contained in this section shall, however, be deemed to obligate the Association to indemnify any Owner who is or has been a director or officer of the Association with respect to any duties or obligations assumed or liabilities incurred as an Owner under or by virtue of the Declaration, or his ownership of a Lot, as distinguished from his conduct and activities as an officer or director of the Association.

7.02 Non-Liability of the Directors and Officers. No director or officer of the Association shall be personally liable to the members of the Association for any mistake of judgment or for any acts or omissions of any nature whatsoever as such director or officer, except for any acts or omissions found by a court to constitute actual negligence or misconduct. No director or officer shall be personally liable with respect to any contract made by them on behalf of the Association.

7.03 Liability of Owners. The liability of any Owner arising out of any contract made by the officers or Board of Directors, or out of the aforesaid indemnity in favor of the members of the Board of Directors or officers, or for damages as a result of injuries arising in connection with the Common Elements solely by virtue of his ownership of an undivided percentage interest therein or for liabilities incurred by the Association, shall be limited to the total liability multiplied by such undivided percentage interest. Every agreement made by the officers, the Board of Directors, or managing agent on behalf of the Association shall, if obtainable, provide that the officers, the members of the Board of Directors, or the managing agent, as the case may be, are acting only as agents for the Association and shall have no personal liability thereunder (except as Owners) and that each Owner's liability thereunder shall be limited to the total liability thereunder multiplied by his Common Expense liability.

7.04 Non-Liability of Association. The Association shall not be liable for any service to be obtained by the Association or paid as a Common Expense. The Association shall not be liable to any Lot Owner for loss or damage, by theft or otherwise, of articles which may be stored upon any of the Lots. No diminution or abatement of any assessments, as provided in the Declaration or these Bylaws, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Easements or from any action taken by the Association to comply with any law, ordinance, or with the order or directive of any municipal or other government authority.

ARTICLE VIII - MORTGAGES

8.01 Notice to Association. An Owner who mortgages his Lot shall notify the Association through the managing agent, if any, or the Secretary of the Association, giving the name and address of his Mortgagee. The Association shall maintain such information in a book entitled "Mortgages of Lots."

8.02 Notice of Unpaid Assessments. The Association shall, at the request of the Mortgagee of a Lot, report any unpaid assessments due from the Owner of such Lot upon the payment of such reasonable charge as may be determined by the Board.

**ARTICLE IX - EVIDENCE OF OWNERSHIP AND
REGISTRATION OF MAILING ADDRESS**

9.01 Proof of Ownership. Except for those Owners who initially purchase a Lot from Declarant, any person on becoming Owner of a Lot shall furnish to the managing agent or Board of Directors a photocopy or a certified copy of the recorded instrument vesting that Person with an interest or ownership, which instrument shall remain in the files of the Association. Such Person

shall neither be deemed to be a member of the Association in good standing nor shall he be entitled to vote at any annual or special meeting of members of the Association unless this requirement is first met.

9.02 Registration by Owner of Mailing Address. Each Owner shall register his postal mailing address and email address with the Association upon becoming an Owner of a Lot. Except for regular periodic assessment statements, notices of annual and special meetings as provided in the Bylaws, and other routine notices, all other notices or demands intended to be served upon an Owner shall be sent by either (i) registered or certified mail, postage prepaid, addressed in the name of the Owner at such registered postal mailing address or (ii) email. In the event an Owner fails to register his address with the Association in accordance herewith, the Association shall send all notices, statements, demands, etc., to such Owner at the address of his Lot.

All notices, demands, or other notices intended to be served upon the Board or the Association shall be sent certified mail, postage prepaid, to the registered agent of the Las Lomas Homeowners' Association. The name and address of such agent can be obtained from the New Mexico Public Regulation Commission. All notices, demands, statements, or other information shall be deemed furnished and delivered to an Owner, Mortgagee, or Person other than the Association upon deposit thereof in the U.S. mail or at a telegraph office, postage or charges prepaid, addressed to the party in accordance with this subparagraph and, in any event, upon actual receipt by such party.

ARTICLE X - CONTRACTS, SIGNATORIES, ETC.

10.01 Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Association to enter into any contract or execute and deliver any instrument in the name of and on behalf of this Association. Such authority shall be confined to specific instances and without such authorization no officer of the Association shall have the authority to enter into any contract on behalf of the Association.

10.02 Checks and Drafts, etc. All checks, drafts, other orders for the payment of money, notes, or other evidence of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association and in such manner as from time to time shall be determined by written resolution of the Board of Directors.

10.03 Deposits. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, financial institutions, or other depositories as the Board of Directors may select.

ARTICLE XI - BOOKS, RECORDS, AND INSPECTION THEREOF

11.01 Maintenance. The Association shall keep correct and complete books and records of account and shall also keep minutes of the meetings of the members of the Association and of the Board of Directors and shall keep at the registered or principal office a record giving the names and addresses of all members of the Association. All books and records of the Association shall be open for inspection by any Owner or holder of a bona fide lien of record against any Lot ownership, or any representative of either, duly authorized in writing, at such reasonable time or times as may be requested by such Owner, lien holder, or representative.

ARTICLE XII - FISCAL YEAR

12.01 Waiver of Notice. The fiscal year of the Association shall end on the 31st day of May of each year, unless another fiscal year shall be adopted by resolution of the Board of Directors.

ARTICLE XIII - WAIVER OF NOTICE

13.01 Whenever any notice whatsoever is required to be given under the provisions of the laws of the State of New Mexico or under the provisions of the Declaration, Articles of Incorporation, or by these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XIV - LIABILITY OF OWNERS

14.01 Liability of Owners. As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the Lot against which the assessment is made. Any assessment which is not paid when due shall be deemed to be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the due date at the rate of twenty percent (20%) per annum. The Association may bring action at law against the Owner personally obligated to pay the same and foreclose the lien against the pertinent Lot, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or escape liability for the assessments provided for therein by non-use of the Subdivision Easements or his Lot or by abandonment of his Lot. A suit to recover a money judgment for unpaid expenses hereto shall be maintainable without foreclosing or waiving the lien securing the same. All of the above shall be done in total compliance with the requirements set forth in the Declaration.

ARTICLE XV - CORPORATE SEAL

15.01 The Association shall have no corporate seal. The absence of a seal from any documents to be executed in behalf of said Association shall not affect the validity of such documents.

ARTICLE XVI - CHARACTER OF ASSOCIATION

16.01 Non-profit Association. This Association is not organized for profit. No member, member of the Board of Directors, officer, or person from whom the Association may receive pecuniary gain from the operation thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of any member, member of the Board of Directors, or officer, provided, however, always (1) that reasonable compensation may be paid to any member, manager, director, or officer while acting as an agent or employee of the Association for service rendered in effecting one or more of the purposes of the Association, and (2) that any member, manager, director, or officer may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

ARTICLE XVII - AMENDMENTS TO BYLAWS

