

BY-LAWS

of

LAS VISTAS LANDOWNER'S ASSOCIATION, INC.

(A New Mexico Non-Profit Corporation)

Effective Date of Incorporation: October 11, 2007

State of Incorporation: New Mexico

Fiscal Year End: December 31

Part One

Introduction

1.1 **References to Articles.** Any reference herein made to the Articles will be deemed to refer to its Articles of Incorporation and all amendments thereto as at any given time on file with the New Mexico Secretary of State, together with any and all certificates theretofore filed by the corporation with the New Mexico Secretary of State pursuant to New Mexico law.

1.2 **Seniority of Laws, Articles, By-laws, Policies and Resolutions.** The governing law relevant to the conduct of this corporation shall be the laws of the United States, laws of the State of New Mexico, the Articles of Incorporation of this corporation, the By-laws of this corporation, and the corporate policies and resolutions that are passed from time to time by the members and directors. If there is any inconsistency between these controlling bodies of law, then any inconsistency is to be resolved in favor of the senior body of law and the junior bodies of law are deemed automatically amended. The officers, directors and members of the corporation shall make every effort to generally amend the junior bodies of law whenever necessary so that inconsistencies will be corrected. However, whether or not these inconsistencies are corrected, the senior body of law will still prevail until such correction is made. The priority of the governing bodies of law are as follows: (a) laws of the United States; (b) laws of the State of New Mexico; (c) Articles of incorporation of this corporation; (d) By-laws of this corporation; (e) policies of this corporation; and (f) resolutions passed by this corporation.

1.3 **Policies.** In addition to the Articles, By-laws and resolutions, the directors or Executive Committee may adopt, from time to time, certain "policies." These policies shall be considered as controlling regulations for the conduct of the corporation and shall be permanent until amended. It is contemplated that the By-laws of this corporation shall contain those permanent legal provisions which are required by statute or some legal and parliamentary custom, are not subject to frequent change and are usually prepared upon the legal advice of a lawyer; whereas policies are adopted by the management of the corporation to conduct the non-legal affairs of the corporation and will not require the presence or concurrence of a lawyer or other professional adviser.

The purpose of setting up a distinction between the By-laws and policies is to reduce the amount of involvement of the attorney in the day-to-day affairs of the corporation and to give the corporation the leeway to adopt policies of all types without creating complex and lengthy documentation which must be reviewed by corporate counsel, the corporate certified public accountant on an audit, or by tax auditors of the government. Wherever possible, the policies of the corporation shall be kept in a separate policy book so as not to confuse them with the By-laws and Articles. Whenever it is apparent to any member, director, officer or adviser that any of the policies are inconsistent with the laws of the United States, laws of the State of New Mexico, Articles of this corporation, or By-laws of this corporation, they shall forthwith be amended.

An up-to-date copy of all policies which have been adopted by the Board of Directors or Executive Committee shall be kept by the president and no policy shall be deemed in effect until it has been placed in the policy notebook of the corporation with the signature of the president on the policy and the initials of the president on each page of the policy. The purpose of this signing and initialing requirement is to eliminate any doubt as to which policies are in effect and which policies are not. The effective date of each policy shall be designated at the end of the text of each policy when it has been adopted and should a page of the policy be amended from time to time, the corporation shall place the effective date of the change on that replacement page, indicating the date of the amended page, that it is an amendment, and the signature of the president. Should any person of the corporation desire to ascertain the then existing policies of the corporation, he may contact the president and make copies of the duly signed and initialed policies of the corporation.

Part Two

Members and Certificates

2.1 ARTICLE 2-Membership

Membership-Membership in the Association/Corporation shall be appurtenant to Lot ownership and cannot be severed therefrom. Association and corporation are used interchangeably in this document.

1. At the time of purchase of one or more lots in Las Vistas, the Owner shall automatically become a Member of the Association and thereby a member in the Corporation.
2. Each Lot Owner shall be entitled to a single Membership and each Membership shall be entitled to one vote; provided, however, no Membership shall be entitled or authorized to vote if the Owner or Owners thereof are delinquent in the payment of any assessments at the time such vote is called for.
3. If only one of several owners of a Lot is present at a meeting of the Association, the owner present is entitled to cast all the votes allocated to the Lot. If more than one of the owners is present, the votes allocated to the Lot may be cast only in accordance with the agreement of a majority in interest of the owners. There is majority agreement if any one of the owners casts the votes allocated to the Lot without protest being made promptly to the person presiding over the meeting by another owner of the Lot. Protest shall eliminate the vote of the owner of such Lot.
4. Each Owner shall be entitled to the rights and shall be subject to the duties set forth in these covenants, the Articles of Incorporation and By-Laws of the Association and the rules and regulations adopted by the Board of Directors of the Association. Owners of Lots shall be obligated and expected to not only preserve the letter but the spirit of this Declaration.
5. Memberships shall be subject to assessments as determined by the Board of Directors for purposes of covering the costs of operation of Common Elements and services as defined in the Covenant and Restrictions and as approved in the annual operating budget and for approved amounts for capital Improvements or special assessments approved by the Membership.

2.2 **Record Date.** The Board of Directors may close the membership books in their discretion for a period not exceeding 40 days preceding any meeting, annual or special, of the members.

2.4 **Reinstatement.** Upon written request signed by a former member and filed with the secretary, the Board of Directors, by an affirmative vote of two-thirds of the members of the board, may reinstate such former member to membership upon such terms as the Board of Directors may deem appropriate.

Part Three Members' Meetings

3.1 **Regular and Special Meetings; Place of Meetings.** The annual meetings shall be the only regular meetings of the members. Special meetings of the members may be held when called as hereinafter provided. Any members' meetings may be held within or without the State of New Mexico, but shall always be held at the time and place fixed in the call for such meeting or in any resolution adjourning the same. If no other place is designated in the resolution adjourning such meeting, the adjourned meeting shall be held at the place designated in the call for the meeting.

3.2 **Annual Meeting.** The annual meeting of the members for the election of directors shall be held on a date in the week that falls two months after the end of the corporation's fiscal year. If, for any reason, such meeting shall not be held or a Board of Directors shall not be elected at such meeting or at an adjournment thereof, a Board of Directors may be elected at a special meeting to be called by the Board of Directors then in office or upon their order.

3.3 **Special Meetings.** Special meetings of the members, for any purpose or purposes other than the election of directors as hereinabove provided, may be held at the call of the chairman of the board, the president of the corporation or the Board of Directors, and shall be called by the president at the request of the holders of one-tenth of all the members of the corporation entitled to vote at the meeting.

3.4 **Quorum.** Except as otherwise provided by law, members attending a meeting qualifying for votes which equal a majority of the total aggregate votes to which members are entitled, shall constitute a quorum at any meeting.

3.5 **Notice.** Notice of all members' meetings shall be in writing, signed by an officer of the corporation. A copy of such notice shall be sent by mail not less than 10 calendar days nor more than 50 calendar days prior to the date of the meeting, unless a longer period is required by law, to each member of record entitled to notice of such meeting, at the registered post office address of such member as it appears on the records of the corporation. Such notice shall state the time and place of the meeting and the purpose for which it is called, so far as is known at the date of the notice, and if the call be for an annual meeting, the notice shall so state. Such notice shall be sufficient for such meeting and any adjournment thereof. Any member may waive notice of any meeting either before, at, or after the meeting.

3.6 **Proxies.** Any member of this corporation entitled to vote at any meeting may be represented and vote at such meeting by a proxy appointed by an instrument in writing signed by him or by his duly authorized agent or attorney-in-fact. In the event such instrument shall designate two or more persons to act as proxy, a majority of such persons present in such meeting, or if only one shall be present, then that one, shall have and may exercise all the powers conferred by such instrument upon all the persons so designated, unless such instrument shall otherwise provide.

A telegram or cablegram appearing to have been transmitted by a member (or by his duly authorized attorney-in-fact) may be accepted as a sufficiently written and executed proxy.

3.7 **Informalities and Irregularities.** All informalities or irregularities in any call or notice of a meeting, or in the areas of credentials, proxies, quorums, voting and similar matters, will be deemed waived if no objection is made at the meeting.

3.8 **Lack of Quorum.** If a sufficient number of voting members constituting a quorum is not present, the presiding officer may adjourn the meeting to a date and hour fixed by the officer, provided he gives reasonable notice in writing or by telephone, telegram, personal visit, or other appropriate means of the date and time of the continued meeting.

3.9 **Informal Action.** Any action which under any provisions of the New Mexico Non-Profit Corporation law may be taken at a meeting of the members may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by two-thirds of the persons entitled to vote with respect to the subject matter thereof. Such consent shall be filed with the secretary of the corporation.

3.10 **Waiver.** When the members entitled to vote shall be present or expressly waive their presence at a meeting, and shall sign a written consent thereto on the record thereof, all the acts of such meeting shall be binding, regardless of the manner in which the meeting is called.

3.11 **Presiding Officer.** The president of the corporation or a chairman elected by the members, shall preside over the meeting of the members, and the secretary of the corporation, the corporate attorney, or a secretary designated by the members shall be the recording secretary for the meeting.

3.12 **Business to be Transacted.** Any question may be considered and acted upon at an annual meeting, but no question not stated in the call for a special meeting shall be acted upon thereat except by the consent of a majority of the aggregate votes that the members of the corporation are presently entitled to.

3.14 **Order of Business.** The order of business at meetings shall be as follows:

- a. Call to order
- b. Reading of minutes of previous meeting

- c. Receiving communications
- d. Reports of officers
- e. Reports of committee heads and committee members
- f. Other reports
- g. Unfinished business
- h. New business
- i. Election of directors
- j. Adjournment

The order of business may be altered or suspended at any meeting by a majority vote of the members present.

3.15 **Inspection of Records.** The books of account and membership records of the corporation shall be available for inspection at reasonable times by any member.

Part Four Board of Directors

4.1 **Number and Eligibility.** The Board of Directors shall consist of not less than three nor more than 25 persons, all of whom shall be of lawful age and all of whom may be or may not be members of the corporation.

4.2 **Elections.** The directors shall be elected by a majority of the voting members of the corporation at the annual meeting. At the time of the nominations, the members shall be entitled to make oral or written presentations as to the qualifications of a particular nominee for the Board of Directors.

4.3 **Annual Meeting and Election of Members of the Board.** Immediately after the adjournment of the annual meeting of the members, the Board of Directors elected thereat shall convene an annual meeting and shall elect a chairman from among its number, who shall hold office for a period of one year or until his successor has been duly elected and qualified. It shall be the duty of the chairman to preside at all meetings of the members and Board of Directors, and to insure compliance with the laws of the state, the Articles of Incorporation, and the By-laws as herein set forth, and to perform such duties as may be delegated to him and prescribed by the Board of Directors.

4.4 **Election of Officers.** At the annual meeting of the Board of Directors, the board shall elect the officers of the corporation as follows: a president, a vice president, a secretary, a treasurer, and such other officers with such titles and with such powers and duties as may be

deemed necessary by the Board of Directors. In order to serve on the Board of Directors, directors must be members of the association. The officers must be members of the association..

4.5 **Special Meetings.** Special meetings of the Board of Directors may be held from time to time upon call issued by the chairman, the president, a majority of the directors, or two-thirds of the members of the corporation. Such meetings may be held either within or without the State of New Mexico, and may be held by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this provision shall constitute presence in person at such meetings.

Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Notice of special meetings of the board shall be signed by the person or persons calling the same as aforesaid, or by someone designated and so authorized and instructed by the person or persons calling the same, and shall be sent by mail to each director at his post office address of record with the corporation not less than five calendar days and not more than 20 calendar days prior to the date of the meeting. Such notice shall state the time and place of the meeting and the purposes for which it was called.

4.6 **Quorum and Waiver of Notice.** A majority of the members of the board at the time holding office shall constitute a quorum for the transaction of business. No special meeting of the board shall be valid unless notice of the meeting has been mailed to each member of the board as provided in paragraph 4.5 above, or the giving of such notice shall have been waived in writing.

4.7 **Voting.** Each director present shall be entitled to one vote at each directors' meeting. If an individual holds more than one position, they are entitled to only one vote. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

4.8 **Presumption of Assent.** A director of the corporation who is present at a meeting of the Board of Directors or of any committee, at which action is taken on any corporate matter, will be presumed to have assented to the action taken unless his dissent is entered in the minutes of the meeting, or unless he filed his written dissent of such action with the person acting as secretary of the meeting before the adjournment of the meeting, or forwards his dissent by registered mail to the secretary of the corporation immediately after the adjournment of the meeting. The right to dissent will not be available to a director who voted in favor of the action.

4.9 **Resignation.** Any director may resign by filing a written resignation with the secretary.

4.10 **Filling Vacancies.** Any vacancy in the Board of Directors or in the officers of the corporation caused by the death, resignation, removal or other disqualification of a director or an officer may be filled by a majority vote of the remaining directors, even though not constituting a

quorum, by the election of some other person who shall hold such office of director or officer by like tenure for the remainder of the term. However, prior to such action by the board, the members shall have the right, at any special meeting called for that purpose, to fill any vacancy occurring in the board. The members, by a vote of two-thirds of the voting power of all members at any special meeting called for the purpose, may remove from office any one or more of the directors, notwithstanding his or their term of office as yet remaining, and may forthwith at such meeting proceed to elect a successor or successors for the remainder of the term.

4.11 **Tenure.** The directors shall hold office from the time of their election until the next annual election of directors, as provided by these By-laws, or until their successors are duly elected and qualified.

Any member of the Board of Directors who absents himself from three consecutive meetings of the board may have his office declared vacant by a majority of the directors present at any subsequent meeting.

4.12 **Compensation for Non-Profit Corporate Directors.** Neither the officers, directors nor members serving on committees shall receive any salary or compensation for services rendered to the corporation, unless there is approval of the compensation by both the attorney and the CPA (or equivalent) of the corporation, certifying in writing that the compensation is reasonable and compatible with the restrictions imposed upon a non-profit, charitable, tax-exempt corporation, and unless there is also approval of the compensation by a majority of the Board of Directors in attendance at duly held meeting, with a person seeking compensation abstaining from voting on the matter.

4.13 **Powers.** The business of this corporation shall be conducted by the Board of Directors, and the board shall have the right to prescribe the duties and powers of all officers.

4.14 **Action by Resolution.** The Board of Directors shall, except as otherwise herein provided by law, have power to act in the following manner: A resolution in writing, signed by all the members of the Board of Directors shall be deemed to be action by such board to the effect therein expressed, with the same force and effect as if the same had been duly passed by the same vote at a duly convened meeting, and it shall be the duty of the secretary of the corporation to record such resolution in the minute book of the corporation under its proper date.

4.15 **Lack of Quorum.** If a sufficient number of directors constituting a quorum is not present, the chairman so presiding may adjourn the meeting to a date and hour fixed by the chairman, provided he gives reasonable notice in writing, by telephone, telegram, personal visit, or other appropriate means of the date and time of the continued meeting.

4.16 **Informalities and Irregularities.** All informalities or irregularities in any call or notice of a meeting, or in the areas of credentials, quorums, voting and similar matters, will be deemed waived if no objection is made at the meeting.

4.17 **Arbitration of Deadlocks Within Board of Directors.** If the Board of Directors of this corporation ever is composed of an even number of directors and these directors are deadlocked

as to a major issue affecting the corporation, which deadlock prevents a necessary decision of the corporation, then, in that event, the directors shall agree on an arbiter, who will arbitrate the issue; or, if they cannot agree on a disinterested, objective, qualified arbiter, then the then existing attorney and CPA for the corporation shall select a disinterested arbiter, and the corporate attorney, who is familiar with the legal problems, and the corporate CPA, who is familiar with the financial problems of the company, and the disinterested third person, whom these two professionals believe is objective and qualified to decide the issue involved, shall arbitrate the issue at a meeting of the Board of Directors held for that purpose, and the directors agree to be bound by their decision with regard to the deadlock.

Prior to the decision by the arbitrator or board of arbitrators, all directors shall have the opportunity to present facts and arguments with regard to the issue before a decision is rendered by the arbitrators. This provision recognizes that in all human endeavors there will be times when honest and reasonable persons cannot agree. It further recognizes that the directors and other persons who have formed this company are interested in continuity and interested in having the corporate purposes placed above what may be an honest difference of opinion. Therefore, this by-law has been enacted to allow the corporation to move past impasses caused by such deadlocks.

4.18 **Executive Committee.** The Board of Directors, by resolution adopted by a majority of the full board, may designate two or more of its members to constitute an Executive committee. The designation of such committee and the obligation thereto of authority shall not operate to relieve the Board of directors, or any members thereof, of any responsibility imposed by law.

a. **Authority.** The Executive Committee, when the Board of Directors is not in session, shall have and may exercise all the authority of the Board of Directors except to the extent, if any, that such authority shall be limited by the resolution appointing the Executive committee and except also that the Executive Committee shall not have the authority of the Board of Directors in reference to amending the Articles of incorporation, adopting a plan of merger or consolidation, recommending to the members the sale, lease or other disposition of all or substantially all the property and assets of the corporation otherwise than in the usual and regular course of its business, recommending to the members a voluntary dissolution of the corporation or a revocation thereof, or amending the By-laws of the corporation.

b. **Tenure and Qualifications.** Each member of the Executive Committee shall hold office until the next regular annual meeting of the Board of Directors following his designation and until his successor is designated as a member of the Executive Committee and is elected and qualified.

c. **Meetings.** Regular meetings of the Executive committee may be held without notice at such times and places as the Executive Committee may fix from time to time by resolution. Special meetings of the Executive Committee may be called by any member thereof upon not less than one day's notice stating the place, date and hour of the meeting, which notice may be written or oral, and if mailed, shall be deemed to be delivered when deposited in the United States mail addressed to the member of the Executive Committee at his business address. Any member of the Executive Committee may waive notice of any meeting and no notice of any

meeting need be given to any member thereof who attends in person. The notice of a meeting of the Executive Committee need not state the business proposed to be transacted at the meeting.

d. Quorum. A majority of the members of the Executive Committee shall constitute a quorum for the transaction of business at any meeting thereof and action of the Executive Committee must be authorized by the affirmative vote of a majority of the members present at a meeting at which a quorum is present.

d. Action Without a Meeting. Any action that may be taken by the Executive Committee at a meeting may be taken without a meeting if a consent in writing, setting forth the action so to be taken, shall be signed before such action by all the members of the Executive Committee.

e. Vacancies. Any vacancy in the Executive committee may be filled by a resolution adopted by a majority of the full Board of Directors.

f. Resignations and Removal. Any member of the Executive Committee may be removed at any time with or without cause by resolution adopted by a majority of the full Board of Directors. Any member of the Executive Committee may resign from the Executive committee at any time by giving written notice to the president or secretary of the corporation, and unless otherwise specified thereof, the acceptance of such resignation shall not be necessary to make it effective.

h. Procedure. The Executive committee shall elect a presiding officer from its members and may fix its own rules of procedure which shall not be inconsistent with these By-laws. It shall keep regular minutes of its proceedings and report the same to the Board of Directors for its information at the meeting thereof held next after the proceedings shall have been taken.

4.19 Special Committees. The Board of Directors may also, from time to time, appoint any other special committees deemed by it expedient, and refer to such special committees any special matters with instructions and/or powers to act. All such special committees shall keep regular minutes of the transaction of their meetings and make such minutes available to the Board of Directors at the next meeting thereof following the proceedings of the special committee.

Part Five
Officers, Powers and Duties

5.1 **Officers.** The officers of this corporation shall consist of a president, a vice president, a secretary, a treasurer, and such other officers with such titles, powers and duties as may be prescribed by the Board of Directors.

5.2 **Tenure.** All officers shall hold office from the time of their election until the next annual election of officers or until their respective successors are elected and qualified, provided, however, any officer may be removed from office by a majority vote of the directors at any legally held meeting of the board.

5.3 **Bonds and Other Requirements.** The Board of Directors may require any officer to give bond to the corporation (with sufficient surety and conditioned for the faithful performance of the duties of his office) and to comply with such other conditions as may from time to time be required of him by the board.

5.4 **Removal of Officers.** If the majority of the board concurs, the Board of Directors may at any time, with or without cause, remove any officer or agent of the corporation and declare his office or offices vacant or, in the case of the absence or disability of any officer or for any other reason considered sufficient, the board may temporarily delegate his powers and duties to any other officer or to any director.

5.5 **President.** In the absence of the chairman, the president shall preside at all meetings of the members and Board of Directors. The president, along with other authorized officers, shall sign for and on behalf of the corporation, or in its name, all certificates of membership, deeds, mortgages, contracts and other instruments in writing, except that contracts may be signed with like effect by any other officer or employee of the corporation specified in these By-laws or designated by the Board of Directors. While actively engaged in conducting the business of the corporation, he shall be charged with all the duties and have all the authority customarily performed and exercised by the chief executive of a corporation organized under the laws of New Mexico, and shall perform such other duties as may be prescribed by the board.

5.6 **President Elect.** The Board of Directors may elect a "president elect" who shall be designated to succeed the president after the expiration of his term, when the Board of Directors deems it advisable, for purposes of continuity, to name the next succeeding president. When a president elect is elected, his duties will be to familiarize himself with the duties of the president and to prepare a written report of his observations of the previous year and his recommendations as to objectives, standards, amendments, changes, or other action that he proposes to take upon the beginning of his tenure as president.

5.7 **Vice President.** The vice president shall have and may exercise such powers and shall perform such duties as may be delegated to him by the Board of Directors or the president of the corporation. The vice president shall, in the event of the death, absence, or other disability of the president, perform all the duties and exercise all the authority of the president.

5.8 **Secretary.** It shall be the duty of the secretary to record and keep the minutes of all meetings of the members, the Board of Directors, and the Executive Committee of the Board of Directors. At the discretion of the board, he shall give bond made by a duly authorized surety company in such sum as may be required of him by the board, conditioned for the proper accounting of all moneys and property coming into his hands by virtue of this office. The premium on such bond shall be paid by the corporation. He shall fill in and countersign all certificates of membership, and keep the membership records of the corporation so as to show the members and the type of membership. He shall keep the seal of the corporation and affix and attest the same upon any instrument executed by the corporation requiring a seal, except as otherwise ordered by the Board of Directors. At the expiration of his term, from whatever cause, he shall surrender all books, moneys, papers and property of the corporation to his successor. The person serving as Secretary can also serve as Treasurer.

5.9 **Treasurer.** The treasurer shall be the custodian of all moneys belonging to the corporation and shall hold all funds of the corporation subject to the order of the Board of Directors or persons thereunto authorized by the Board of Directors. He shall deposit the funds of the corporation with such bank or banks as the Board of Directors may approve and designate. At each annual meeting of the members, and at each annual meeting of the directors, and whenever called upon at any other directors' meeting, he shall make a complete and correct report of his accounts and disclose the true financial condition of the corporation. He shall submit his books and accounts for audit when so requested by the Board of Directors. At the discretion of the board, he shall give bond, made by a duly authorized surety company, in such sum as may be required of him by the board, conditioned for the proper accounting of all moneys and property coming into his hands by virtue of his office. The premium on such bond shall be paid by the corporation. At the expiration of his term of office, from whatever cause, he shall deliver up all books, papers and moneys of the corporation to his successor. The person serving as Treasurer can also serve as Secretary.

5.10 **Compensation for Non-Profit Corporate Officers.** The officers shall not receive any salary or compensation for services rendered to the corporation, unless there is approval of the compensation by both the attorney and the CPA (or equivalent) of the corporation, certifying in writing that the compensation is reasonable and compatible with the restrictions imposed upon a non-profit, charitable, tax-exempt corporation, and unless there is also approval of the compensation by a majority of the Board of Directors in attendance at a duly held meeting, with a person seeking compensation abstaining from voting on the matter.

5.11 **Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the remaining portion of the term.

5.12 **Trustees.** The Board of Directors may, in its discretion, elect one or more trustees for the purpose of transferring to those trustees either money or property belonging to the corporation for the purpose of investing, safeguarding, or otherwise protecting those funds or property for a period of years designated in the trust documents. The purpose of this provision is to allow the corporation, in cases where officers rotate from year to year, to maintain long-range stability in investments and in the maintenance of property, that might not otherwise provided for

where the officers fluctuate from year to year. Further, it is contemplated that the trustees shall be highly qualified specialists in investments, property management, or other fields akin to the purpose of the trust, in order to have high quality of performance over a long-range period. The trustees, once established, shall serve for the tenure of the trust and their replacement trustees may be either selected by the remaining trustees, or if there are none, designated by the Board of Directors.

Part Six

Corporate Seal

6.1 **Description.** The corporation shall have a corporate seal in the form of two circular conforming metal discs bearing the imprint and inscription of the name of the corporation with, in the center, the words "Corporate Seal, New Mexico" and the year of incorporation.

6.2 **Use.** The corporate seal shall be impressed upon all instruments executed by the corporation upon which a seal is required by law.

6.3 **Authorization.** In the absence of the secretary, any officer authorized by the Board of Directors to do so may affix the seal of the corporation to any instrument requiring a seal.

6.4 Use of corporate seal is not mandatory unless by the expressed decision of the Board of Directors.

Part Seven

Contracts, Deposits and Withdrawals of Corporate Funds

7.1 **General.** All moneys of every kind belonging to the corporation shall be deposited to its credit in a bank or banks designated by the Board of Directors, and no moneys shall be withdrawn wherefrom unless the checks or other orders evidencing such withdrawals are signed by such officers or employees of the corporation as may be designated by resolution of the Board of Directors duly adopted.

7.2 **Contracts.** The Board of Directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these By-laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

In the absence of such determination by the Board of Directors, contracts must be signed by the president and secretary of the corporation and initialed by an attorney licensed in the state where the contract is executed.

7.3 **Checks, Drafts, Etc.** All checks, drafts, orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be

determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the treasurer and countersigned by the president or a vice president of the corporation.

7.4 **Deposits.** All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

7.5 **Gifts.** The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the corporation.

7.6 **Loans to Corporation.** Should any of the members be asked to lend money to the corporation in the form of either promissory notes or bonds, these loan shall be executed in writing in the usual form for promissory notes or bonds, and shall bear the maximum rate of interest which the law permits an individual to pay for money that the corporation may borrow. This provision applies to all tenders of money or assets which a member may transfer to the corporation with the intent that it be treated as a loan.

Part Eight Amendments

8.1 **Vote Required.** These By-laws may be enlarged, amended or repealed by a two-thirds vote of the members of the corporation at any regular meeting of the members or at any special meeting of the members called for that purpose, or by a two-thirds vote of the Board of Directors at any meeting of the Board of Directors called for that purpose.

8.2 **Meetings for Adoption.** Such amendment, enlargement or repeal may be adopted at any annual meeting of the members without previous notice, but if contemplated at a special members' meeting, notice thereof shall be given in the call for the meeting.

Part Nine Fiscal Year

9.1 **Fiscal Year.** The fiscal year of the corporation is set forth on the caption page of these By-laws.

Part Ten Miscellaneous

10.1 **Exempt Activities.** Notwithstanding any other provision of these By-laws, no member, trustee, officer, employee, or representative of this corporation shall take any action or carry on any activity by or on behalf of the corporation not permitted to be taken or carried on by an organization exempt under §501(c)(3) of the Internal Revenue Code and its regulations as they

now exist or as they may hereafter be amended, or by an organization, contributions to which are deductible under §170(c)(2) of such Code and Regulations as they now exist or as they may hereafter be amended.

10.2 **Election of Chairman Pro Tem.** In the absence of the chairman, the president, and any vice president at any members or directors meeting, the members or directors present shall elect a chairman pro tem, who shall preside at the meeting and exercise the same powers as the chairman, the president, or the vice president could if present.

10.3 **Parliamentary Law.** When not in conflict with these By-laws, Robert's Rules of Order, Revised, 75th Anniversary Edition shall establish the rule of procedure at all members and directors meetings, and the provisions of that publication are incorporated by reference herein as the ruling law for this corporation.

10.4 **Power to Vote Stock Held by the Corporation.** In the event that this corporation owns stock of another corporation, the president of this corporation shall be authorized to vote that stock on behalf of this corporation. A certified copy of this by-law shall be prepared to accompany the president at any stockholders' meeting which he attends for purposes of voting stock on behalf of this corporation, or a certified copy of this by-law should be attached to any proxy which the president may execute for the purpose of permitting another person to act as his proxy to vote the stock of another corporation.

10.5 **Corporate Minute Books and Membership Records.** The minute books of this corporation shall be placed in the principal office of the corporation.

The corporation shall have at all times a file which shall contain originals or copies of all legal documents which do not readily fit in the corporate minute book and which have any effect upon the legal rights and duties of the corporation.

10.6 **Dealings by Directors.** No contract or other transaction between this corporation and any other corporation, whether or not a majority of the shares of the capital stock of such other corporation is owned by this corporation, and no act of this corporation shall in any way be affected or invalidated by the fact that any of the directors of this corporation are pecuniary or otherwise interested in, or are directors or officers of, such other corporation. Any director individually, or any firm of which that director may be a member, may be a party to or may be pecuniary or otherwise interested in any contract or transaction of this corporation, provided that the fact that he or his firm have an interest in the transaction shall be disclosed to a majority of the Board of Directors of this corporation. Any director of this corporation who is also a director or officer of another corporation dealing with this corporation, or who has any personal interest in a matter before the board of this corporation, may be counted in determining the existence of a quorum at any meeting of the Board of Directors of this corporation which shall authorize any action that may affect that director or that other corporation. That director may vote at such a meeting as if he were not a director or officer of the other corporation or was not personally interested.

10.7 **Settlement of Disputes.** Any dispute arising out of or in connection with these By-laws, including disputes between or among the corporation, the incorporators, the members, and the directors shall be settled by the negotiation, mediation and arbitration provisions of that certain "Uniform Agreement Establishing Procedures for Settling Disputes" entered into by the parties prior to or concurrently with the adoption of these By-laws.

10.8 **Interpretation.** Should there be any question in the interpretation of any provision of the Articles of Incorporation or By-laws of this corporation, then an interpretation given in writing by Gregory M. Tucker, the attorney who drew these documents, shall be binding. If that attorney is no longer practicing law at the time such interpretation is required, then a written interpretation by a senior member of the last law firm with which the named attorney practiced shall be binding. If that law firm has ceased to be in existence at the time of such interpretation, then written interpretation shall be obtained by the Board of Directors from three disinterested attorneys specializing in corporate law in the state of incorporation, and the interpretation rendered by a majority of them shall be binding.

10.9 **Non-Liability of Members, Officers and Directors.** The members, officers and directors of this corporation shall not be individually liable for the corporation debts or other liabilities, and private property of such individuals shall be exempt from corporation debts or liabilities.

10.10 **Indemnification of Officers.** The corporation shall indemnify every person, his heirs, executors and administrators, against all expenses reasonably incurred by such person in connection with any action, suit or proceeding to which such person may be made a party by reason of that person being or having been a director or officer of this corporation, or by reason of that person being or having been a director or officer of any other corporation of which this corporation is a shareholder or creditor, and from which other corporation such person is not entitled to be indemnified, or by reason of such officer or director or former officer or former director becoming a party to any such action, suit or proceeding at the request of or at the direction of this corporation or any successor hereto; provided, however, there shall be no indemnification in relation to any matter as to which such person shall be finally adjudged in such action, suit or proceeding to be liable for negligence or misconduct. In the event of a settlement of such action, suit or proceeding, indemnification of such person shall be provided only in connection with such matters covered by such settlements to which the corporation is advised by counsel that such person to be indemnified did not commit such a breach of duty. This right of indemnification shall be exclusive of other rights to which such person may be entitled. As used in this by-law, expenses shall include, but shall not be limited to, amounts of judgments, penalties or fines and interest thereon for reasonable periods of time, rendered, levied or adjudged against such persons, costs of the action, suit or proceeding, attorneys' fees, expert witness fees and amounts paid in settlement by such persons, provided that such settlement shall have been or is thereafter approved by the Board of Directors of this corporation. This by-law is made a part of these By-laws to comply with and to take full advantage of New Mexico laws governing such indemnification.

10.11 **Authority to Sell Corporate Assets.** With the consent or ratification in writing or pursuant to the vote of a majority of members entitled to vote thereon, the Board of Directors will have the powers and authority to lease, sell, assign, transfer, convey or otherwise dispose of the entire property of the corporation, irrespective of the effects thereof upon the continuance of the purposes of the corporation and the exercise of its franchise; but the corporation may not be dissolved except as provided by the laws of the State of New Mexico.

Part Eleven Emergency By-laws

11.1 **When Operative.** The emergency By-laws provided herein shall be operative during any emergency in the conduct of the purposes of the corporation resulting from an attack on the United States or any nuclear or atomic disaster, notwithstanding any different provision in other paragraphs of these By-laws, in the Articles of Incorporation, or in the statutes governing non-profit corporations. To the extent not inconsistent with the provisions of this Part Eleven, the other provisions of the By-laws shall remain in effect during such emergency, and upon its termination these emergency By-laws shall cease to be operative.

11.2 **Event of Emergency.** During any such emergency as described in provision 11.1, the following actions shall be taken:

a. A meeting of the Board of Directors may be called by any officer or director of the corporation. Notice of the time and place of the meeting shall be given by the person calling the meeting to such of the directors as it may be feasible to reach by any available means of communication. Such notice shall be given at such time in advance of the meeting as circumstances permit in the judgment of the person calling the meeting.

b. At any such meeting of the Board of Directors, a quorum shall consist of any two directors, one director and one officer, or any two officers. For the purpose of attaining a quorum in times of such emergency to effect the continued conduct of the corporation, all officers of the corporation shall immediately become temporary directors of the corporation until the termination of the emergency, without election by the members or appointment by the Board of Directors.

c. The Board of Directors, either before or during any such emergency, may provide, and from time to time modify, lines of succession in the event that during such an emergency any or all officers or agents of the corporation shall for any reason be rendered incapable of discharging their duties.

d. The Board of Directors, either before or during any such emergency, may, effective in the emergency, change the head office or designate several alternative head offices or regional offices, or authorize the officers so to do.

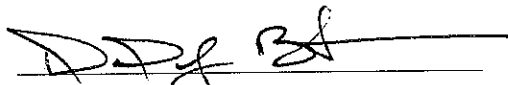
11.3 **Non-Liability.** No officer, director or employee acting in accordance with these emergency By-laws shall be liable except for willful misconduct.

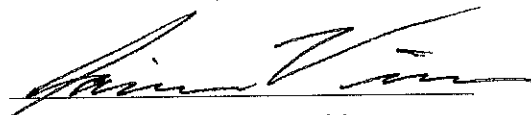
11.4 **Amendment or Repeal.** These emergency By-laws shall be subject to repeal or change by further action of the Board of Directors or by action of the members, but no such repeal or change shall modify the provisions of the next preceding paragraph with regard to action taken prior to the time of such repeal or change. Any amendment of these emergency By-laws may make any further or different provision that may be practical and necessary for the circumstances of the emergency.

CERTIFICATION

We, the undersigned, the duly elected and acting Directors of LAS VISTAS LANDOWNER'S ASSOCIATION, INC., a non-profit New Mexico corporation, do hereby certify that the within and foregoing By-laws were adopted as the By-laws of that corporation on October 11, 2007, and that the same do now constitute the By-laws of that corporation.

IN WITNESS WHEREOF, we have hereunto subscribed our names and affixed the seal of the corporation this date: October 11, 2007.


Daniel J. Baker, President


Jaime Wisner, Vice President


Tommy Roberts, Director