

**SECOND AMENDED AND RESTATED
BY-LAWS
OF
INDIAN SPRINGS RANCH HOMEOWNERS ASSOCIATION, INC.**

These Second Amended and Restated By-Laws supersede and replace in their entirety the original Bylaws and First Amended And Restated By-Laws of Indian Springs Ranch Homeowners Association, Inc.

ARTICLE I - DEFINITIONS

Section 1 - “Association” shall refer to the Indian Springs Ranch Homeowners Association, Inc., its successors and assigns.

Section 2 - “Declaration” shall mean and refer to the Second Amended and Restated Declaration of Covenants, Conditions and Restrictions applicable to the Property recorded in the office of the Teton County Clerk in Jackson, Wyoming, as now or hereafter amended.

Section 3 - “Committee” shall mean a committee formed by the Board of Directors pursuant to these By-laws or the Declaration.

Section 4 - “Property” shall mean and refer to that certain real property located in Teton County, Wyoming, commonly known as Indian Springs Ranch Subdivision, shown and described on a certain plat prepared by Jorgensen Engineering and Land Surveying, P.C., bearing revision date August 1992, recorded in the land records of Teton County in Book of Maps 2 as Plat No. 757, as amended by Plat No. 944 recorded December 7, 1998, as now or hereafter amended.

Section 5 - “Member” shall mean the record owner of a Voting Site, but shall exclude any person with a legal or equitable interest in a Voting Site as security for the performance of an obligation.

Section 6 - “Scenic Easement” shall mean and refer to the Amended and Restated Warranty Deed and Grant of Scenic Easements for the Indian Springs Ranch Subdivision recorded in the office of the Teton County Clerk in Jackson, Wyoming, as now or hereafter amended.

Section 7 – “Voting Sites” shall mean the following described sites located in the Property: Sites 1 through 31, 33 through 41, 58, 62 through 66, 69, and that part of Site 71 not subject to the Scenic Easement .

ARTICLE II - OFFICES

Section 1 - REGISTERED OFFICE

The registered office of the Association located in Wyoming shall be that as set forth in the Articles of Incorporation, or in the most recent amendment of the Articles of Incorporation, or in the most recent statement filed with the Secretary of State of Wyoming changing the registered office.

Section 2 - OTHER OFFICES

The Association may also have offices at such other places as the Board of Directors may from time to time designate.

ARTICLE III - MEETINGS OF MEMBERS

Section 1 - ANNUAL MEETING

(a) Time; Place

Annual meetings of the Members shall be held at a time, date and place as reasonably determined by the Association's Board of Directors.

(b) Notice

Notice of all annual meetings of Members shall be sent to each member entitled to vote thereat not less than ten (10) nor more than fifty (50) days before the date of the meeting. All such notices required under these Bylaws may be sent solely by e-mail or facsimile transmission (fax) as determined by the Board of Directors. Notwithstanding, any Member may request that such Member's notices be sent to him by U.S. Mail.

(c) Registration

Each Member shall register with the Secretary of the Association, in writing, within thirty (30) days after taking title to a Voting Site: (i) the name and address of the owners of the Voting Site, (ii) the address at which the Member desires to receive notice of any meeting of the Members, if other than the Voting Site address; (iii) the name and address of the secured party holding the first mortgage on the Voting Site, if any; and (iv) if there are multiple owners of the Voting Site, the name of the Member who shall be authorized to cast the vote with respect to the Voting Site. Each owner shall have a continuing obligation to advise the Association in writing of any changes in the foregoing information.

At all meetings of Members, each Member may vote either in person or by proxy executed in writing by the Member or by his duly authorized attorney-in-fact and delivered to the Secretary at least one day prior to any scheduled meeting. Members may participate in a meeting by means of a conference telephone or other similar communications equipment whereby all persons participating in the meeting can hear each other, and participating by such means shall constitute presence in person at such meeting. No proxy shall be valid after eleven (11) months from its date and every proxy shall automatically cease upon the sale by the Member of his or her interest in the Voting

Site. A proxy is revocable by personal attendance and voting at the meeting or by submitting in writing at any time prior to the meeting a signed revocation.

(d) Transfer of Interest

The interests, rights and obligations of a Member of the Association may be assigned, pledged, encumbered or transferred, but only along with and as a part of the title to the Member's Voting Site or as otherwise specifically authorized by the Declaration.

(e) Agenda

At each annual meeting of the Members, (i) the Board shall be elected pursuant to these By-laws, (ii) a report shall be made to the Members on the activities and financial condition of the Association, and (iii) any matter specifically included in the notice of the annual meeting shall be addressed, and (iv) any other matter which is a proper subject for discussion or decision by the Members may be considered and acted upon.

Section 2 - SPECIAL MEETINGS

Special meetings of the Members for any purpose or purposes, unless otherwise prescribed by statute, may be held at any time upon the call of the Board of Directors, the President, or upon petition signed by Members of the Association representing twenty (20%) per cent of the total votes of the Association entitled to vote. Special meetings of the Members shall be held at such place as shall be stated in the notice of the meeting. No business shall be transacted at a special meeting except as stated in the notice.

Written or printed notice of a special meeting of the Members, stating the time, place, and subject thereof shall be delivered either personally or by mail, not less than ten (10) nor more than fifty (50) days before such special meeting to each Member entitled to vote thereat at such Member's address as appears on the books of the Association. Meetings may be held without adhering to the formal notice requirements of this paragraph, if all of the Members are present at the meeting, or if those not present have received informal notice and have waived their right to notice prior to the meeting.

Section 3 - WAIVER OF NOTICE

Waiver of notice of meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by such Member shall be deemed waiver by such Member of notice unless such Member specifically objects to lack of proper notice at the time the meeting is called to order.

Section 4 - QUORUM

The presence of Members in person or by proxy, who have the authority to cast at least one-third (1/3) of the votes in the Association shall be necessary to constitute a quorum at all meetings of the Members for the transaction of any business, except that of adjourning the meeting to reconvene at a subsequent time. Any meeting may be adjourned from

time to time, but no longer than fifteen (15) days, without notice other than announcement at the meeting as initially called. If a quorum is present at the reconvened meeting, any business may be transacted which might have been transacted at the meeting as initially called had a quorum then been present. The quorum, having once been established at a meeting or a reconvened meeting, shall continue to exist for that meeting notwithstanding the departure of any Member previously in attendance.

Section 5 - VOTING

The Members may cast, in respect to any matter to be decided by a vote of the Members, one vote for each Voting Site. If the owners of a Voting Site fail to agree as to who shall cast the vote, or if the owners fail to register with the Secretary of the Association pursuant to Section 1 of this Article, the vote for such Voting Site shall not be cast and the denominator of the total Voting Sites for determining a quorum or majority or super majority shall be reduced by the number of Voting Sites so disqualified. At every meeting of the Members, every Member having voting power shall be entitled to vote in person or by proxy. A majority of the votes cast at any properly constituted meeting of the Members, or cast by mail in accordance with these By-laws, shall decide all matters properly brought before the Members, except where a different vote is specifically required by the Declaration or by law. The term "majority" as used herein shall mean in excess of 50% of the votes cast on that issue, in person or by proxy, or voting by mail. Abstentions on any issue shall not be included in the total number of votes on that issue. Cumulative voting is not permitted.

Section 6 - CONDUCT OF MEETINGS OF MEMBERS

The President shall preside over all meetings of the Members. If he or she is not present, the Vice President shall preside, or in his or her absence a Chair shall be elected by the Members present. The Secretary of the Association shall act as Secretary of all meetings if he or she is present. If he or she is not present, the President shall appoint from among the Members present a Secretary for the meeting. The Secretary shall keep or cause to be kept a written record of the action taken at such meeting.

Section 7 - ACTION OF MEMBERS WITHOUT A MEETING

Any action that may be taken at any annual, regular or special meeting of Members may be taken without a meeting if the Association delivers a written ballot to every Member entitled to vote on the matter. A written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

All solicitations for votes by written ballot shall indicate the number of responses needed to meet the quorum requirements, state the percentage of approvals necessary to approve

each matter other than election of directors, and specify the time by which a ballot must be received by the Association in order to be counted. Any such written ballot shall not be revoked.

ARTICLE IV - BOARD OF DIRECTORS

Section 1 - NUMBER, ELECTION, AND TENURE

The Board of Directors, all of whom shall be Members or spouses of Members or representatives of Member trusts or other statutory entities duly designated in writing, shall be elected at the annual meeting of the Members or at any special meeting held in lieu thereof by a majority vote of those present or represented except as provided in Section 4 of this Article. Only one person from a Voting Site and only one spouse may serve on the Board at any given time. Directors shall be nominated as set forth in Section 5 of this Article. The number of Directors shall be not fewer than three (3) nor more than seven (7). The number of Directors may be established by a majority vote of the Members preceding the election, or by resolution of the Board of Directors. Directors need not be residents of Wyoming.

Section 2 - TERMS

At the first meeting following the adoption of the Declaration, Directors shall be elected in the following manner:

- (a) Two (2) Directors shall be elected for a one (1) year term.
- (b) Two (2) Directors shall be elected for a two (2) year term.
- (c) Three (3) Directors shall be elected for a three (3) year term.

Thereafter, all Directors shall be elected for three (3) year terms so that the expiration of the terms shall be staggered. The terms of Directors elected to fill unscheduled vacancies shall be adjusted so that in all instances the staggered expiration dates of the terms of the Directors set forth in this Section 2 shall be maintained.

At the expiration of a Director's first term, he or she will automatically be eligible for re-election, with or without the support of the Nominating Committee, as described in Section 5 of this Article. No incumbent Director may serve on the Board for more than six (6) consecutive years.

Section 3 - MEETINGS

- (a) Annual and Special Meetings

Meetings of the Board of Directors shall be held at times fixed by resolution of the Board, may be called by the Secretary whenever requested by the President, or upon the request of a majority of Directors. The annual meeting of the Board of Directors shall be held immediately prior to and at the same place as the annual meeting of the Members

held in accordance with Article III, Section 1 of these By-laws. The annual meeting of the Board of Directors may be held without written notice, provided that a quorum of the Directors shall be present. Notice of any meeting not held at a time fixed by resolution of the Board shall be given to each Director at least seven (7) days before the date of the meeting at his or her residence or business address, or by delivering such notice to him or her, or by telephone or facsimile. Any such notice shall contain the time and place of the meeting, but need not contain the purpose of any meeting. Notices by mail shall be deemed to be given at the time when the same shall be mailed. Meetings may be held without notice if all of the Directors are present, or if those not present waive notice before or after the meeting.

Notice may be provided by e-mail or facsimile transmission (fax) unless otherwise requested by a Director.

(b) Presence

Members of the Board of Directors or, in the case of Committees, members of any Committee, designated thereby may participate in a meeting of such Board or Committee by means of a conference telephone or other similar communications equipment whereby all persons participating in the meeting can hear each other, and participating by such means shall constitute presence in person at such meeting. A written record shall be made of the action taken at all Board or Committee meetings. Voting by the Directors by proxy is prohibited.

(c) Actions Without Meeting

Provided that every Director has been afforded proper notice, any action required to be taken at a meeting of the Directors or any action which may be taken at a meeting of a Committee may be taken without a meeting if consent in writing, setting forth the action, shall be signed either before or after such action by a majority of the Directors, or a majority of the members of a Committee, as the case may be, unless prohibited by law or otherwise provided in these By-laws. Such consent shall have the same force and effect as a majority vote at a meeting.

Section 4 - REMOVAL, VACANCIES

(a) Removal

A Director may be removed from the Board, with or without cause, by a majority vote at any annual or special meeting of the Members; provided (i) that the notice of the meeting at which removal is to be considered states such purpose, (ii) that the Director to be removed has a right to be heard at the meeting, and (iii) that a new Director is elected at the meeting by the Members to fill the vacant position caused by the removal. A Director may also be removed by the Board if such Director is more than sixty (60) days past due with respect to assessments on the Director's Voting Site. Such vacancies shall be filled by the vote of the Directors as provided in Section 4(b).

(b) Vacancy

A vacancy in the Board shall be filled by a qualified Member or Member's spouse elected within thirty (30) days following the occurrence of the vacancy by a majority vote of the remaining Directors, regardless of their number, except as otherwise provided in this Section. Each person so elected shall serve out the term vacated.

Section 5 - NOMINATING COMMITTEE

Except with respect to nominees or Directors selected by the Articles, nominations for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more Members of the Association who are not then serving as members of the Board of Directors. The Nominating Committee shall be appointed by the Board of Directors not less than thirty (30) days prior to each annual meeting and shall serve until the close of said annual meeting and such appointment shall be announced at each such annual meeting. The Nominating Committee shall make as many nominations for each vacancy as it shall in its discretion determine. Prior to nominating any person, the Nominating Committee shall first contact such proposed nominee and obtain his or her consent to be nominated. At the meeting of the Members, nominations shall be permitted from the floor. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

Section 6 - POWERS AND DUTIES OF THE BOARD OF DIRECTORS .

(a) The Board shall have the power to:

- (1) exercise all such powers of the Association and do all such lawful acts and things that are not reserved to the Members by these By-Laws, the Articles of Incorporation or the Declaration;
- (2) adopt and publish rules and regulations governing the use of the Property;
- (3) delegate such operating authority to such companies, individuals, or Committees as it, in its discretion, may determine;
- (4) review any decision of the DEW Committee, consider any matter that is subject to review or approval of the DEW Committee, and to issue notice of approval or disapproval of building plans;
- (5) regulate, enforce and maintain the Open Space Sites according to the terms of the Scenic Easement, as well as all other easements granted by the Association or to the Association;
- (6) adopt, amend and revoke rules and regulations governing the Property, not inconsistent with the Declaration;
- (7) adopt and amend budgets for revenues, expenditures and reserves, and levy and collect assessments from owners;

- (8) hire and discharge managing agents and other employees, agents, and independent contractors;
- (9) institute, defend, or intervene in litigation or administrative proceedings (i) in its own name on behalf of itself or one or more Members on matters affecting the Property or the Association, or, (ii) with the consent of the Members of the affected Voting Sites on matters affecting only those Voting Sites;
- (10) make contracts and incur liabilities;
- (11) regulate the use, maintenance, repair, replacement and modification of the Property, including the Voting Sites;
- (12) cause improvements to be made to the Property;
- (13) acquire, hold, encumber, and convey in the name of the Association any right, title, or interest to real estate located within or appurtenant to the boundaries of the Property or personal property;
- (14) grant public utility easements through, over or under the Property where permitted by the Declaration; and subject to approval by the Members at a meeting duly called, grant other public or private easements, leases and licenses through, over or under the Property;
- (15) impose and receive any payments, fees, or charges for the use, rental, or operation of the Property, and for services provided to Members;
- (16) impose charges for late payment of assessments, including interest at the rate of one and one-half percent (1.5%) per month (18% per year), or the highest rate allowed by law, whichever is lesser, from the due date until paid; and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Declaration, including a fine of \$1,000 per day for failure to timely complete any construction project;
- (17) provide for the indemnification of its officers and Directors;
- (18) provide for reasonable procedures governing the conduct of meetings and the election of Directors;
- (19) appoint, regulate and dissolve Committees; and
- (20) exercise any other powers conferred by law or the Declaration, or which are necessary and proper for the governance of the Association.

(b) It shall be the duty of the Board of Directors to:

- (1) cause to be kept a complete record of all its acts and Association affairs and to present a statement thereof to the Members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of all votes of the Association;
- (2) issue upon the request of any person having a legitimate purpose for such request, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates;
- (3) procure and maintain adequate liability, hazard, and directors' and officers' insurance on property owned by the Association or over which the Association has an easement;
- (4) establish and require maintenance of a minimum level of liability insurance by each respective Member as to his or her Voting Site; and
- (5) appoint the DEW Committee as set forth in the Declaration, and appoint the Nominating Committee as set forth under Section 4 of this Article.

Section 7 - QUORUM OF DIRECTORS

A majority of Directors shall constitute a quorum for the transaction of business. 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. If a quorum shall not be present at any meeting of the Board of Directors, the Directors present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 8 - APPOINTMENT OF COMMITTEES

The Board may by resolution designate Committees, other than the DEW Committee and the Nominating Committee, which to the extent provided by resolution, shall have such powers of the Board of Directors as may be lawfully delegated.

Section 9 - COMPENSATION OF DIRECTORS

The Directors shall receive no compensation for their services in such capacity. Directors may be reimbursed for out-of-pocket expenses incurred in the performance of their duties upon written approval of the President or Treasurer. A Director or other Member may, upon approval by the Board, be retained by the Association and reasonably compensated for goods and services furnished to the Association in an individual capacity.

ARTICLE V - OFFICERS

Section 1 - NUMBER

The Board of Directors, at the annual meeting of the Board of Directors, shall elect from among its Members a President, a Vice President, a Secretary and a Treasurer, and may elect such other officers and assistant officers as the Directors may deem necessary. The same individual may simultaneously hold more than one (1) office in the Association, except the offices of President and Vice President must be held by two (2) different individuals.

Section 2 - TERM, REMOVAL, VACANCY

All officers shall serve for a term of one (1) year and until their respective successors are elected, but any officer may be removed summarily, with or without cause, at any time by the vote of a majority of all of the Directors. Removal of an officer is entirely in the discretion of the Directors. The officers of the Association shall have such duties as generally pertain to their respective offices as well as such powers and duties as from time to time may be delegated to them by the Board of Directors.

Section 3 - THE PRESIDENT

The President of the Association shall be the chief executive officer of the Association, shall have general and active management of the business of the Association, and shall see that all orders and resolutions of the Board are carried into effect. The President shall have all of the powers and duties which are customarily vested in the office of president of a corporation, including without limitation, the duty to supervise all other officers and to execute all contracts and similar obligations on behalf of the Association. The President shall have such other duties as may from time to time be prescribed by the Board. All other officers are responsible to the President. He or she shall have the authority, if so empowered by the Board, to execute bonds, mortgages, notes, checks, and other contracts requiring a seal, under the seal of the Association. He or she shall be an EX OFFICIO member of the DEW Committee and any standing Committees.

Section 4 - VICE PRESIDENT

The Vice President shall supervise and coordinate the managerial and administrative functions of the Association, and in the absence or disability of the President, shall perform all of the duties and exercise the power of the President. He or she shall perform such other duties and have such other powers as the Board of Directors shall prescribe.

Section 5 - SECRETARY

The Secretary of the Association shall attend all sessions of the Board and all meetings of the Members and act as custodian of the records of the Association, and record all Voting Site designations, proxies, votes and the minutes of all proceedings in books to be kept for that purpose, and shall perform like duties for any standing Committees when required. The Secretary shall cause to be kept a register of the address of each Member

and shall furnish a copy of the same to be kept at the registered office or principal place of business of the Association, and he or she shall give, or cause to be given, all notices in accordance with these By-laws. The Secretary shall levy all assessments, fees, charges and fines authorized and/or imposed by the Board. If an Association seal exists, he or she shall keep such seal in safe custody and, when appropriate to do so, affix the same to any instrument requiring such seal.

Section 6 - TREASURER

The Treasurer shall have responsibility for all financial assets of the Association and shall be covered by a bond or insurance in such sum and with such companies as the Board may require. The Treasurer shall have the custody of the Association funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all moneys, and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. The Treasurer shall be responsible for keeping the Association's financial books, assessment rolls and accounts. The Treasurer shall cause the books of the Association to be kept in accordance with customary and accepted accounting practices and shall submit them to the Board for its examination upon request and to the Members at each annual meeting of the Members. The Treasurer shall cause all moneys and other monetary assets of the Association to be deposited in the name of or to the credit of the Association in depositories designated by the Board, shall cause the funds of the Association to be disbursed as ordered by the Board and shall perform all other duties incident to the office of Treasurer. The Board may delegate the Treasurer's administrative functions to a managing agent; provided that such delegation shall not relieve the Treasurer of the ultimate responsibility for the Treasurer's duties.

ARTICLE VI - FINANCES

Section 1 - ASSESSMENT PROCEDURES

(a) Budget

The Board of Directors shall prepare a preliminary budget for review by the Members at the Members' annual meeting, and shall, at least thirty (30) days prior to the first day of the Association's fiscal year, prepare a final budget for the Association and levy such assessments to fund such budget against the Voting Sites according to their respective liability as set forth in the Declaration. The annual budget shall include a general operating reserve, and an adequate reserve fund for maintenance, repair and replacement of the Property and parts of the Voting Sites that must be maintained, repaired or replaced by the Association on a periodic basis.

- (1) The Board shall fix the amount of the annual assessment against each Voting Site and advise the Members in writing of the assessment at least thirty (30) days prior to the date when the first installment thereof is due. Increases in assessments shall be subject to the limitations set forth in the Declaration. The failure

of the Board to timely levy an annual assessment shall not relieve the Members of their obligation to pay said assessment when levied.

- (2) If an annual assessment proves to be insufficient, the annual budget and assessments may be amended, or a special assessment may be levied, by the Board at anytime, subject to the limitations set forth in the Declaration. The levy shall be deemed to occur upon the date specified in the resolution which fixes the assessment.
- (3) In addition to the annual assessments, the Board may levy a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any improvement upon the Property or the Common Roads; provided that any such special assessment shall have the assent of a majority of the Members who are voting in person or by proxy at a meeting duly called for this purpose.

(b) Payment

Annual assessments shall be due and payable in one annual payment to be made within thirty (30) days after the assessment is made, and special assessments shall be due when designated by the Board. All Members shall be absolutely and unconditionally obligated to pay the assessments levied pursuant to the Declaration. No Member shall have any right of withholding, offset or deduction against the Association with respect to any assessments, or related late charges or costs of collection. Any rights or claims alleged by a Member may be pursued only by separate action.

(c) Default in Payment

If any Member does not make payment on or before the date when any assessment or installment thereof is due, subject to such grace periods as may be established, the Board may assess, and such Member shall be obligated to pay, a late charge as provided in the Declaration for each such unpaid assessment or installment thereof, together with all expenses, including reasonable attorneys' fees, incurred by the Board in collecting any such unpaid assessment, as more fully set forth in the Declaration.

(d) Records

The Board shall cause to be kept at the registered office of the Association, and at such other place as the Board may determine, records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Members, names of the Members, and detailed and accurate records of the receipts and expenditures of the Association. All Association records, including receipts and expenditures and any vouchers authorizing payments, shall be available for examination by Members upon reasonable notice and during normal business hours. Separate records shall be maintained for each Voting Site setting forth the amount of the assessments against the

Voting Site, the date when due, the amount paid thereon and the balance remaining unpaid.

(e) Enforcement of Obligations

All Members and their guests are obligated and bound to observe the provisions of the Declaration, these By-laws and any rules and regulations promulgated by the Board. The Association may impose any or all of the charges, sanctions and remedies authorized by the Declaration or by law to enforce and implement its rights and to otherwise enable it to manage and operate the Association.

Section 2 - DEPOSITORIES

The depositories of the Association shall be designated by resolution of the Board of Directors.

Section 3 - EXECUTION; LOANS

All mortgages, bonds, notes, checks, other evidences of indebtedness, and other instruments as the Association may issue in the conduct of its business shall carry the signature of the President or such officer or officers or such other person or persons as the Board of Directors may from time to time determine by resolution.

No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. No authorization or consent of the Members shall be required. Such authority may be general or confined to specific instances.

Section 4 - CONTRACTS

Except as otherwise provided in the Declaration, the Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

ARTICLE VII - MISCELLANEOUS

Section 1 - SEAL

The seal of the Association shall be a flat-faced circular die of which there may be any number of counterparts with the word "SEAL" and the name of the Association engraved thereon. The seal shall be stamped or affixed to such documents as may be prescribed by law or custom or by the Board of Directors, but failure to use the Association seal shall not affect the validity of any instrument.

Section 2 - FISCAL YEAR

The fiscal year of the Association shall begin the first day of January in each year.

Section 3 - INDEMNIFICATION

(a) To the full extent permitted by law, the Association shall indemnify any director or officer of the Association against liability and expenses actually and necessarily incurred by him in connection with the defense of any action, suit, or proceeding in which he is made a party by reason of being or having been such director or officer, except in relation to matters as to which he or she shall be adjudged in such action, suit, or proceeding to be liable for misconduct in the performance of duty; but such indemnification shall not be deemed exclusive of any other rights to which such Director or officer may be entitled, under any statute, By-law, agreement, vote of the Board of Directors or Members, or otherwise. Any amendment to or repeal of this Article VII, Section 3, shall not affect any right or protection of a director or officer of the Association for or with respect to any acts or omissions of such director or officer occurring prior to such amendment or repeal.

(b) The Association may purchase and maintain insurance to indemnify it against the whole or any portion of the liability assumed by it in accordance with this Section 3 and may also procure insurance, in such amounts as the Board of Directors may determine, on behalf of any person who is or was a director or officer, of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against any liability asserted against or incurred by such person in any such capacity or arising from his status as such, whether or not the Association would have power to indemnify him against such liability under the provisions of this Section 3.

(c) In the event there has been a change in the composition of a majority of the Board of Directors after the date of the alleged act or omission with respect to which indemnification is claimed, any determination as to indemnification and advancement of expenses with respect to any claim for indemnification shall be made by special legal counsel agreed upon by the Board of Directors and the proposed indemnitee. If the Board of Directors and the proposed indemnitee are unable to agree upon such special legal counsel, the Board of Directors and the proposed indemnitee each shall select a nominee, and the nominee shall select such special legal counsel.

(d) The provisions of this Section 3 shall be applicable to all actions, claims, suits or proceedings commenced after the adoption hereof, whether arising from any action taken or failure to act before or after such adoption. No amendment, modification or repeal of this Section 3 shall diminish the rights provided hereby or diminish the right to indemnification with respect to any claim, issue or matter in any then pending or subsequent proceeding that is based in any material respect on any alleged action or failure to act prior to such amendment, modification or repeal.

(e) Reference herein to directors, officers, employees or agents shall include former directors, officers, employees and agents, and their respective heirs, executors and administrators.

(f) Expense incurred with respect to any such claim, action, suit, or proceeding referred to in this Article may be advanced by the Association prior to the final disposition thereof upon receipt of an undertaking by or on behalf of the recipient to repay such amount unless it shall ultimately be determined that he is entitled to indemnification under this Article. The rights of indemnification provided in this Article shall be in addition to any rights to which any person concerned may otherwise be entitled by contracts or as a matter of law, and shall inure to the benefit of the heirs, executors, and administrators of any such person.

ARTICLE VIII - AMENDMENTS

These By-laws may be amended, and the amendment shall be effective, upon the satisfaction of the following conditions:

(a) The amendment must be approved by Members who have authority to cast a majority of the total votes of all qualified Voting Sites in the Association, in writing or at a duly held meeting of the Members.

(b) A copy of the proposed amendment and, if a meeting is to be held, notice of such meeting, shall be sent solely by e-mail or facsimile transmission (fax) as determined by the Board of Directors. Notwithstanding, any Member may request that such Member's notices be sent to him by U.S. Mail.

(c) The amendment shall be effective on the date of approval by the required vote of the Members and need not be recorded.

(d) Following the adoption of any amendments to the Bylaws, the Board of Directors in their discretion may compile the original bylaws and amendment(s) into one cohesive document.