

BYLAWS  
OF  
VENTANA RANCH WEST  
COMMUNITY ASSOCIATION, INC.

**BYLAWS OF VENTANA RANCH WEST  
COMMUNITY ASSOCIATION, INC.**

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## **BYLAWS OF VENTANA RANCH WEST COMMUNITY ASSOCIATION, INC.**

These Bylaws are made for the purpose of managing the affairs of the Ventana Ranch West Community Association, Inc., a New Mexico nonprofit corporation, established pursuant to the Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easements For Ventana Ranch West, hereinafter referred to as "Declaration," as it may be amended and supplemented from time to time, and pursuant to the Articles of Incorporation of this Association.

### **ARTICLE I OFFICES**

**SECTION 1.01. PRINCIPAL OFFICE.** The principal office for the transaction of business of the Association is hereby fixed and located at 10 Tramway Loop, NE, Albuquerque in the County of Bernalillo, New Mexico 87122. The Board of Directors is hereby granted full power and authority to change the place of the principal office to another location within the City of Albuquerque, New Mexico.

### **A R T I C L E   I I DEFINITIONS**

**SECTION 2.01. DEFINITIONS.** The terms used herein shall have the meaning as defined in the Declaration.

### **A R T I C L E   I I I MEMBERS' MEETINGS**

**SECTION 3.01. PLACE OF MEETINGS.** Meetings of the Membership of the Association may be held at such place or places within or without the State of New Mexico as shall be fixed by the Board and stated in the Notice of Meeting.

**SECTION 3.02. ANNUAL MEETINGS.** The annual meeting of the Members shall be held on the first Tuesday of March of each year or within thirty (30) days thereof as set by the Board. So long as there is a Class II Member as defined in the Declaration, the Class II Member shall take all actions on behalf of the Association.

**SECTION 3.03. SPECIAL MEETINGS.** Notice of meetings, annual or special, shall be given in writing to Members entitled to vote by the Secretary or the Assistant Secretary, or if there be no such officer, or in a case of his neglect or refusal, by any Director or Member.

Such notices shall be sent to the Members' address appearing on the books of the Association, or supplied by him to the Association for the purpose of notice, not less than ten (10) days before such meeting.

Notice of any meeting of Members shall specify the place, the day and the hour of meeting, and in case of special meeting, in the manner provided by law, shall state the general nature of the business to be transacted.

Notice of the business to be transacted shall also be given for any meeting at which the following matters are to be considered:

1. Lease or transfer of all or substantially all of the Association's assets,
2. Merger with another corporation,
3. Amendment of the Declaration or Articles of Incorporation,
4. Dissolution of the Association, or
5. Plans for distribution of assets in connection with dissolution.

When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. When a meeting is adjourned for less than thirty (30) days, it shall not be necessary to give any notice of the adjournment or of the business to be transacted at an adjourned meeting other than by announcement at the meeting at which such adjournment is taken.

**SECTION 3.04. CONSENT TO MEMBERS' MEETINGS.** For as long as a Class II Membership exists, the presence of the Class II Member, in person or by proxy, shall constitute a quorum of the Members, regardless of the presence of any Class I Members. When the Class II Membership no longer exists, the presence in person or by proxy of a majority of the Class I Members shall constitute a quorum, except as otherwise provided by law. During the time when a Class II Membership exists, all business may be transacted provided the Class II Member is present and the meeting shall adjourn without conducting further business if the Class II Member is no longer present.

After the Class II Membership no longer exists, business may be conducted provided a quorum of the Class I Members are present in person or by proxy. At such time, if less than a quorum is represented at a meeting, a majority of the Membership so represented may adjourn the meeting from time to time without further notice. The Class I Members present at a duly organized meeting after the Class II Membership no longer exists may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

At the time when a Class II Membership exists, all decisions of the Members shall be made by the Class II Member. When a Class II Membership no longer exists, a majority of the votes cast at a duly held meeting of Members at which a quorum is present, in person or by proxy, shall be sufficient to act upon any matter which may properly come before the meeting, unless a greater vote is required by law or the Articles of Incorporation or by these Bylaws on any question; provided, however, that in elections of Directors, those receiving the greatest number of votes shall be deemed elected even though not receiving a majority.

SECTION 3.05. QUORUM OF MEMBERS. For as long as a Class II Membership exists, the presence of the Class II Member, in person or by proxy, shall constitute a quorum. After the Class II Membership no longer exists, the presence in person or by proxy of a majority of the Class I Members shall constitute a quorum.

SECTION 3.06. VOTING RIGHTS. Only Members whose names stand on the records of the Association as entitled to vote on the day of any meeting of Members, unless some other day be fixed by the Board for the determination of Members of records, then on such other day, shall be entitled to vote at such meeting.

Every Member entitled to vote shall be entitled to the votes as set out in the Declaration, except that for the election of the Directors each Member shall be entitled to a number of votes equal to the number of Directors to be elected, multiplied by the number of votes which he is entitled to vote. The Board may also establish procedures for voting by written proxy or by mail rather than at a meeting of Members.

SECTION 3.07. PROXIES. Every person entitled to vote or execute consents shall have the right to do so, either in person, or by an agent or agents authorized by written proxy, executed by such person or his duly authorized agent and filed with the Secretary of the Association before or at the time of the meeting. The manner of execution, revocation, and use of proxies shall be governed by the general provisions of law. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy.

SECTION 3.08. FIRST MEMBERS' MEETING. Notwithstanding any other provision of this Article III, the first meeting of Members, whether regular or special, shall be held within one (1) year of the approval of the Articles of Incorporation of the Ventana Ranch West Community Association, Inc.

## A R T I C L E   I V DIRECTORS; MANAGEMENT

SECTION 4.01. POWERS. Subject to the limitation of the Declaration, Articles of Incorporation, of the Bylaws and of the laws of the State of New Mexico as to actions to be authorized or approved by the Members, all corporate powers shall be exercised by or under authority of, and the business and affairs of this Association shall be controlled by, a Board.

SECTION 4.02. NUMBER OF DIRECTORS. The number of Directors of the Association shall consist of not more than five (5) persons and shall initially be three (3) persons.

SECTION 4.03. ELECTION AND TENURE OF OFFICE. So long as there exists a Class II Member, the Class II Member shall appoint the Board and determine the number of Directors up to a maximum of five (5) Directors. At the first meeting of Members after the termination of the Class II Membership, and at all subsequent annual meetings, one (1) member of the Board shall be elected to serve a one (1) year term. The remaining Members of the Board shall be elected for two (2) year terms and all subsequent elections for membership to the Board shall be for two (2) year terms. Their term of office shall begin immediately after election.

SECTION 4.04. VACANCIES. So long as there is a Class II Member, the Class II Member shall fill vacancies in the Board. Upon termination of the Class II Membership, vacancies in the Board may be filled by a majority vote of the remaining Directors, though less than a quorum, or by sole remaining Director, and each Director so elected shall hold office until his successor is elected at an annual meeting of Members or at a special meeting called for that purpose.

After termination of the Class II Membership, the Members may elect a Director to fill any vacancy not filled by the Directors and may increase or decrease the number of directors within the limits prescribed by the Bylaws, and may do so at an annual meeting or special meeting called for that purpose.

A vacancy or vacancies shall be deemed to exist in case of the death, resignation or removal of any Director, in case of an amendment to these Bylaws increasing the number of Directors, or in case the Class II Member fails to appoint, or the Members fail to elect the full number of authorized Directors.

If, after termination of the Class II Member, the Board accepts the resignation of a Director tendered to take effect at a future time, the Board, shall have the power to appoint a successor to take office when the resignation shall become effective.

No reduction of the number of Directors shall have the effect of removing any Director prior to the expiration of his term of office.

Not less than ten (10) days prior to the annual meeting, a Board meeting shall be held at which time nominations for membership on the Board will be accepted. Board nominees need not be Owners or residents of THE VENTANA RANCH WEST COMMUNITY. An Elections Committee appointed by the Board shall prepare a ballot containing all the names of qualified nominees. The election of Directors shall be by secret written ballot at the annual meeting. The Owners may cast votes, with respect to each vacancy, in accordance with the Declaration, the Articles of Incorporation, and

these Bylaws. Cumulative voting is not permitted. Those persons receiving a plurality of votes cast shall be elected.

SECTION 4.05. REMOVAL OF DIRECTORS. After termination of the Class II Membership, the entire Board or any individual Director may be removed from office by a majority vote of the quorum of Class I Members at a special meeting called for that purpose.

SECTION 4.06. PLACE OF MEETINGS. Meetings of the Board shall be held as designated for that purpose from time to time by resolution of the Board or written consent of all members of the Board. Any meeting shall be valid, wherever held, if held by the written consent of all members of the Board, given either before or after the meeting, and filed with the Secretary of the Association.

SECTION 4.07. ORGANIZATIONAL MEETINGS. The organizational meeting of the Board shall be held each year immediately following the adjournment of the annual meeting of the Members. No notice shall be required for this meeting.

SECTION 4.08. OTHER MEETINGS - NOTICE. Regular meetings of the Board shall be held immediately following the adjournment of the annual meeting of the Members and at such other times, on dates to be set from time to time by the Board.

If said day for the meetings shall fall upon a holiday, such meetings shall be held on the next succeeding business day thereafter. Notice of the time and place of annual, regular or special meetings of the Board shall be mailed or delivered to all Members, or posted in at least one (1) prominent place within Ventana Ranch West at least twenty-four (24) hours prior to such meetings, unless the meeting is of an emergency nature in which case notice to the Members is not required.

SECTION 4.09. SPECIAL MEETINGS - NOTICES. Special meetings of the Board for any purpose or purposes shall be called at any time by the President, or if he is absent or unable or refuses to act, by the Secretary at the written request of the Vice President, or by any two (2) Directors. Notice of special meetings need not state the purpose(s) thereof and may be mailed or delivered at least three (3) days before such meeting, or given by telefax or by telephone or in person at least 24 hours before such meeting.

SECTION 4.10. WAIVER OF NOTICE. When all the Directors are present at any Directors' meeting, however called or noticed, and sign a written consent thereto on the records of such meeting, or, if a majority of Directors are present, if those not present sign, in writing, a waiver of notice of such meeting, whether prior to or after the holding of such meeting, which said waiver shall be filed with the Secretary of the Association, the transactions thereof are as valid as if had at a meeting regularly called and noticed, provided that in no case shall a meeting be valid unless the notice of the meeting has been given as required by this Article.

SECTION 4.11. MEETINGS BY TELEPHONE. With the consent of all the Directors, meetings may be held by conference telephone or by other communication method which allows all Directors to have vocal communication, provided the meetings are properly noticed as required by this Article.

SECTION 4.12. NOTICE OF ADJOURNMENT. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place be fixed at the meeting adjourned.

SECTION 4.13. QUORUM AND ACTION. A majority of the number of Directors as fixed by the Articles of Incorporation or Bylaws shall be necessary to constitute a quorum for the transaction of business, and the action of a majority of the Directors present at any properly held meeting at which there is a quorum, when duly assembled, is valid as a corporate act; provided that a majority of the Directors present, in the absence of a quorum, may adjourn from time to time, but may not transact any business.

SECTION 4.14. RIGHT OF ATTENDANCE AT MEETINGS. All meetings of the Board and committees of the Board shall be open to all Members provided that Members who are not members of the Board may not participate in any deliberation or discussion unless authorized expressly by the vote of a majority of a quorum of the Board. The Board may, however, with the approval of a majority of a quorum of the Board, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, or potential litigation involving the Association, and business of a similar nature. The nature of all Business to be considered at any executive session shall first be announced in the open meeting.

SECTION 4.15. PARLIAMENTARY PROCEDURE. Meetings of Directors and Members shall be conducted under Roberts Rules of Order Revised in all cases in which they are applicable and in which they are not in conflict with these Bylaws.

## **ARTICLE V** **OFFICERS**

SECTION 5.01. OFFICERS. The executive officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer. The Association may also have, in the discretion of the Board, one or more additional vice-presidents, one or more assistant secretaries, one or more assistant treasurers, and such other officers and managers as may be appointed in accordance with the provisions of this Article and the Declaration. One person may hold two (2) or more offices, however no person may simultaneously hold the positions of President and Secretary.

SECTION 5.02. ELECTION. The executive officers of the Association, except such officers as may be appointed in accordance with the provisions of the Section headed, "Subordinate Officers, etc.," or the Section headed, "Vacancies," of this Article shall be chosen annually by the Board, and each shall hold office until he shall resign or shall be

removed or otherwise disqualified to serve, or his successor shall be elected and qualified.

SECTION 5.03. SUBORDINATE OFFICERS, ETC.. The Board may appoint such other officers as the business of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in the Bylaws or as the Board may, from time to time, determine.

SECTION 5.04. REMOVAL AND RESIGNATION. Any officer may be removed, either with or without cause, by a majority of the Directors at the time in office, at any regular or special meeting of the Board, or, except in case of an officer chosen by the Board, by any officer upon whom such power of removal may be conveyed by the Board.

Any officer may resign at any time by giving written notice to the Board or to the President, or to the Secretary of the Association. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 5.05. VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification or other cause shall be filled in the manner prescribed in the Bylaws for regular appointments to such office.

SECTION 5.06. PRESIDENT. The President shall be the Chief Executive Officer of the Association and shall, subject to the control of the Board, have general supervision, direction and control of the business and officers of the Association. He shall preside at all meetings of the Members and at all meetings of the Board. He shall be ex officio, a member of all the standing committees, including the executive committee, if any, and shall have the general powers and duties of management usually vested in the office of President of a corporation, and shall have such other powers and duties as may be prescribed by the Board or the Bylaws.

SECTION 5.07. VICE-PRESIDENT. In the absence or disability of the President, the Vice-President shall perform all the duties of the President, and when so acting, shall have all the powers of, and be subject to all the restrictions upon the President. The Vice-President shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board or Bylaws.

SECTION 5.08. SECRETARY. The Secretary shall keep, or cause to be kept, a book of minutes and a Book of Resolutions at the principal office of the Association or such other place as the Board may order, of all meetings of Directors and Members, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at Directors' meetings, the number of votes present or represented at Directors' meetings and the proceedings thereof.

The Secretary shall keep, or cause to be kept, at the principal office a register showing the names of the Members and their addresses and the number of votes held by each.

SECTION 5.09. TREASURER. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Association, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, surplus and any monies and funds handled for the Members. The books of account shall, at all reasonable times, be open to inspection by any Director.

The Treasurer shall deposit monies and other valuables in the name and to the credit of the Association with such depositories as may be designated by the Board. He shall disburse the funds of the Association as may be ordered by the Board; shall render to the President and Directors, whenever requested, an account of all his transactions as Treasurer and of the financial condition of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board or by the Bylaws.

ARTICLE VI  
**EXECUTIVE AND OTHER COMMITTEES**

SECTION 6.01. EXECUTIVE AND OTHER COMMITTEES. The Board may appoint an Executive Committee, and such other committees as may be necessary from time to time, consisting of at least two (2) of its members and with such powers as it may designate, consistent with the Declaration, the Articles of Incorporation and Bylaws and of the Nonprofit Corporation Laws of the State of New Mexico. Such committees shall hold office at the pleasure of the Board.

ARTICLE VII  
**ASSOCIATION RECORDS AND REPORTS - INSPECTION**

SECTION 7.01. RECORDS. The Association shall maintain adequate and correct accounts, books and records of its business and properties, and the business and properties of the Owners with which it is entrusted. All of such books, records and accounts shall be kept at its principal place of business in the State of New Mexico, as fixed by the Board from time to time.

SECTION 7.02. INSPECTION OF BOOKS AND RECORDS. The Membership register, books of account, Book of Resolutions, and minutes of Members' meetings or Board meetings (except for the minutes of the executive sessions) and of committees of the Members or Board shall be made available for inspection and copying by any Member of the Association or by such Member's duly appointed representative at any reasonable time at the office of the Association or at such other place within the subdivision as the Board shall prescribe, for any purpose reasonably related to the Member's interest as a Member. The Board shall establish reasonable rules as to the

notice to be given to the custodian of records by the Members desiring to make the inspection, the hours and days of the week when inspection may be made, and the cost of reproducing copies of documents requested by a Member.

SECTION 7.03. CERTIFICATION AND INSPECTION OF BYLAWS. The original or a copy of these Bylaws, as amended or otherwise altered to date, certified by the Secretary, shall be open to inspection by the Members of the Association in the manner provided by law.

SECTION 7.04. CHECKS, DRAFTS, ETC. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the Association, shall be signed or endorsed by such person or persons and in such manner as shall be determined from time to time by resolution by the Board.

SECTION 7.05. CONTRACT, INSTRUMENTS - HOW EXECUTED. After termination of the Class II Membership, the Board, except as in the Bylaws otherwise provided, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Association. Such authority may be general or confined to specific instances. Unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind the Association by any contract or engagement, or to pledge the Association's credit, or to render the Association liable for any purpose.

SECTION 7.06. ANNUAL REPORT. The Board shall cause to be prepared and sent to the Members, upon request, within ninety (90) days of the last day of the fiscal year, a balance sheet as of the last day of the fiscal year and operating (income) statement for the Association's fiscal year. The Association's fiscal year shall be a calendar year.

The operating statement shall include a schedule of assessments received and receivable identified by the Lot or Tract or other identification of the interest assessed and the names of the person or entity assessed.

The Board shall cause to be prepared and sent to the Members upon request thirty (30) days before the beginning of each fiscal year, a tentative operating statement (budget) for that year.

If, in any year, the income of the Association exceeds \$100,000.00, the Board shall employ a Certified Public Accountant to conduct an audit of the Association's fiscal transactions and shall distribute copies of the audit to any Member requesting such audit.

**ARTICLE VIII**  
**MEMBERSHIP**

**SECTION 8.01. MEMBERSHIP.** Membership is defined in the Declaration. The term, "Owner" is defined in the Declaration and shall mean as to property whose ownership gives rise to Membership in this Association the person or entity holding the beneficial ownership of the fee, including a purchaser under a contract of sale. It is the duty of each person who becomes an Owner or who ceases to become such an owner to notify the Association, in writing, within thirty (30) days, giving the date and recording date of the instrument transferring title, a copy of such instrument and addresses to which notices are to be sent. The change and transfer of Memberships shall be made in a register kept at the principal office of the Association. In the case of any dispute, the Board shall decide, pursuant to the provisions of the Declaration, who is a Member of this Association.

**SECTION 8.02. CLASSES OF MEMBERSHIP.** The Association shall have two (2) classes of Membership, Class I and Class II, as established by the Declaration.

**SECTION 8.03. VOTING RIGHTS.** Each Member shall be entitled to the votes as provided in the Declaration.

The Board may close the Membership register for a period not exceeding forty- five (45) days preceding any meeting, annual or special, of the Members and any such meeting shall be conducted and any vote taken on the basis of the Memberships shown in the register at the time of closing.

**SECTION 8.04. ASSESSMENTS.** Each Member is subject to the charges and Assessments payable to the Association as provided in the Declaration.

**SECTION 8.05. RESTRICTIONS.** The provisions relating to the Assessments; the qualifications of Members, the different classes of Membership, if any, the property, voting and other rights and privileges of Members, Assessments and dues of Members and the method of the collection of such Assessments and dues shall be as set forth in the Declaration and any amendments or supplements to the Declaration and/or the Articles. The Declaration are incorporated herein as though fully set out and shall control in the event of any conflict with the provisions of these Bylaws.

**A R T I C L E I X**  
**CORPORATE SEAL**

**SECTION 9.01. CORPORATE SEAL.** The Board shall provide a corporate seal stating the corporate name, and the state and year of incorporation, which shall be in the custody of the Secretary and shall be used as authorized by these Bylaws.

**A R T I C L E X**  
**AMENDMENTS TO BYLAWS**

**SECTION 10.01. BY MEMBERS.** For as long as a Class II Membership exists, new Bylaws may be adopted, or these Bylaws may be repealed or amended by the Class II Member. Thereafter, new Bylaws may be adopted or these Bylaws may be repealed or amended by the Members at their annual meeting, or at any other meeting of the Members called for that purpose, by a vote of fifty-five percent (55%) of a quorum of Class I Members, or by the written assent of such Members

**SECTION 10.02. RECORD OF AMENDMENTS.** Whenever an amendment or new bylaw is adopted, such amendment or new bylaw shall be maintained copied in the corporate books with the original Bylaws, in the appropriate place. If any Bylaws or Bylaw is repealed, the fact of repeal, with the date of the meeting at which the repeal was enacted or written assent was filed, shall be stated in said Book.

**A R T I C L E X I**  
**MISCELLANEOUS**

**SECTION 11.01. INDEMNIFICATION OF OFFICERS AND DIRECTORS.** Each Officer and Director of the Association shall be indemnified by the Association to the extent permitted by law against expenses and liabilities reasonably incurred by him in connection with any action, suit or proceeding, civil or criminal, which he may be a party by reason of being or having been a Director or Officer of the Association.

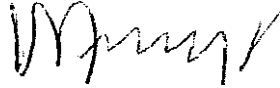
**SECTION 11.02. CONFLICT OF INTEREST.** No contract or other transaction between the Association and any of its Directors or Officers shall be void or voidable because such Director or Officer is present at a meeting which authorizes or approves the contract or transaction or because his or her vote is counted for such purposes, provided the existence of the conflict or potential conflict is disclosed to the Board in advance and provided the contract or transaction is commercially reasonable. Appointment of any officer, employee or agent of the Declarant as an officer, director, employee, or agent of the Association shall not constitute a conflict of interest for purposes of the Declarations, Articles of Incorporation, or these Bylaws.

**SECTION 11.03. DISSOLUTION PROVISION.** Upon dissolution of the Association, the Association shall, after paying or making provision for the payment of all of the liabilities of the Association, dispose of all of the assets of the Association exclusively for the purposes of the Association in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), as the Association shall determine. Any of such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the Association is then located, exclusively for such purposes or to such organization or

organizations, as said court shall determine which are organized and operated exclusively for such purposes.


**KNOW ALL MEN BY THESE PRESENTS:**

That we, the undersigned being all of the person appointed in the Articles of Incorporation to act as the first Board of Directors of Ventana Ranch West Community Association, Inc. hereby assent to the foregoing Bylaws, and adopt the same as the Bylaws of said Association.



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ROBERT M. MURPHY, PR SIDE T



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A. ANTHONY SCIARRILLO, SECRETARY