

BYLAWS OF
GROS VENTRE WEST ASSOCIATION

ARTICLE I. Offices

The registered office of the Association in the State of Wyoming shall be located at: 160 South Cache Street, Jackson, Wyoming 83001.

The registered agent of the Association in the State of Wyoming shall be A. A. Zvegintzov whose address is the same as that of the registered office.

The Association may have such other offices, either within or without the State of Wyoming, as the Board of Directors may designate or as the affairs of the corporation may require from time to time.

The registered office of the Association required by the laws of the State of Wyoming may be, but need not be, identical with the principal office in the State of Wyoming, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE II. Members

SECTION 1. Annual Meeting. The annual meeting of the members for the purpose of electing Directors and for the transaction of such other business as may come before the meeting shall be held on the second Tuesday in the month of June in each year beginning with the year 1978, at the hour of nine o'clock a.m.

If the date fixed for the annual meeting shall be a legal holiday in the State of Wyoming, such meeting shall be held on the next succeeding business day. If the election of Directors shall not be held on the day designated herein for any annual meeting of the members, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as conveniently may be.

SECTION 2. Special Meetings. Special meetings of the members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President or by the Board of Directors, and shall be called by the President upon the written request of the members who are entitled to vote two-thirds of all the votes entitled to vote at a meeting.

SECTION 3. Place of Meeting. The Board of Directors may designate any place within the State of Wyoming as the place of meeting for annual meeting or special meeting called by the Board of Directors. A waiver of notice signed by all members entitled to vote at a meeting may designate any place, either within or without the State of Wyoming, as the place for the holding of such meeting. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the registered office of the corporation in the State of Wyoming.

ARTICLE III. Board of Directors

SECTION 1. General Powers. The business and affairs of the Association shall be managed by its Board of Directors.

SECTION 2. Number, Tenure and Qualifications. The number of Directors of the Association shall be three. Provided, however, that upon the sale of 75% of the lots owned by the Developer, the number of Directors may be increased to five. Each Director shall be elected for a term of one year; provided, however, that William E. Meckem and Lorraine W. Meckem shall serve on the Board of Directors until the second regularly held annual meeting of the members. All members of the Board must be members of the Association.

SECTION 3. Regular Meetings. A regular meeting of the Board of Directors shall be held without other notice than this bylaw immediately after, and at the same place as, the annual meeting of members. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Wyoming for the holding of additional regular meetings without other notice than such resolution.

SECTION 4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or a majority of the Board. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the State of Wyoming, as the place for holding any special meeting of the Board of Directors called by them. Notice of any special meeting shall be given at least two days prior thereto by written notice delivered personally or mailed to each Director at his business address, or by telegram. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Director may waive notice of any meeting. The attendance of a Director at any 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. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

SECTION 5. Quorum. A majority of the Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

SECTION 6. Manner of Acting. 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.

SECTION 7. Vacancies. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors though less than a quorum of the Board. A Director elected to fill a vacancy shall

be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of Directors shall be filled by election at an annual meeting or a special meeting of members called for that purpose.

SECTION 8. Compensation. No Director of the Association shall be paid or receive directly or indirectly any profit or pecuniary advantage.

SECTION 9. Presumption of Assent. A Director of the Association who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

ARTICLE IV. Officers

SECTION 1. Number. The officers of the Association shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, and a Treasurer, each of whom shall be elected by the Board of Directors. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

SECTION 2. Election and Term of Office. The officers of the Association to be elected by the Board of Directors shall be elected annually by the Board at the first meeting held after each annual meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided.

SECTION 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board whenever in its judgment the best interests of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

SECTION 5. President. The President shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Association. He shall, when present, preside at all meetings of the members and of

the Board of Directors. He may sign, with the Secretary, or any other proper officer of the Association thereunto authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of the President and such other duties as may be prescribed by the Board of Directors from time to time.

SECTION 6. The Vice Presidents. In the absence of the President or in the event of his death, inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice President in the order designated at the time of their election, or in the absence of any designation, then in the order of their election) shall perform 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. Any Vice President may sign, with the Secretary or Assistant Secretary, any instruments which the Board of Directors has authorized to be signed by the President; and shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

SECTION 7. The Secretary. The Secretary shall: (a) keep the minutes of the members' and Board of Directors meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; (c) be custodian of the Association records and of the seal of the Association and see that the seal of the Association is affixed to all documents the execution of which on behalf of the Association under its seal is duly authorized; (d) keep a register of the post office address of each member; (e) have general charge of the record books of the Association; and (f) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

SECTION 8. The Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall (a) have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies or other depositaries as shall be selected in accordance with the provisions of Article V of these bylaws; and (b) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or the Board of Directors.

SECTION 9. Assistant Secretaries and Assistant Treasurers. The Assistant Secretaries, when authorized by the Board of Directors, may sign with the President or a Vice President any instrument which shall have been authorized by a resolution of the Board of Directors. The Assistant Treasurers shall

respectively, if required by the Board of Directors, give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Secretaries and Assistant Treasurers, in general, shall perform such duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the President or the Board of Directors.

SECTION 10. Compensation. No officers of the Association shall be paid or receive directly or indirectly any profit or pecuniary advantage.

ARTICLE V. Contracts, Loans, Checks and Deposits

SECTION 1. Contracts. 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 and on behalf of the Association, and such authority may be general or confined to specific instances.

SECTION 2. Loans. No loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

SECTION 3. Checks, Drafts, etc. All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents, of the Association and in such manner as shall from time to time be determined by a resolution of the Board of Directors.

SECTION 4. Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors may select.

ARTICLE VI. Assessments

SECTION 1. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the Area and in particular for the improvement and maintenance of properties, services, utilities, roads, easements, and facilities devoted to this purpose and related to the use and enjoyment of the common properties and of the homes situated within the Area, including, but not limited to, the payment of taxes and insurance thereon and repair, replacement, and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof, but excluding common elements of the water system (the System) as hereinbelow provided for and covered by separate Agreement.

SECTION 2. Basis and Maximum of Annual Assessments. Until they shall be changed as hereinafter provided, the annual assessment as relates to Section 1 immediately above shall be \$125 per developed lot and \$75 per undeveloped lot. In the event

this assessment shall fail to produce sufficient revenues, unsold lots held by the Developer shall be assessed to as to cure such shortfall, but in no event shall the assessment be greater than \$75.00 per lot. For purposes of the annual assessment, a lot shall be deemed developed at such time as ground is broken for the purposes of constructing a residence thereon. The Board of Directors of the Association may, after consideration of current maintenance costs and future needs of the Association, fix the annual assessment for any year at a lesser amount.

SECTION 3. Special Assessments for Capital Improvements. In addition to the annual assessments authorized by Section 2 of this Article and subject to the terms of that Agreement between the Developers of the Gros Ventre West Subdivision and the Bar Y Estates Subdivision as hereinbelow referred to, the Association may levy in any assessment year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of construction or reconstruction, unexpected repair or replacement of a capital improvement upon the common properties, including the necessary fixtures and personal property related thereto, upon the Board of Directors, at any duly called regular or special meeting thereof, adopting a proposal regarding such assessment, which proposal shall be submitted in writing to all the members of the Association within ten (10) days after the adoption thereof, and upon the approval in writing by two-thirds (2/3) of all the votes entitled to vote at a meeting.

SECTION 4. Change in Annual Assessments. The Association may change the maximum of the assessments fixed by Section 2 above as follows:

- A. From and after January 1 of the year immediately following the conveyance of the first lot to an owner, the maximum annual assessment may be increased each year not more than six per cent (6%) above the maximum assessment for the previous year without a vote of the membership.
- B. From and after January 1 of the year immediately following the conveyance of the first lot to an owner, the maximum annual assessment may be increased above six per cent (6%) by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy at a meeting duly called for such purpose.

SECTION 5. Commencement of Annual Assessments. The annual assessments provided for herein shall commence on the first day of July, 1978.

The first annual assessment shall be made for the balance of the calendar year, prorated according to the number of months therein remaining, and shall become due and payable on the day fixed for commencement. The Board of Directors may determine a payment schedule for said assessment other than annual; for example, semi-annually, quarterly or monthly. In any event the assessment shall be payable in advance.

The due date of any special assessment under Section 3 or for common water service as provided for herein shall be fixed in the resolution authorizing such assessment.

SECTION 6. Common Water System. Adopted as bylaws and incorporated herein by reference thereto are the relevant terms of that Agreement dated May _____, 1978, between the Developers of the Gros Ventre West Subdivision and the Bar Y Estates Subdivision, herein referred to as, "the Agreement", concerning the common elements of the water system contained within the Gros Ventre West Subdivision.

SECTION 7. Monthly Utility Fee. Until it shall be changed as hereinafter provided, the monthly assessment relating to paragraph 3 of the Agreement shall be \$6.00 per developed lot and \$3.00 per undeveloped lot. In the event this assessment shall fail to produce sufficient revenues to pay those expenses, then unsold lots held by the Developer shall be assessed so as to cure such shortfall, but no more than \$3.00 per lot. For purposes of this assessment, a lot shall be deemed developed at such time that it shall be connected to any part of the water system.

SECTION 8. Change in Water System Assessment. The Association may change the basis of the monthly water system assessment provided in Section 7 above for any period as follows:

- A. From and after January 1 of the year immediately following the conveyance of the first lot to an owner, the maximum monthly assessment may be increased each year not more than six per cent (6%) above the maximum assessment for the previous month without a vote of the membership.
- B. From and after January 1 of the year immediately following the conveyance of the first lot to an owner, the maximum monthly assessment may be increased above six per cent (6%) by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy at a meeting duly called for such purpose.

Provided, however, that only after the development of fifty per cent (50%) of the lots as defined in said paragraph 7 may the Association implement a water service fee based on individual metering, and then, only upon the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for such purpose. The Board of Directors may determine a payment schedule for said assessment other than monthly; for example, annually, semi-annually or quarterly. In any event, said assessment shall be payable in advance.

SECTION 9. Duties of the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each lot for each assessment period of at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any owner.

Written notice of the assessment shall thereupon be sent to every owner subject thereto. The Association shall upon demand at any time furnish to any owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

SECTION 10. Effect of Nonpayment of Assessment: The Personal Obligation of the Owner; the Lien; Remedies of Association. If the assessments are not paid on the date when due (being the dates specified in Section 5 hereof), then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hands of the then owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the then owner to pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them. Upon the death of the then owner during the statutory period, his personal obligation shall become a liability of his estate, payable by his personal representatives from the assets thereof.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of eight and one-half per cent ($8\frac{1}{2}\%$) per annum, and the association may bring an action at law against the owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney fee to be fixed by the court together with the costs of the action.

SECTION 11. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

SECTION 12. Exempt Property. The following property subject to these bylaws shall be exempted from the assessments, charge and lien created herein: (a) all properties to the extent of any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use; and (b) all common properties.

ARTICLE VII. Amendment

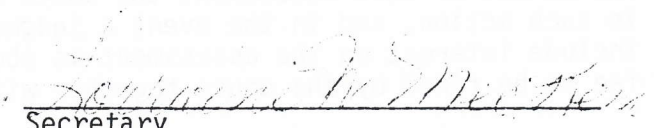
These bylaws may be amended or repealed, or new bylaws adopted, upon the vote of not less than seventy-five per cent (75%) of each class of members entitled to vote by a meeting duly called for such purpose. Any such amendment, repeal or adoption of new bylaws must be duly recorded in the Office of the County Clerk of Teton County, Wyoming.

ARTICLE VIII. Waiver of Notice

Whenever any notice is required to be given to any member or Director of the Association under the provisions of these bylaws or under the provisions of the Certificate of Incorporation or under the provisions of the Wyoming act governing nonprofit corporations, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to giving of such notice.

CERTIFICATE OF ADOPTION

The undersigned, the duly elected, qualified and acting Secretary of Gros Ventre West Association, does hereby certify that the above and foregoing bylaws were duly adopted by the Board of Directors of said Association on the 1st day of May, 1978, and are now and have been ever since said date the bylaws of said Association.


Secretary