

BYLAWS OF  
SIERRA COUNTRY ESTATES  
HOMEOWNERS ASSOCIATION

ARTICLE I

GENERAL PROVISIONS

Section 1. Name. The name of this non-stock, non-profit cooperative corporation is SIERRA COUNTRY ESTATES HOMEOWNERS ASSOCIATION ("Association"). The principal office of the Association shall be at such place in the county of Douglas, state of Nevada, as the Board of Directors may designate from time to time.

Section 2. Definitions. Unless expressly indicated to the contrary, the terms used herein shall have the following meanings:

(a) "Declaration". That certain Declaration of Covenants, Conditions and Restrictions of Sierra Country Estates Subdivision recorded in the Office of the County Recorder of Douglas County(the "Declaration").

(b) "Lot". Lot means one of the twenty-three (23) single family dwelling units designated on the map and amended map of Sierra Country Estates and is subject to the Declaration.

(c) Additional Terms. The balance of the terms defined in the Declaration shall have the same meaning when used in these Bylaws as when used in the Declaration.

Section 3. Purpose. The Association has been formed for the purposes of exercising the powers and performing the duties of the Association set forth in these Bylaws, the Articles of Incorporation of the Association and the Declaration, ensuring the Declaration conforms with Nevada law and securing fair treatment for the community as a whole pursuant to the governing documents.

Section 4. Compliance with NRS Chapter 116. To the extent these Bylaws are in conflict with the provisions of Nevada Revised Statute, Chapter 116, as amended from time to time, Nevada Revised Statute, Chapter 116, shall control.

ARTICLE II

MEMBERSHIP AND VOTING RIGHTS

Section 1. Qualifications. Each person or entity who holds an interest in a Lot shall be a Member of the Association. If an Interest is owned by more than one (1) person or entity, all such Owners shall be Members of the Association.

Section 2. Transfer of Membership. The Association membership of each Owner of an Interest in a Lot shall be appurtenant to the Interest giving rise to such membership, and shall not be assigned, transferred, pledged, conveyed or alienated in any way except upon the transfer of title or assignment of rights to acquire said Interest and then only to the transferee or assignee of said

Interest. Any transfer of an Interest shall operate automatically to transfer the membership in the Association appurtenant thereto to the new Owner.

Section 3. Voting Rights. The Association shall have one class of voting memberships. The voting rights and privileges of the Members shall be one vote per Lot.

Section 4. Joint Owner Disputes. The vote for each Lot may be cast only as a unit, and fractional votes shall not be allowed. In the event that joint Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any Owner or Owners cast a vote representing a certain Interest in a Lot, it will thereafter be conclusively presumed for all purposes that he or they were acting with the authority and consent of all other joint Owners of the same Interest. If more than one Owner votes separately, the votes of the joint Owners shall be void.

Section 5. Members' Rights and Duties. Each Member shall have the rights, duties and obligations set forth in these Bylaws and the Articles, as the same may be amended from time to time.

### ARTICLE III

#### MEMBERSHIP ASSESSMENTS, LIEN RIGHTS AND FINES

Section 1. Assessments. Assessments shall be paid by the Members of the Association to the Association at the time, in the manner and subject to the conditions and limitations set forth NRS Chapter 116, and the Board shall fix, levy, collect and enforce such assessments at the time, in the manner and subject to the limitations set forth in NRS Chapter 116.

Section 2. Enforcement, Lien Rights. For the purpose of enforcing and collecting assessments, the Association shall have the lien rights set forth in NRS Chapter 116, which lien rights shall be enforceable by the Board in the manner set forth in NRS Chapter 116.

Section 3. Fines. For the purposes of enforcing the provisions of the Articles, Declaration, these Bylaws and any Rules and Regulations adopted by the Board, the Board may impose fines upon the Members for a violation of any such documents pursuant to the provisions of NRS Chapter 116.

### ARTICLE IV

#### MEMBERSHIP RIGHTS AND PRIVILEGES

Section 1. Rights and Privileges of Members. No Member shall have the right, without the prior approval of the Board, to exercise any of the powers or to perform any of the acts delegated to the Board by these Bylaws. Each Member shall have all of the rights and privileges including, but not limited to, property rights and rights to access over, and use and enjoyment of the Common Areas.

Section 2. Rules. Upon notice and meeting, the Board may establish rules, regulations and prerequisite conditions to the use of the Common Areas and facilities thereon. All the rules and regulations adopted pursuant to this Section 2 shall hereinafter be referred to as the "Rules and Regulations."

Section 3. Architectural and Landscape Rules. From time to time and in its sole discretion, the Board shall adopt, amend and repeal by unanimous vote rules and regulations to be known as "Architectural and Landscape Rules" interpreting and implementing the provisions of the Declaration and setting forth in detail the fees to be charged for the procedures to be followed in submitting proposals to the Board and the design and construction criteria that such proposals must satisfy. A copy of the Architectural and Landscape Rules shall be maintained at the office of the Association and shall be available for inspection and copying by any Member at any reasonable time during the business hours of the Association.

Section 4. Suspension of Voting Rights. After the meeting of the Board, the Board shall have the right to suspend the voting rights of any Member or Members for the period during which any assessment owned by such Member(s) remains unpaid and delinquent or for a period not to exceed thirty (30) days for any other failure to comply with the governing documents by any Owner.

## ARTICLE V

### MEMBERS' MEETINGS

Section 1. Place of Meeting. All meetings of the Members shall be held in the county of Douglas, state of Nevada.

Section 2. Annual Meetings of Members. The first annual meeting of the Association shall be held no later than one (1) month following the formation of the Association with the Nevada Secretary of State. At the first annual meeting, and at all subsequent annual meetings which shall be held each year in the same month in which the first annual meeting was held, a Board shall be elected by the Members in accordance with the requirements of these Bylaws. The Members may also transact such other business of the Association as may properly come before them at such annual meeting.

Section 3. Special Meetings. Special meetings of the Members, for any purpose or purposes whatsoever, may be called at any time by the President of the Association or by the vote of a majority of the Board, or by Members representing ten percent (10%) or more of the total voting power of Members, provided, no special meeting may be held or called prior to the first annual meeting. Except in the cases where another express provision is made by statute or these Bylaws, notice of such special meetings shall be given in the same manner as for annual meetings. Notices of any special meeting shall specify in addition to the place, day and hour of such meeting, the general nature of the business to be transacted.

If a special meeting is called by Members, the request shall be submitted by such Members in writing, specifying the general nature of the business proposed to be transacted, and shall be delivered personally or sent by registered mail to the President, any Vice-President or the Secretary of the Association. The officer receiving the request shall cause notice to be promptly given to the Members entitled to vote, that a meeting will be held, and the date for such meeting, which date shall not be less than fifteen (15) nor more than sixty (60) days following the receipt of the request.

Section 4. Notice of Meeting. Written notice of all meetings shall be given to each Member. All such notices of any meeting shall be sent to each Member not less than fifteen (15) and not more than sixty (60) days before such meeting, and shall specify the place, the day and the hour of such meeting and shall include an Agenda for the meeting.

Whenever the Members are required or authorized to take any action at a meeting, the written notice of such meeting shall be signed by the Secretary of such other person(s) as the Directors shall designate.

Section 5. Manner of Giving Notice. Notice of any meeting of the Members shall be given either personally or by mail, postage prepaid, addressed to each Member either at the address of the Member appearing on the books of the Association or the address given by the Member to the Association for the purpose of notice. If no address appears on the Association's books and no other has been given, notice shall be deemed to have been given if notice is sent to that Member at the mailing address of the Lot owned by the Member. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail. An affidavit of mailing or other means of giving any notice of any Members' meeting may be executed by the Secretary, or any other party of the Association giving the notice, and if so executed, shall be filed and maintained in the minute book of the Association.

Section 6. Proxies. Every Member entitled to vote or execute consents shall have the right to do so either in person or by an Agent or Agents authorized by a written proxy executed by such Member or his duly authorized Agent.

Section 7. Quorum. The presence either in person or by proxy at a Members' meeting of Members representing and entitled to cast not less than thirty percent (30%) of the voting power of the Association shall constitute a quorum for any action by the Members, unless a different requirement is imposed by these Bylaws, the Articles or the Declaration and a majority of those votes present either in person or by proxy at a meeting at which a quorum is present shall prevail at such meetings unless a different percentage is required by or permitted to be taken by these Bylaws or the Articles. Unless otherwise expressly authorized by these Bylaws, all action required or permitted to be taken by the Members may be taken only at a duly called and properly noticed annual or special meeting at which a quorum is present. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members so that less than a quorum is present if any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum. If any meeting cannot be held because a quorum is not present, a majority of the Members present either in person or by proxy and entitled to vote, may adjourn the meeting to a time not less than forty-eight (48) hours nor more than thirty (30) days from the time the original meeting was called at which meeting the quorum requirements shall be twenty percent (20%) of the Members representing and entitled to cast votes. If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to Members in the manner prescribed in Section 5 of Article V hereof.

## ARTICLE VI

### DIRECTORS

Section 1. Number, Term of Office. The initial Board of Directors shall be a three (3) member Board. At the first annual membership meeting, the Members shall elect three (3) Directors, one (1) of whom shall hold office for one (1) year; and two (2) of whom shall hold office for two (2) years. At each annual meeting of the Members thereafter, the Members shall elect a new Director to fill each vacancy created by the expiration of a prior Director's term of office. Such new Directors shall serve for a term of two (2) years or until the later election of their successors.

Section 2. Qualifications. The Directors shall be Members in good standing of the Association. For the purposes of this paragraph, a candidate shall not be deemed to be in good standing if the candidate has any unpaid and past due assessments or penalties that are required to be paid to the Association.

Section 3. Removal. The entire Board or any individual Director may be removed from office, with or without cause, at any duly called, noticed and held special meeting of the Members, by a majority of the total votes cast by secret written ballot.

In the event that any member of the Board shall be absent from four (4) consecutive regular meetings of the Board of Directors, the Board may, by action taken at the meeting during which said fourth (4th) absence occurs, declare the office of said absent Director to be vacant.

Section 4. Place of Meeting. All meetings of the Board shall be held in the county of Douglas, if possible.

Section 5. Meetings of the Board. Immediately following the first (1st) annual meeting and each annual meeting of the Members, the Board shall hold a regular annual meeting at the same place for the purpose of organization, election of officers and the transaction of other business. In addition to the regular annual meetings of the Board described in the preceding sentence, the Board shall hold regular meetings every ninety (90) days.

Section 6. Special Meetings. Meetings of the Board for any purpose or purposes may be called by written notice at any time by the President, or if the President is absent or unable or refuses to act, by any Vice-President, or by any two (2) Directors.

Section 7. Notice of Meeting. Notice of the time and place of all meetings and in the case of special meetings of the nature of any special business to be considered shall be given to each Member. Written notice shall be given to Members by first-class mail at least ten (10) days prior to the scheduled time of such meeting. For special meetings notice shall be given to Members at least fifteen (15) days prior to the meeting. Notice of the time and place of all meetings of the Board shall be posted at a prominent place or places within the Common Areas.

Section 8. Quorum. A bare majority of the Board shall constitute a quorum thereof. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present, in person, by proxy or by telephone, shall be regarded as an act of the Board.

Section 9. Committees. The Board shall have the power to appoint committees, each committee to consist of at least one Director, and to delegate to such committees any of the powers and authority of the Board in the management of the business and affairs of the Association.

Section 10. Powers and Duties. Subject to the limitations of the Articles, these Bylaws and the provisions of the Non-Stock, Non-Profit Cooperative Corporation Law of the State of Nevada as to action required to be taken, authorized or approved by the Members of the Association, or a portion or percentage thereof all Association powers and duties shall be exercised by, or under the authority of the Board, and the business and affairs of the Association shall be controlled by the Board. The Board shall have the power to enter into agreements in the name and on behalf of the Association for the operation, repair, and maintenance of the Common Area.

Section 11. Open Meetings. The following provisions shall be operable with respect to open meetings:

(a) All meetings of the Board shall be open to all Members of the Association provided, however, that Members who are not on the Board may not participate in any deliberation or discussion unless expressly so authorized by the vote of a majority of a quorum of the Board. Any Member may request to be and shall be connected to a meeting by telephone conference call. If the number of Members requesting such connection make the telephone conference call impractical or impossible, a telephone conference meeting may not be held.

(b) The Board may, with the approval of a majority of a quorum of its members, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 12. Vacancies. If the office of any Director becomes vacant by reason of death, resignation, removal, disqualification, or otherwise, the directors may by vote of a majority of a quorum choose a successor or successors who shall hold office for the unexpired term. If there be less than a quorum of the Directors but at least two Directors at the time in office, the Directors may by a majority vote choose a successor or successors who shall hold office for the unexpired term. Vacancies in the Board of Directors may be filled for the unexpired term by the Members at a meeting called for that purpose, unless such vacancy shall have been filled by the Directors. Vacancies resulting from an increase in the number of Directors may be filled in the same manner.

## ARTICLE VII

### OFFICERS

Section 1. Enumeration of Officers. The officers of the Association shall be a President, a Secretary and a Treasurer, and such other officers as the Board may deem necessary. Officers shall be Directors.

Section 2. Subordinate Officers. The Board may appoint, and may authorize the President or another officer to appoint, any other officers that the business of the Association may require, each of whom shall have the title, hold office for the period, have the authority, and perform the duties specified in these Bylaws or determined from time to time by the Board.

Section 3. Election. The initial officers shall be chosen by a majority vote of the Directors at the first meeting of the Board, and thereafter, officers shall be chosen, removed or replaced at any subsequent meeting of the Board by a majority vote of the total number of Directors on the Board.

Section 4. Term. All officers shall hold office at the pleasure of the Board, but in no event shall any term of office exceed one (1) year. Officers may be elected for consecutive terms.

Section 5. Resignation of Officers. Any officer may resign at any time by giving written notice to the Association. Any resignation shall be affective at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the

acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Association under any contract to which the officer is a party.

Section 6. President. The President shall be the chief executive officer of the Association and shall, subject to the control of the Board, have supervision, direction and control of the business and affairs 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 standing committees, and shall have the general powers and duties of management usually vested in the office of President of a Nevada non-stock, non-profit cooperative corporation, and shall have such powers and duties as may be prescribed by the Board or by these Bylaws.

Section 7. Secretary. The Secretary shall keep or cause to be kept, a book of minutes at the principal office 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 persons present at the Directors' meetings, the number of Members present or represented at Members' meetings and the proceedings thereof.

The Secretary shall give, or cause to be given, notice of all the meetings of the Members and the Board as required by the Bylaws or by law to be given, and shall have such other powers and perform such other duties as may be prescribed by the Board or the Bylaws.

The Secretary shall keep, or cause to be kept, at the principal office, as determined by resolution of the Board, a record of the Members, showing the names of all Members, their addresses, and the class of membership held by each.

The Secretary shall be responsible for preparing, executing, certifying and recording any amendments to the Declaration on behalf of the Association.

Section 8. Treasurer The Treasurer shall keep and maintain, or cause to be kept or 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 and surplus. The books of account shall at all times be open to inspection by any Director. The Treasurer shall deposit all 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 they request it, an account of all of 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 the Bylaws. The Board may delegate the performance of the foregoing duties, subject to the supervision by the Treasurer, to the Managing Agent retained by the Association.

Section 9. Vacancies. If the office of any officer becomes vacant by reason of death, resignation, removal, disqualification, or otherwise, the Directors may by vote of a majority of a quorum choose a successor or successors who shall hold office for the unexpired term. If there be less than a quorum of the Directors, but at least two Directors at the time in office, the Directors may by a majority vote choose a successor or successors who shall hold office for the unexpired term.

## ARTICLE VIII

INDEMNIFICATION OF DIRECTORS, OFFICERS,  
EMPLOYEES, AND OTHER AGENTS

Section 1. Definitions. For the purposes of this Article,

(a) "Agent" means any person who is or was a Director, officer, employee, or other agent of this Association, or is or was serving at the request of this Association as a Director, officer, employee, or Agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise;

(b) "Proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative or investigative, and

(c) "Expenses" includes, without limitation, all attorneys' fees, costs, and any other expenses incurred in the defense of any claims or proceedings against an Agent by reason of his position or relationship as Agent and all attorneys' fees, costs, and other expenses incurred in establishing a right to indemnification under this Article.

Section 2. Successful Defense by Agent. To the extent that an Agent of this Association has been successful on the merits in the defense of any proceeding referred to in this Article, or in the defense of any claim, issue, or matter therein, the Agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection with the claim. If an Agent either settles any such claim or sustains a judgment rendered against him, then the provisions of Sections 3 through 5 shall determine whether the Agent is entitled to indemnification.

Section 3. Actions Brought by Persons Other Than Association. Subject to the required findings to be made pursuant to Section 5 below, this Association shall indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding (other than an action brought by, or on behalf of, this Association) by reason of the fact that such person is or was an Agent of this Association, for all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with the proceeding.

Section 4. Action Brought By or on Behalf of the Association.

(a) Claims settled out of court. If any Agent settles or otherwise disposes of a threatened or pending action brought by or on behalf of this Association, with or without approval, the Agent shall receive no indemnification for either amounts paid pursuant to the terms of the settlement or other disposition or for any expenses incurred in defending against the proceeding.

(b) Claims and suits awarded against Agent. This Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit brought by or on behalf of this Association by reason of the fact that the person is or was an Agent of this Association, for all expenses actually or reasonably incurred in connection with the defense of that action, provided that both of the following are met:

(i) The determination of good faith conduct required by Section 5, below, must be made in the manner provided for in that Section; and

(ii) Upon application, the court in which the action was brought must determine that, in view of all of the circumstances of the case, the Agent should be entitled to



indemnity for the expenses incurred. If the Agent is found to be so entitled, the court shall determine the appropriate amount of expenses to be reimbursed.

Section 5. Determination of Agent's Good Faith Conduct. The indemnification granted to an Agent in Sections 3 and 4, above, is conditioned on the following:

(a) Required standard of conduct. The Agent seeking reimbursement must be found, in the manner provided below, to have acted in good faith, in a manner he believed to be in the best interest of the Association, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use in similar circumstances. Should the Agent have acted with wilful or wanton misfeasance or with gross negligence a presumption shall occur that the Agent was not acting in good faith. The termination of any proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or in a manner which he reasonably believed to be in the best interest of this Association or that he had reasonable cause to believe that his conduct was unlawful. In the case of a criminal proceeding, the person must have had no reasonable cause to believe that his conduct was unlawful.

(b) Manner of determination of good faith conduct. The determination that the Agent did act in a manner complying with subparagraph (a) above shall be made by:

(i) The Board by a majority vote of a quorum consisting of Directors who are not parties to the proceeding; or

(ii) If a quorum of disinterested Directors so orders, by independent legal counsel in a written opinion; or

(iii) If such a quorum of disinterested Directors cannot be obtained, by independent legal counsel in a written opinion; or

(iv) The affirmative vote or written ballot of a majority of the votes of the Members represented and voting at a duly held meeting with the persons to be indemnified not being entitled to vote thereon; or

(v) The court in which the proceeding is or was pending. Such determination may be made on application brought by this Association or the Agent or the attorney or other person rendering a defense to the Agent, whether or not the application by the Agent, attorney or other person is opposed by this Association.

Section 6. Limitations. No indemnification or advance shall be made under this Article, except as provided in Sections 2 or 5(b)(v), in any circumstance when it appears:

(a) That the indemnification or advance would be inconsistent with a provision of the Articles, a resolution of the Members, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 7. Advance of Expenses. Expenses incurred in defending any proceeding may be advanced by this Association before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the Agent to repay the amount of the advance unless it is determined ultimately that the Agent is entitled to be indemnified as authorized in this Article VIII.

Section 8. Contractual Rights of Non-Directors and Non-Officers. Nothing contained in this Article shall affect any right to indemnification to which persons other than Directors and officers of this Association, or any subsidiary hereof, may be entitled by contract or otherwise.

Section 9. Insurance. The Board may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any Agent of the Association against any liability asserted against or incurred by the Agent in such capacity or arising out of the Agent's status as such, whether or not this Association would have the power to indemnify the Agent against the liability under the provisions of this Section.

## ARTICLE IX

### MISCELLANEOUS

Section 1. Contracts, Etc., How Executed. The Board, except as otherwise provided in these Bylaws, may authorize any officer or officers, Agent or Agents, to enter into any contract or execute any instrument in the name and on behalf of the Association, and such authority may be general or confined to specific instances; and unless so authorized by the Board, no officer, Agent or employee shall have any power or authority to bind the Association by a contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount. The Board may contract with the owners of any neighboring property for the apportionment of costs related to Common Area which is jointly used by the Members and neighboring property owners.

Section 2. Inspection of Bylaws. The Association shall keep at its principal office, the original or a certified copy of the Articles and Bylaws as amended to date, which shall be open to inspection by the Members at all reasonable times during office hours.

Section 3. Fiscal Year. The fiscal year of the Association shall be from January 1 through December 31 of each year.

Section 4. Maintenance and Inspection of Other Corporate Records. The accounting books, records and minutes of proceedings of the Members and the Board of any committee(s) of the Board shall be kept at such place or places designated by the Board, or in the absence of such designation, at the principal office of the Association. The minutes shall be kept in written or typed form, and the accounting books and records shall be kept either in written or typed form or in any other form capable of being converted into written, type or printed form. The minutes and accounting books and records shall be open to inspection by any Member in good standing upon at least five (5) days written demand. Such Member is entitled to inspect in person or by Agent or attorney, during normal business hours, the books of account and all financial records of the Association, to make extracts therefrom, and to conduct an audit of such records; provided, (i) all cost of making extracts of record or conducting an audit shall be borne by such Member, and (ii) the foregoing inspection and audit rights may be denied to any Member upon his refusal to furnish the Association an affidavit that such inspection, extracts or audit is not desired for any purposes not related to his Interest in the Association as a Member and that such information will not be used for commercial purposes.

Notwithstanding any of the foregoing provisions, (a) the minutes, accounting books and records shall be open to inspection on the authenticated written demand of any Member, at any reasonable time during usual business hours, for a purpose reasonably related to the Member's interest as a Member; (b) the inspection may be made in person or by an Agent or attorney, and shall include the right to copy and make extracts; (c) the Board shall establish reasonable rules with respect to (i) notice to be given to the custodian of the records by the Member desiring to make the inspection, (ii) hours and days of the week when such an inspection may be made, and (iii) payment of the cost of reproducing copies of documents requested by a Member; and (d) every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association, which right includes the right to make extracts and copies of documents. The Association may require that the Member agree in writing not to use, or allow the use of, information from the membership register for commercial or other purposes and for violation of such prohibition pay a penalty of Five Dollars (\$5.00) per individual name and/or address improperly disclosed.

Section 5. Report to Members. The Association shall provide to the Members any reports required by NRS Chapter 116.

## ARTICLE X

### EVIDENCE OF MEMBERSHIP, SEAL

Section 1. Evidence of Membership. The Board may issue or cause the issuance of a certificate of membership in the Association to the Members in such form as the Board shall determine.

Section 2. Seal. The Association may have a seal in circular form having within its circumference the name of the Association, its date of incorporation and such other matter as may be determined by the Board.

## ARTICLE XI

### AMENDMENTS, CONFLICTS

Section 1. Amendments. These Bylaws may be amended from time to time in accordance with either of the following provisions:

(a) Any amendment hereto shall require at least the vote or written consent of fifty-one percent (51%) of the total voting power of the Members such vote to be certified by the Secretary.

(b) The percentage of the voting power of the Association and of Members required to amend any specific clause or provisions herein shall not be less than the percentage of affirmative votes or written consents prescribed for any action to be taken under that clause or provisions.

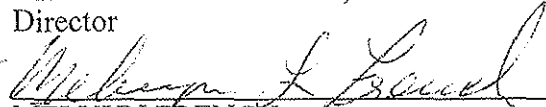
Section 2. Conflicts. In the event of any inconsistency between these Bylaws and the Articles, the Articles shall control.

IN WITNESS WHEREOF, we, being all of the Directors of SIERRA COUNTRY ESTATES HOMEOWNERS ASSOCIATION, have hereunto set our hands this 28 day of

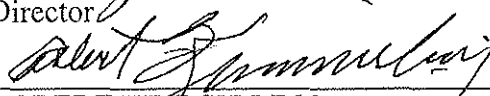
February, 2008<sup>9</sup>

  
\_\_\_\_\_

STEPHEN TRACKMAN,  
Director

  
\_\_\_\_\_

MELVYN FRENCH,  
Director

  
\_\_\_\_\_

ROBERT KIMMERLING,  
Director

This is to Certify:

That I am the Secretary of SIERRA COUNTRY ESTATES HOMEOWNERS ASSOCIATION, a Nevada non-stock, non-profit cooperative corporation, and that the above and foregoing Bylaws were adopted by the Board of Directors at a meeting held Feb. 28 2008 2008.

IN WITNESS WHEREOF, I have hereunto set my hand this 28<sup>th</sup> day of February, 2008.

  
\_\_\_\_\_

ROBERT KIMMERLING, Secretary