

PAJARITO ACRES HOME OWNERS ASSOCIATION, Inc.
BYLAWS
Approved September 1, 2014

The affairs of the Pajarito Acres Home Owners Association, Inc., a New Mexico nonprofit corporation, shall be administered and regulated pursuant to the following Bylaws, to-wit:

PREFACE
DEFINITIONS

Section 1. "ASSOCIATION" means and refers to The Pajarito Acres Home Owners Association, Inc., its successors and assigns.

Section 2. "BOARD" means the Board of Directors of the Association.

Section 3. "DECLARATION" means the Protective Covenants for Pajarito Acres Subdivision filed for record in the records of Los Alamos County, New Mexico, and any supplemental or amended declaration related thereto.

Section 4. "LOT" or "HOMESITE" means any one of the lots designated on the plats of Pajarito Acres Subdivision filed for record in the Office of the County Clerk of Los Alamos County, New Mexico.

Section 5. "MEMBER" means and refers to every person or entity that holds membership in the Association as defined in Article V of the Articles of Incorporation filed with the State of New Mexico.

Section 6. "OWNER" means and refers to the record owner, whether one or more persons or entities, of equitable title, or legal title if equitable and legal title have merged, of any Lot.

Section 7. "REGULATIONS" means rules promulgated by the board from time to time in the manner permitted by the Articles of Incorporation and the Bylaws of the Association.

ARTICLE I
MEETINGS

Section 1. Place of Meeting. Any and all meetings of the members and of board of directors, of the corporation will be held within Los Alamos County in the State of New Mexico, except pursuant to a bylaw or resolution adopted by the board of directors or majority vote of a quorum of the membership.

Section 2. Annual Meeting of Members. An annual meeting of the members shall be held each year during the month of August, one of the purposes of which shall be the election of board of directors.

Section 3. Notice of Annual Meeting of Members. At least 10 and not more than 30 days prior to the date fixed by Section 2 or this Article for the holding of the annual meeting of members, notice of the time and place of such meeting shall be mailed as hereinafter provided to each member entitled to vote at such meeting. Notices of the meeting shall state the purpose or the meeting as far as known.

Section 4. Delayed Annual Meeting. If for any reason the Annual meeting of the members shall not be held on the day hereinbefore designated, such meeting shall be called on the earliest convenient date thereafter and held as a special meeting, provided, however, that the notice of such meeting shall be the same as herein required for the annual meeting, namely not less than 10 nor more than 30 days notice.

Section 5. Order of Business at Annual or Delayed Annual Meeting. In the absence of any objection, the presiding officer may vary the order of business at discretion.

- (a) Roll Call
- (b) Reading notice and proof of mailing or publication
- (c) Reading minutes of last preceding meeting
- (d) Report of president
- (e) Report of secretary
- (f) Report of treasurer
- (g) Election of directors
- (h) Transaction of other business mentioned in the notice or from the floor which will include requests for recommendation of members for Architectural Control and Covenants Committee
- (i) Adjournment

Section 6. Special Meetings of Members. A special meeting of the members may be called at any time by the president, or by a majority of the board of directors, or by five members of the membership. The method by which such meeting may be called is as follows: upon receipt of a specification in writing setting forth date and objects of such proposed special meeting, signed by the president, or by a majority of the board of directors, or by five members of the membership, the secretary or an assistant secretary shall prepare, sign and mail the notices requisite to such meeting. Such notice may be signed by stamped, typewritten or printed signature of the secretary or of an assistant secretary.

Section 7. Notice of Special Meeting of Members. At least 10 days and no more than 30 days prior to the date fixed for the holding of any special meeting of members, written notice of the time and place and purposes of such meeting shall be mailed, as hereinafter provided to each member entitled to vote at such meeting. No business not mentioned in the notice shall be transacted at such meeting.

Section 8. Organization Meeting of Board. The first meeting of a newly elected board of directors shall be held within thirty (30) days of election at such place as shall be fixed by the directors at the meeting at which such directors were elected. The first order of business at this meeting will be electing officers.

Section 9. Regular Meetings of the Board. Regular meetings of the board of directors shall be held not less frequently than once a month at such time and place as the board or directors shall from time to time determine. No notice of regular meetings of the board shall be required.

Section 10. Special Meetings of the Board. Special meetings of the board of directors may be called by the president or a majority of the board of directors at any other time by means of such written notice by mail of the time, place and purpose thereof to each director as the president or the aforesaid directors shall deem sufficient, but action taken at any such meeting shall not be invalidated for want of notice if such notice shall be waived as hereinafter provided.

Section 11. Notices and Mailing. All notices required to be given by any provision of these bylaws shall state the authority pursuant to which they are issued (as, "by the president", or "by order of the board of directors", or "by order of the membership", as the case may be) and shall bear the written, stamped, typewritten or printed signature of the secretary, or acting secretary.

Every notice shall be deemed duly served when the same has been electronically mailed with return receipt requested to the email address on file with the Association or deposited in the United States mail, with postage fully prepaid, plainly addressed to the sendee at his or her last address appearing upon the membership record of this Association. It is the responsibility of the membership to keep their email addresses and physical mailing addresses up to date with the Association. Failure on the part of the member to keep these addresses current with the Association does not constitute failure on the part of the Association with regard to proper notification of that member.

All references to "mail" in these bylaws are defined to be either by USPS or electronic mail.

Section 12. Waiver of Notice. Notice of the time, place and purpose of any meeting of the members or of the board of directors, may be waived by any writing either before or after such meeting has been held.

ARTICLE II QUORUM

Section 1. Quorum of Members. Presence in person or by proxy of members representing at least 15% of the voting rights of this Association shall constitute a quorum at any meeting of the members. All proxies recorded with the Association count towards the quorum.

Section 2. Quorum of Directors. At least fifty percent of the directors shall constitute a quorum.

ARTICLE III VOTING, ELECTIONS AND PROXIES

Section 1. Who is Entitled to Vote. Each homesite in the Pajarito Acres development provides one vote and each member is presumed to have one vote, but in the case of joint owners, a joint owner may elect to independently exercise their pro rata fraction of the vote and the remaining

joint owners may exercise the remainder of such vote. Such vote may be made in person or by proxy.

Section 2. Proxies. No proxy shall be deemed operative unless and until signed by the owner in good standing and filed with the Secretary of the corporation at least three days before the specified meeting. Proxies will be of the "General" type giving the person holding the proxy the right to vote as the holder sees fit on all issues and motions based on information discussed in the meeting. Proxies will be valid only for the specified meeting designated therein and must be carried by a member in good standing.

Section 3. Limits on Voting Proxies. No lot may vote by proxy for more than five (5) additional lots. Proxies are not transferable.

ARTICLE IV BOARD OF DIRECTORS

Section 1. Number and Terms of Directors. The business, property and affairs of the corporation shall be managed by a board of directors of seven persons who shall be members of this Association. Each director shall hold office for the term to which he is elected and until his successor is elected and qualified.

Section 2. Classification of Directors. At the first annual meeting of the members, the members of the board of directors shall be divided into two classes. The members of the first class shall be three in number and shall initially hold office for a term of one year; the members of the second class shall be four in number and hold office for two years. At all annual elections thereafter, directors shall be elected by the members for a term of two years to succeed the directors whose term then expires; provided that nothing herein shall be construed to prevent the election of a director to succeed himself. If the number of directors is increased, the two classes and the number elected at annual elections shall be increased equally.

Section 3. Vacancies. Vacancies in the board of directors shall be filled by appointment made by the remaining directors. Each person so appointed to fill a vacancy shall remain a director until his successor has been elected by the members, who may make such election at their next annual meeting or at any special meeting duly called for that purpose and held prior thereto.

Section 4. Action by Unanimous Consent. If and when all the directors shall severally or collectively consent in writing to any action to be taken by the Association, such action shall be a valid Association action as though it had been authorized at a meeting of the board or directors.

Section 5. Power to Make Bylaws. The membership shall have power to make or alter any bylaw or bylaws, including the fixing and altering of the number of directors.

Section 6. Power to Elect Officers. The board of directors from among their number shall elect a president, a vice president, a secretary and a treasurer.

Section 7. Power to Appoint Other Officers and Agents. The board of directors shall have power to appoint other officers and agents as the board may deem necessary for transaction of the business of the Association. Such appointed officers and agents may be removed by the board of directors whenever in the judgment of the board the best interests of the Association will be served thereby.

Section 8. Power to Fill Vacancies. The board shall have power to fill any vacancy in any office.

Section 9. Delegation of Powers. For any reason deemed sufficient by the board of directors, whether occasioned by absence or otherwise, the board may delegate all or any of the powers and duties of any officer to any other officer or director, but no officer or director shall execute, acknowledge or verify any instrument in more than one capacity.

Section 10. Power to Appoint Executive Committee. The board of directors shall have power to appoint by resolution an executive committee composed of two or more directors who, to the extent provided in such resolution shall exercise the authority of the board of directors in the management of the business of the Association between meetings of the board.

Section 11. Power to Appoint Committees. The board of directors shall appoint an Architectural Control and Covenants Committee, and special nominating committees and may appoint such other committees, standing or special, from time to time, from the membership including the board members and confer powers on such committees and revoke such powers, and with the exception of the Architectural Control and Covenants Committee and the special nominating committees, terminate the existence of such committees at pleasure. It may also terminate at will the term of individual members.

a) The Architectural Control and Covenants Committee. The board of directors shall be guided by recommendations of the membership in the selection of members of the Architectural Control and Covenants Committee. Such recommendations shall be determined by majority vote of the membership provided a quorum is present, at the annual or any special meeting for the purpose. This committee will consist of three or more members appointed for a term of one year. Any incumbent may be reappointed to succeeding terms.

b) The Nominating Committee. A nominating committee shall present the names of at least a sufficient number of nominees for the board of directors to fill all terms due to expire or be vacated at the annual meeting. The nominating committee will notify all members by mail of the slate of nominees for the board of directors not later than 10 days before the annual meeting. Nominations from the floor for the board of directors will be accepted at the annual meeting.

A nominating committee shall present to the membership by mail not later than 10 days before the annual meeting the names of at least a sufficient number of nominees for the position of member of the Architectural Control and Covenants Committee to fill all terms due to expire or be vacated at the annual meeting. Nominations from the floor will be accepted for the Architectural Control and Covenants Committee at the annual meeting.

Section 12. Power to Require Bonds. The board of directors may require any officer or agent to file with the Association a satisfactory bond conditioned for faithful performance of his duties.

Section 13. Compensation. The compensation of directors, officer and committee members may be fixed by the membership. The compensation of employees or agents may be fixed by the board.

Section 14. Removal of Directors by Membership. Any one or more directors may be removed either with or without cause at any time by vote of membership holding more than a majority of the total vote of the total membership at any special meeting called for that purpose.

Section 15. Limitation on Powers of the Board. The board of directors shall be limited in the making of contracts or other commitments to the expenditures of funds not exceeding 90% of the funds in the treasury, nor make any contract otherwise binding on the membership except as empowered by the membership in special or annual meetings after notice of the pending transaction has been given the membership as herein before provided.

ARTICLE V OFFICERS

Section 1. Officers and Election of Officers. The officers of the organization shall consist of a president, vice president, secretary, and treasurer. The officers are to be elected after each annual meeting by the majority vote of the board of directors, and must be members of the board of directors.

Section 2. Duties of Officers.

a) President. The president shall preside at all meetings of the Association and at all meetings of the board of directors. The president shall enforce due observance of the constitution and bylaws and shall conduct orderly meetings in accordance with Roberts Rules of Order. The president shall perform duties as directed by the Association or the board of directors, or as the office may require. The president shall be an ex-officio member of all committees.

b) Vice President. In the absence of the president, the vice president shall perform the duties of the president. Otherwise, the vice president shall provide assistance in conducting the affairs of the Association as requested by the president.

c) Secretary. The secretary shall keep a complete and accurate record of the proceedings of the meetings of the Association and of the meetings of the board of directors. The secretary shall maintain a file of the correspondence of the Association and shall, in general, perform all the duties incident to the office of Secretary.

d) Treasurer. The treasurer shall receive all money belonging to the Association and shall keep an accurate record of all receipts and expenditures. The treasurer shall report verbally the state of the treasury at each meeting of the board of directors and to the membership at least once each year by a written report. The treasurer shall make no payments except as authorized in the budget or in the minutes of the board of directors. The treasurer shall submit the financial records to the board of directors for audit at the end of each fiscal year. The treasurer shall also keep an accurate record of all members of the Association, showing the name and residence of each.

ARTICLE VI
EXECUTION OF INSTRUMENTS

Section 1. Checks, etc. All checks, drafts and orders for payment of money shall be signed in the name of the Association and shall be signed by the president or treasurer or such other officers or agents as the board of directors shall from time to time designate for that purpose.

ARTICLE VII
MEMBERSHIP AND DUES

Section 1. Membership. Persons eligible for membership are:

- a) Class A subscribers of the Pajarito Acreage Development Association, Inc. having paid all calls on their stock subscription;
- b) Persons owning a homesite in Pajarito Acres;
- c) Persons leasing a homesite in Pajarito Acres and having a proxy granted by the owner; and
- d) Persons having a contract of sale of a homesite in Pajarito Acres with the Pajarito Acreage Development Association, Inc., its successors, or assigns, or with the prior owner of such homesite.

Section 2. Dues. The dues of all members shall be the sum of twenty five (25) dollars (unless another amount is decided upon at the annual meeting) payable on the first day of September in each year. Such dues are for the benefit and use of the Association and its membership and has no relation of any kind to any other funds such as assessments against property to which the Association shall be entitled by virtue of contract, succession or agency.

Section 3. Default in Payment of Dues. Any member in default in payment of dues shall be ipso facto suspended from all privileges of membership and if, after notice, such default be not cured within a period of ninety (90) days, the membership of such member shall automatically cease and terminate. A member may be readmitted to membership by written request and submission of current dues.

Section 4. Collection Fees. The delinquent homeowner is responsible for all expenses incurred by the Association required to collect dues in default. If a lien is filed on the delinquent property, the homeowner is responsible for all filing fees.

ARTICLE VIII
AMENDMENT OF BYLAWS

Section 1. Amendments. How Effected. These bylaws may be amended, altered, added to or repealed by the affirmative vote of a majority of the quorum, voting in person or by proxy, at any regular or special meeting of the members if notice of the proposed amendment, alteration, change, addition, or repeal be contained in the notice of the meeting. Nothing in the foregoing shall permit

such amendment of the bylaws as would eliminate the Architectural Control and Covenants Committee.

Effective 09-01-2014

Approved at PAHOA Annual Meeting August 17, 2014

Signed: *Alan Sumner* Office: President Date: 10/07/2014

Signed: *Wang Mc Taylor* Office: Vice President Date: 2/26/2015

Signed: *John R. Bartlett* Office: Secretary Date: 1/06/2015

Signed: *Richard D. Frost* Office: Treasurer Date: 10/17/2014

Signed: *Janet R. Hall* Office: Board Member Date: 10-07-2014

Signed: *Wendell T. Sanderford* Office: Board Member Date: 10-07-2014

Signed: *Ver' Christina* Office: Board Member Date: 1/06/2015