Timberon Property Owners Association

P.O. Box 129 • Timberon, New Mexico 88350 • 505-987-2250

ARTICLE I

OFFICES

The Timberon Lodge at Timberon, New Mexico is designated the principal office location. The corporation may have such other offices, either within or without the State of New Mexico, as the Board of Directors may determine or as the affairs of the corporation may require.

The corporation shall have and continuously maintain in the State of New Mexico a registered office which is the same as the principal office.

ARTICLE II

MEMBERS

Section 1. Classes of Members. The corporation shall have three classes of members.

A. General Membership. One general membership shall be issued to one of the buyers or assignees of each lot in the Timberon Subdivision, including any subdivision designated as Sacramento Mountain Ranches, Sacramento River Estates, Timberon, Timberon Commercial or Timberon Golf Course, but excluding lots in Timberon Recreational Vehicle Park, and excluding lots used for timesharing purposes. Each such general membership shall entitle the owner and his or her spouse and unmarried children under the age of twenty-one years to the privileges of year-round use of the facilities of the Association.

B. Recreational Vehicle Park Membership. One recreational vehicle park membership shall be issued to one of the buyers of each undivided interest in the Timberon Recreational Vehicle Park. Each such membership shall entitle the owner and his or her spouse and any unmarried children under the age of twenty-one years to the privileges of year-round use of the facilities of the Association

C. Timesharing Membership. One timesharing membership shall be issued to one of the buyers of each timesharing interest in property located in the Timberon Subdivision designated by North American Land Developments, Inc., as timesharing. Each such membership shall entitle the owner and his or her spouse and any unmarried children under the age of twenty-one years to the privilege of the use of the facilities of the Associaion during his or her use of the timesharing facility

Section 2. Voting Rights

A. Each general membership shall be entitled to one vote per lot owned or under purchase contract by said member.

B. Each recreational vehicle park membership shall be intitled to 0.333 vote per undivided interest owned or contracted to be purchased in the Timberon Recreational Vehicle Park by said member.

C. Each timesharing membership shall be entitled to 0.166 vote per timesharing interest owned or contracted to be purchased by

said member.

Section 3. Termination of membership. The Board of Directors, by vote of two-thirds of all members of the Board, may suspend or expel a member for cause after an appropriate hearing.

Section 4. Resignation(Deleted March 1,1980).

Section 5. Effect of termination of Membership. The termination of membership of any member shall operate to forfeit all privileges of membership and all of the rights or privileges therefore existing and all right to the use of any property belonging to the Timberon Property Owners Association shall cease. Termination of membership shall not release any right or lien the Association may have against the property of the person whose membership is terminated for the non-payment of dues, maintenance or charges. The payment of any such dues, charges or maintenance fees shall not give the member any rights of ownership in or to the Club property.

Section 6. Transfer of Membership. If the ownership of any Timberon real estate is sold or assigned, the membership shall be transferred to the vendees or assignees. The seller or assignor will notify the T.P.O.A. principal office without delay and will provide that office with the membership certificate and the name and address of the new owner. A new certificate of membership shall then be issued. Transfer of membership in any other way shall be null and void.

Owners of tracts for which provisions are made in the appropriate restrictive covenants for subdividing the tract will notify the T.P.O.A. principal office of any subdivided lot sales or assignment of ownership. The notification will include the date of the sale or assignment of ownership and the name and address of the purchaser or assignee. Purchasers or assignees of these subdivided lots will not be charged the initial membership in the Association provided that membership is established as of the date of purchase or assignment. Annual membership dues will be due as of the date of purchase or assignment.

Section 7. An initiation fee, when required will be in an amount established by the Board of Directors and will be payable to the Association.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meeting. An annual meeting of the members shall be held at the Timberon Lodge at 1:00 local time on the last Saturday in October. The election of Directors shall be held by mail ballot as soon as practicable after the day designated for any annual meeting. The Secretary shall certify the election of new directors as of January 1 immediately there-following, and the Board of Directors shall then cause the election of officers to be held at a special meeting of the Board of Directors as soon thereafter as conveniently may be set.In regard to the election of officers, Article IV of the by-laws shall be followed in its entirety from Section 1 to Section 9, inclusive.

Section 2. Special Meetings. Special meetings of the members may be called by the President, the Board of Directors, or not less than one-tenth of the members having voting rights.

Section 3. Place of Meeting. The place of meeting shall be

Timberon in the State of New Mexico, for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be Timberon Headquarters of the corporation in the State of New Mexico; but if all the members shall meet at any time and place, either within or without the State of New Mexico, and consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any corporation action may be taken.

Section 4. Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of members shall be delivered either personally or by mail, to each member entitled to vote at such meeting, not less than ten nor more than fifty days before the date of such meeting by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting. In cases of a special meeting or when required by Statute or by these by-laws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the corporation, with postage thereon prepaid.

Section 5. Informal Action by Members. Any action required by law to be taken at a meeting of the members, or any action which may be taken at a meeting of members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the members entitled to vote with the respect to the subject matter thereof.

Section 6. Quorum. A majority of the shares entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of the members. A quorum, once attained at a meeting shall be deemed to continue until adjournment. If a quorum is present the affirmative vote of the majority of the shares represented at the meeting and entitled to vote on the subject matter shall be the act of the members.

Section 7. Proxies. At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution. All proxy forms will be dated and will state the specific matter or matters to be voted on. Mailing of proxies will be done through the T.P.O.A. principal office at petitioners' expense. Proxies shall be counted and certified by the Secretary at least 24 hours in advance of any meeting in which proxies may be used.

Section 8. Voting by mail. Where Directors or Officers are to be elected by members of any class or classes of members, such election will be conducted without notice other than these by-laws, without delay, and by mail, in such manner as the Board of Directors shall determine. A standard ballot form approved by the Board of Directors shall be used for voting by mail. Ballots submitted on any other form will be invalid.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. General Powers. The affairs of the corporation shall be managed by its Board of Directors. Directors need not be residents of the State of New Mexico.

Section 2. Number, Tenure, and Qualifications. The number of Directors shall be seven. The terms of the Directors shall be four years. Each Director shall hold office until his successor shall have been elected and qualified. Beginning January 1, 1980, in no year shall more than three Directors be elected.

Section 3. So long as the majority of members of the Timberon Property Owners Association are not legal residents of Timberon subdivision, Otero County, New Mexico, and so long as the Board of Directors be seven in number, at least three members of the board will be non-residents and at least three members of the board will be residents. Residency is defined as location of legal voter registration at the time of nomination to the Board.

Section 4. Regular Meetings. A regular annual meeting of the Board of Directors shall be held without other notice than this by-law, 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 New Mexico, for the holding of additional regular meetings of the Board without other notice than such resolution.

Section 5. Special Meetings. Special meetings of the Board of Directors may be called by, or at the request of the Pesident or any four Directors. The person or persons authorized to call special meetings of the Board may fix any place, either within or without the State, as the place for holding any special meeting of the Board called by them.

Section 6. Notice of Special Meetings. Seven days' notice shall be given prior to Special Meetings of the Board of Directors. Such notice will be written and delivered personally or sent by mail or telegram to each Director at his address as shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope 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. The business to be transacted at the meeting shall be specified in the notice.

Section 7. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board, but if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 8. Manner of Acting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these by-laws.

Section 9. Vacancies. Any vacancy occuring in the Board of Directors shall be filled by election of a new director by the Board. A director shall be elected to fulfill the unexpired term of his predecessor in office.

Section 10. Compensation. Directors as such shall not receive any stated salaries, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at such regular meetings of the Board, but nothing herein contained shall be construed to preclude any Director from serving the corporation in any other capacity and receiving compensation therefor.

ARTICLE V

OFFICERS

Section 1. Officers. The officers of the corporation shall be a President, one or more Vice Presidents(the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer and such other officers as may be elected in accordance with the provisions of this article. The Board of Directors may appoint such other officers as it shall deem desirable. 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 Board of Directors shall be elected annually by the Board. New offices may be created and filled at any meeting of the Board of Directors. Each elected officer shall hold office until his successor shall have been duly elected.

Section 3. Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgement the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer 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 corporation and shall in general supervise and control all of the business and affairs of the corporation. He shall preside at all meetings of the members and of the Board of Directors. He shall sign, with the Secretary, or with any other proper officer of the corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors shall have authorized to be executed, except in cases where signing and execution thereof shall be expressly delegated by the Board of Directors or by these by-laws or by statute to some other officer or agent or the corporation; and in general he 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. Vice President. In the event of the Presidents inability or refusal to act, the Vice President(or in the event there be more than one Vice President, the Vice Presidents 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 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. Treasurer. If required by the Board of Directors, the Treasurer shall be provided a bond for the faithful discharge of his duties in such sum and with such sureties as the Board of Directors shall determine. He shall have charge and custody of and be responsible for all funds and securities of the corporation, the receipts for monies due and payable to the corporation from any source whatsoever, and for the deposit of all such monies in the name of the corporation in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Article VII of these by-laws; and for the investment of corporate funds as specifically approved by the Board of Directors; and in general perform all the duties incident to the office of the Treasurer 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. Secretary. The Secretary shall keep the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these by-laws or as required by law; be custodian of the corporate records and of the seal of corporation and see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these by-laws; keep a register of the post office address of each member which shall be furnished to the Secretary by such member, and in general perform all duties incident to the Office of the Secretary 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 Treasurers and Assistant Secretaries If required by the Board of Directors, the Assistant Treasurers shall 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 Treasurers and the Assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer or the Secretary or by the President or by the Board of Directors.

SECTION 10. The General Manager is designated an officer of the corporation. Such officer is authorized to conduct business on behalf of the Treasurer in the matter of handling Association funds.

ARTICLE VI

COMMITTEES

Section 1. Committees of Directors. The Board of Directors, by resolution adopted by a majority of the Directors in office may designate one or more committees, each of which shall consist of on or more Directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the corporation; but the designation of such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Diector, of any responsibility imposed upon it or him by law.

Section 2. Other Committees. Other Committees not having and execising the authority of the Board of Directors in the management of the corporation may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committees shall be members of the corporation, and the President of the corporation shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgement the best interests of the corporation shall be served by such removal.

Section 3. Term of office. Each member of a committee shall continue as such until the next annual meeting of the members of the corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

Section 4. Chairman. One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

Section 5. Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner made in the same manner as provided in the case of the original appointments.

Section 6. Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 7. Rules. Each committee may adopt rules for its own government not inconsistent with these by-laws or with rules adopted the Board of Directors

ARTICLE VII

CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these by-laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, Etc. All checks, drafts, or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or offices, agent or agents of the corporation, and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the corporation.

Section 3. Deposits. Funds of the corporation may be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may select.

Section 4. Investments. Funds of the corporation may be invested to the credit of the corporation in such securities as may be specifically approved by the Board of Directors.

Section 5. Gifts. The Board of Directors may accept on behalf of the corporation ay contribution, gift, bequest, or devise for the general purposes or for any special purpose of the corporation.

ARTICLE VIII

CERTIFICATES OF MEMBERSHIP

Section 1. Certificates of Membership. The Board of Directors shall provide for the issuance of certificates evidencing membership in the corporation, which shall be in suc form as may be determined by the Board. Such certificates shall be signed by an officer of the Board of Directors as directed by the Board. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the corporation.

Section 2. Issuance of Certificates. Certificates of membership will be issued in the purchaser's or assignee's name and forwarded to the purchaser or assignee by the Secretary upon the acquisition of Timberon property and payment of initial fees or

dues.

ARTICLE IX

BOOKS AND RECORDS

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the corporation may be inspected by any member, or his agent or attorney for any proper purpose at any reasonable time.

ARTICLE X

FISCAL YEAR

Section 1. The fiscal year of the corporation shall begin on the first day of January and end on the last day of December in each year.

Section 2. An annual budget shall be presented as close as practicable to the start of the fiscal year. Once adopted the budget may not be changed without the consent of five of the seven board members.

ARTICLE XI

DUES

Section 1. Dues. The Board of Directors may determine from time to time the amount of initiation fees, if any, and dues payable to the corporation by members of each class.

Section 2. Payment of Dues. Dues shall be payable in advance on the date specified by the Board of Directors and set forth in a proper notice to the member.

Section 3. Default and Termination of Membership. When any member shall be in default in the payment of dues for a period of six months, a membership may thereupon be terminated by the Board of Directors in a manner provided in Article II of these by-laws. The corporation shall, however, have a lien against the property of the member for the non-payment of the said dues, which right of lien shall be in addition to any other rights accorded by the Statutes of the State of New Mexico. Such lien shall be foreclosed in the manner provided by the Statutes of the State of New Mexico for foreclosure of materialmen's liens.

ARTICLE XII

SEAL

The Board of Directors shall provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the corporation, Timberon Property Owners Assocition,

and the words "Corporate Seal."

ARTICLE XIII

WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the Non-Profit Corporation Act of New Mexico, or under provisions of the Articles of Incorporation or by the by-laws of the corporation, 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 the giving of such notice.

ARTICLE XIV

AMENDMENTS TO BY-LAWS

These by-laws may not be altered, amended or repealed or new by-laws adopted except by the approval of five of the seven members of the Board of Directors at a regular or special meeting called for that purpose.

BEFORE ME, the undersigned authority, on this day personally appeared J. F. LEARY, known to me to be the General manager, of Timberon Property Owners Association who, on his oath stated that he is the General Manager, of the above named corporation, and he acknowledged to me that the above and foregoing By-Laws of Timberon Property Owners Association is a true and correct copy of said By-Laws in effect for said corporation on this date.

General Manager

SUBSCRIBED AND SWORN TO before me, on 12th day of August, A.D., 1986.

Notary Public

STATE OF NEW MEXICO
OTERO COUNTY
FILED FOR RECORD IN THE OFFICE
This 19 day of August 86
At 11:00 o'clock A M. and duly recorded
in Book No. 603 Page 686-694
the records of Otero County, New Mexico.
Andrew C. Wyntram
County Clerk, Otero County, New Mexico
Robyn M. Curry
Deputy

5939

OFFICIAL SEAL
Signature: Dorma Lee Wheeler
DORMA LEE WHEELER
NOTARY PUBLIC - NEW MEXICO
NOTARY BOND FILED WITH SECRETARY OF STATE
My Commission Expires 6-12-89