

BY-LAWS

OF SANTA CALIFORNIA SUBDIVISION, UNITS 14 & 15

ARCHITECTURAL COMMITTEE AND HOMEOWNER'S ASSOCIATION

ARTICLE I

Location of Office

The principle office of the SANTA CALIFORNIA SUBDIVISION, UNITS 14 & 15 ARCHITECTURAL COMMITTEE AND HOMEOWNER'S ASSOCIATION ("Association") in the State of New Mexico shall be located in Rio Arriba County, New Mexico. The Association may have such other offices, either within or without the State of New Mexico as the business of the Association may require from time to time.

ARTICLE II

Objective and Dedication

The Association is organized and incorporated under the laws of the State of New Mexico to conduct a community service organization to promote the common good and general welfare of the community within the meaning of Section 501 (c)(4) of the Internal Revenue Code of 1986, as amended, without profit to any officer or director, and is dedicated to the following objective:

The specific purposes for which the Association is organized is to maintain and improve the roads leading to and within Units 14 and 15 of the Santa California Subdivision, maintain and improve the common areas of the development, and enforce the covenants of the subdivision.

ARTICLE III

Membership

Section 1. Qualifications of Members: Landowners of Units 14 and 15 of the Santa California Subdivision in good standing are members of the SANTA CALIFORNIA SUBDIVISION, UNITS 14 & 15 ARCHITECTURAL COMMITTEE AND HOMEOWNER'S ASSOCIATION ("Association"). Membership is mandatory for landowners whose property was previously owned by Anneliese Simpson, Jerome Willis, Gerald and/or Mary Lou Boies on June 14, 2001. Landowners of property not previously owned by Anneliese Simpson, Jerome Willis, Gerald and/or Mary Lou Boies may Opt-In to membership but are not required to do so. "Good Standing" means that member landowners must be current in their property taxes and Association dues, fees, and emergency assessments and in compliance with all applicable covenants and restrictions.

Section 2. Membership Dues: Dues shall be established by resolution of the Board of Directors (“Board”) in an amount reasonably necessary to maintain and improve the roads leading to and within Units 14 and 15 of the Santa California Subdivision, maintain and improve the common areas of the development, enforce the covenants of the subdivision, and meet administrative costs for the Board and its subcommittees. Dues shall be assessed on a per membership basis no matter how many acres a member owns.

Section 3. Membership Votes: Dependent on the amount of land a member owns, in matters requiring approval by the membership, property owners in good standing are entitled to the following number of votes:

* 0 to less than 10 acres has one (1) vote.

* 10 acres to less than 20 acres has two (2) votes.

* 20 acres and greater than 20 acres has three (3) votes.

- (Note: Joint Tenants and Tenants in Common are required to vote as a block)

ARTICLE IV

Board of Directors

Section 1. Management. The Board of Directors manage, direct, and control the activities and affairs of the Association and shall exercise all the powers that may be exercised or performed by the Association under the laws of the State of New Mexico and the United States, these Bylaws, and the Articles of Incorporation.

Section 2. Number and Tenure. Directors are elected by the simple majority of Members at the Annual Meeting of Directors. The Board of Directors shall consist of three (3) members. Each Director shall hold office for a term of not less than one (1) nor more than two (2) years. Directors may be elected to successive terms. Each Director shall hold office for the term for which he is elected or until his successor shall have been elected and qualified. Directors need not be full-time residents of New Mexico, however, they must be part-time residents of New Mexico for at least 6 months of any year.

Section 3. Vacancies. Any vacancy or vacancies created by the death, removal, resignation or incapacity to act of any Director before the expiration of such Director’s term, or by amendment of these Bylaws, may be filled at any meeting of the Board by a majority of the Directors present. A director elected to fill a vacancy shall hold office until the next annual meeting of the Board or until election and qualification of a successor.

Section 4. Resignations and Removal. Any Director may resign at any time by giving written notice of such resignation to the Secretary of the Association. Unless otherwise specified in the notice, such resignation shall take effect on receipt thereof by the Secretary. Any Director may be removed at any time by a vote of two-thirds (2/3) of the remaining Directors. A Director who fails to attend three (3) consecutive meetings of the Board may be removed by a majority vote of the remaining Directors.

Section 5. Compensation. The Directors shall not receive compensation for their services as such, but the Board of Directors may authorize reimbursement for expenses incurred by Directors in connection with the performance of their duties.

ARTICLE V

Meeting of the Board of Directors

Section 1. Annual, Regular and Special Meetings. An annual meeting of the Board will be held on the last month of each year for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. Regular meetings shall be held every quarter. The quarterly regular meeting will be determined at the preceding quarterly meeting. Special meetings of the Board may be called by the President, the Secretary, or one-third (1/3) of the Board on not less than ten (10) days' notice, given by mail, email, or telephone. Notice of special meetings shall state the purposes thereof. All meetings of the Board shall be held at such a place as shall be designated in a notice of the meeting and shall be open to attendance by the membership.

Section 2. Quorum. At any meeting of the Board of Directors of the Association, the presence of a majority of the Directors in person or by proxy shall be necessary to constitute a quorum for all purposes, and the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the full Board of Directors.

Section 3. Action Without a Meeting. Any action required or permitted to be taken by the Board or any committee thereof may be taken without a meeting if all the members of the Board consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the members of the Board shall be filed with the minutes of the proceedings of the Board.

Section 4. Participation by Telephone. Any one or more members of the Board may participate in a meeting of the Board by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at the meeting.

ARTICLE VI

Committees of the Board of Directors

Section 1. Executive Committee. The Board of Directors, by resolution adopted by a majority of the full Board of Directors, may designate an Executive Committee of no less than two (2) nor more than three (3) members, these being the President, and additional Directors who shall be appointed by the President and confirmed by the Board of Directors. Between meetings of the Board of Directors, the Executive Committee shall have and exercise the authority of the Board of Directors and the management of the Association, except as to the election or removal of officers or Directors, the amendment or repeal of these Bylaws or any matters concerning which the Board of Directors is required to act by law or by the Articles of Incorporation or by these Bylaws.

The Executive Committee shall consult with and advise the Board of Directors on all matters pertaining to the affairs of the Association and shall have and exercise such specific power and perform such specific duties as prescribed by these Bylaws or as the Board of Directors shall from time to time prescribe or direct. The Executive Committee may act by a majority of its members at a meeting or by a writing or writings signed by all of its members. All action taken by the Executive Committee shall be reported to the Board at its next meeting and shall be subject to ratification by the Board.

Section 2. Other Committees. Other committees, such as a Road Maintenance Committee or Architectural Review Committee may be appointed by the president with the concurrence of the Board of Directors, as may be deemed desirable for the proper administration and operation of the Association. Each such committee shall serve at the pleasure of the Board of Directors and shall be subject to the control and direction of the Board of Directors. All actions by any such committee shall be subject to revision and alteration by the Board of Directors provided that no rights of third persons shall be adversely affected by such revision or alteration. Any action or authorization of an act by any such committee within the authority delegated to it by the resolution establishing it shall be as effective for all purposes as the act or authorization of the Board of Directors. Any such committee may act by a majority of its members at a meeting or by a writing or writings signed by all of its members.

ARTICLE VII

Officers

Section 1. Officers of the Association. The officers of the Association shall consist of the President, one or more Vice-Presidents, the Treasurer, and the Secretary, who shall be members of the Board of Directors. The officers shall be elected and qualified. Any officer may succeed himself. If the office of any of the officers should become vacant for any reason, the Board shall, by a majority of those present at any regular or properly called special meeting, elect a successor to fill the vacancy for the unexpired term. Any officer may be removed by the affirmative vote of the majority of the Directors present at any regular or properly call special meeting of the Board. Any two or more offices may be held by the same person.

Section 2. Powers and Duties. The powers and duties of the officers shall be as follows:

- (A) President. The President shall be the chief executive officer and the Financial and Fiscal officer of the Association; shall be empowered to handle all transactions of the Association; shall have general supervision of the affairs of the Association and of the other officers; and shall sign all written contracts of the Association. He shall be an ex officio member of all committees, and shall preside at all meetings of the Board of Directors.

- (B) Vice-President. The Vice-President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President and shall perform such other duties as the Board of Directors or the President shall prescribe. In the event the Board of Directors determines that the business of the Association requires more than one Vice-President, the Board shall designate one as Executive Vice-President, who shall have the powers and duties specified above, and the remaining Vice-Presidents shall have such powers and perform such duties as may be assigned to them by the Board of Directors or the President. In the absence or disability of the President and Executive Vice-President, the Vice-President designated by the Board of Directors or the President shall perform the duties and exercise the powers of the President.

- (C) Treasurer. The Treasurer shall have custody of all monies and securities of the Association; shall keep books of accounts; and shall submit them, together with all vouchers, receipts, records, and other papers, to the Directors or for their examination and approval as often as they may require; shall perform all other duties as are incidental to such office and shall perform the duties delegated to the Treasurer by the President.

- (D) Secretary. The Secretary shall attend all sessions of the Board of Directors and record, or cause to be recorded, all votes and minutes of all proceedings in a book to be kept for such purpose, and shall perform like duties for the standing committees when requested. The Secretary shall give or cause to be given notice of all meetings of the Directors, and shall perform such duties as may be prescribed by the Board of Directors, or by the President, under whose supervision the Secretary shall be, and shall perform such other duties as are incidental to the office.

Section 3. Subordinate Officers and Agents. The Board of Directors may appoint or may authorize the President to appoint subordinate officers and agents who shall have such powers and duties as may be prescribed by the Board.

Section 4. Compensation of Officers. Compensation of the officers of the Association, if any, shall be fixed by the Board of Directors and shall be commensurate with the duties performed and the time devoted to the affairs of the Association by said officers. A member of the Board of Directors shall not participate or vote in fixing his or her compensation as an officer or employee of the Association.

Section 5. Vacancies. Any vacancy which may occur in any of the elective offices shall be filled by election of the Board to serve until the next annual meeting of the Board or until his successor shall have been duly elected an qualified.

Section 6. Resignation and Removal of Officers. Any officer may resign by a notice in writing to the President or the Secretary. The acceptance of any such resignation, unless required by the terms thereof, shall not be necessary to make the same effective. Any officer may be removed at any time with or without cause by majority vote of the Directors, provided there is a quorum of not less than a majority of the entire Board present at the meeting at which such action is taken.

ARTICLE VIII Dissolution

On dissolution or final liquidation of the Association, the Board of Directors shall, after paying and making provision for the payment of all liabilities of the Association, distribute all of the assets of the Association, exclusively for the purposes of the Association in such manner, or to such organization or organizations organized and operated exclusively for charitable and educational purposes, as shall at that time qualify as an exempt organization or organizations under Section 501(c)(4) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal laws, as the Board of Directors shall determine. Any such assets not so distributed shall be distributed by a court of competent jurisdiction exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE IX General Provisions

Section 1. Authority to Sign Contracts and Checks. The persons authorized to sign contracts and to sign, endorse and otherwise execute checks, drafts, notes, orders, or other instruments for the payment of money issued by or to the Association shall be designated by appropriate resolutions of the Board.

Section 2. Fiscal Year. The fiscal year of the Association shall be the twelve-month period ending December 31 of each year, or such period as the Directors may establish.

Section 3. Loans. No loans shall be contracted on behalf of the Association unless authorized by the Board of Directors.

ARTICLE X Indemnification

Indemnification shall be provided to all officers and Directors of the Association to the full extent permitted by law.

ARTICLE XI
Amendments

The Bylaws of the Association may be amended at any time by the affirmative vote of the majority (51%) of the membership (in good standing). Members must be notified of the subjects of the amendment or amendments acted upon to be considered, and such notice, along with the proposed amendment or amendments, shall be provided to each member. Said notice may not be waived.

Adopted _____.

President – Michael Stotts

Vice President – Sherry Malone

Secretary – Cindy Valdez