

# **SPRING CREEK ASSOCIATION BYLAWS**

REVISED AND RESTATED EFFECTIVE  
THE \_\_\_\_ DAY OF \_\_\_\_\_, 2008

## TABLE OF CONTENTS

<u>Page</u>	<u>Description</u>
I	TITLE PAGE
ii	TABLE OF CONTENTS
1	<b>ARTICLE I        Principal and Other Offices of the Association</b>
1	Section 1.1.    Offices of the Association
1	<b>ARTICLE II       Resident Agent of the Association</b>
1	Section 2.1.    Resident Agent
1	<b>ARTICLE III      Association Membership</b>
1	Section 3.1.    Member
2	Section 3.2.    Membership and Transfer
2	<b>ARTICLE IV       Member Meetings</b>
2	Section 4.1.    Annual Meeting of Members
3	Section 4.2.    Special meetings of members
3	Section 4.3.    Local and Social Meetings of Members
3	Section 4.4.    Place of Meeting of Members
3	Section 4.5.    Notice of Meeting of Members
4	Section 4.6.    Limits on Notice and Voting
4	Section 4.7.    Quorum for Meetings of Members
4	Section 4.8.    Voting of Members
4	<b>ARTICLE V        Board of Directors</b>
4	Section 5.1.    General Powers
4	Section 5.2     Number
5	Section 5.3     Election of Directors
5	5.3.a.        Representation
5	5.3.b.        Candidates
6	5.3.c.        Voting Tabulation
6	5.3.d.        Election of Area Directors
6	5.3.e.        Election of At-Large Directors
6	Section 5.4.    Regular Meetings
6	Section 5.5.    Special Meetings
6	Section 5.6.    Consent in Lieu of Meeting
7	Section 5.7.    Notice
8	Section 5.8.    Quorum
8	Section 5.9.    Vacancies
8	5.9.a.        Appointment

8	5.9.b.	Increase in Number of Directors
9	5.9.c.	Resignations or Removal of Directors
9	5.9.d.	Director Removal by Board of Directors
9	5.9.e.	Director Removal by Members
9	5.9.e.1.	Director Removal Petition
9	5.9.e.2.	Action by President or Secretary upon receipt of Removal Petition
10	5.9.e.3.	Notice of Member Meeting
10	5.9.e.4.	Member Meeting
11	Section 5.10.	Tenure and Qualifications
11	Section 5.11.	Powers
11	Section 5.12.	Duties
11	5.12.a.	Records and Financial Information
11	5.12.b.	Supervise Officers
12	5.12.c.	Operation of Amenities
12	Section 5.13.	Director Salaries and Expenses
12	<b>ARTICLE VI</b>	<b>Member Voting, Proxies and Validation of Elections</b>
12	Section 6.1.	Voting by Members
12	6.1.a.	Polling Places and Ballot
12	6.1.b.	Mail Ballots
13	Section 6.2.	Proxies
13	Section 6.3.	Required Votes to Validate Election
13	<b>ARTICLE VII</b>	<b>Officers</b>
13	Section 7.1.	Number
13	Section 7.2.	Selection and Term of Office
13	Section 7.3.	Removal
13	Section 7.4.	Vacancies
14	Section 7.5.	President
14	Section 7.6.	Vice-President
14	Section 7.7.	Secretary
14	7.7.a.	Keep Minutes
14	7.7.b.	Give Notices
14	7.7.c.	Custodian of Association Records
14	7.7.d.	Official Membership List
14	7.7.e.	Make Certain Records Available for Inspection
15	7.7.f.	Perform duties of Secretary
15	7.7.g.	Assume duties of President
15	Section 7.8.	Treasurer
15	7.8.a.	Custody of Funds and Securities of Association
15	7.8.b.	Receive monies and pay obligations

15	7.8.c.	Perform duties of Treasurer
15	7.8.d.	Assume duties of Secretary
15	Section 7.9.	Salaries
16	<b>ARTICLE VIII</b>	<b>Miscellaneous Provisions</b>
16	Section 8.1.	Contracts
16	Section 8.2.	Loans
16	Section 8.3.	Checks, Drafts, Etc.
16	Section 8.4.	Deposits
16	Section 8.5.	Governing Law
16	Section 8.6.	Titles and Headings
16	Section 8.7.	Partial Invalidity
17	Section 8.8.	Cumulative Remedies
17	Section 8.9.	Entire Agreement
17	Section 8.10.	Successors and Assigns
17	Section 8.11.	Waiver
17	<b>ARTICLE IX</b>	<b>Fiscal Year</b>
17	Section 9.1.	Fiscal Year
18	<b>ARTICLE X</b>	<b>Notice</b>
18	Section 10.1.	Waiver of Notice
18	<b>ARTICLE XI</b>	<b>General Improvement District</b>
18	Section 11.1.	Formation of General Improvement District
18	<b>ARTICLE XII</b>	<b>Amendment of Bylaws</b>
18	Section 12.1.	Modifications and Revisions to Bylaws
18	<b>ARTICLE XIII</b>	<b>Conflicts in Controlling Documents</b>
18	Section 13.1.	Declaration of Reservations Controlling
19	<b>ARTICLE XIV</b>	<b>Rules of Order</b>
19	Section 14.1.	Roberts Rules of Order
19	<b>Certificate and Signature of Secretary</b>	

**ARTICLE I**  
**Principal and Other Offices of the Association**

Section 1.1. Offices of the Association. The principal office of the Spring Creek Association (hereinafter "the Association") in the State of Nevada shall be located at 451 Spring Creek Parkway, Spring Creek, County of Elko, State of Nevada. The Association may have such other offices, either within or without the State of Nevada, as the Board of Directors may designate from time to time.

**ARTICLE II**  
**Resident Agent of the Association**

Section 2.1. Resident Agent. The Resident agent of the Association shall be a Board member or any other person or entity designated by the Board of Directors of the Association.

**ARTICLE III**  
**Association Membership**

Section 3.1. Member. Every person or entity, except the Association itself, who is a record owner or a purchaser under a real estate purchase agreement of a fee or undivided fee interest in any lot or property within the Spring Creek Development shall be a member of the Association. As used herein, "Spring Creek Development" is that certain area described as a tract located in Spring Creek Corporation as such subdivision is recorded in the Office of the Recorder for the County of Elko, State of Nevada. There shall be one class of members and a member may not resign. It shall, however, be the obligation of each member to provide notice to the Secretary of the Association of the individual's membership by providing reasonable documentary evidence of the member's interest in any lot or property in Spring Creek Development in order to be entitled to notice of, and the right to vote at, any meeting of members. Membership in the Association shall terminate upon transfer of all of a member's property interest in property located in the Spring Creek Development. It shall be the person or entity's responsibility to advise the Association of any acquisition or termination of membership in the Association. Termination of membership shall not relieve the member of any unpaid obligation to the Association that the member has incurred prior to termination and notification to the Association that the member no longer owns an interest in real property located in Spring Creek Development.

The Association's membership records shall be the official records in determining the membership, or lack thereof, of any individual or entity.

Section 3.2. Membership and Transfer. The Association shall issue a certificate of membership to each member or record the membership in the Association's official records. The membership shall not be transferred, pledged, assigned or alienated in any way except in connection with a sale of the lot to which the membership is appurtenant (any other transfer, pledge, assignment or alienation is a "prohibited transfer"). Upon the sale of any lot and notice of such sale provided to the Association, the Association shall cancel the membership of the seller and shall issue a new membership to the buyer thereof. Any prohibited transfer or any attempt to make a prohibited transfer of any membership shall be void and shall not be reflected on the books and records of the Association. In the event any owner of a lot shall fail or refuse to surrender his certificate of membership, if one has been issued, the Association shall issue a new membership to the buyer and thereupon the old membership outstanding in the name of the seller shall be null and void as though the same had been surrendered. If a membership certificate is issued, it shall bear the following legend:

THE MEMBERSHIP EVIDENCED BY THIS CERTIFICATE MAY NOT BE TRANSFERRED, PLEDGED, ASSIGNED OR ALIENATED EXCEPT (A) IN CONNECTION WITH THE SALE OF THE LOT TO WHICH THE MEMBERSHIP IS APPURTENANT AND (B) IN THE MANNER PROVIDED IN THE ARTICLES OF INCORPORATION AND/OR BYLAWS OF SPRING CREEK ASSOCIATION. IN THE EVENT OF ANY PROHIBITED TRANSFER, THIS CERTIFICATE AND THE MEMBERSHIP EVIDENCED HEREBY MAY BE CANCELLED.

#### **ARTICLE IV Member Meetings**

Section 4.1. Annual Meeting of Members. The annual meeting of the members shall be held at a time to be set by the Board of Directors on the third Saturday in June of each calendar year for the purpose of presenting the financial report of the Association to the members or for such other business as may properly come before the meeting. In alternate years the results of the election of Board Members, pursuant to Article V, Section 12, will also be reported. If the day fixed for the annual

meeting shall be a statutory holiday in the State of Nevada, such meeting shall be held on the next succeeding Saturday which is not a statutory holiday.

Section 4.2. Special Meetings of Members. Special meetings of the members for any purpose or purposes, may be called by a majority plus one of the members of the Board of Directors (i.e.: present board is 7 members, a majority is 4, 4+1 = 5 board members required to call a special meeting of the members). In addition, special meetings must be called upon a written request from at least five percent (5%) of the members entitled to vote. Such requests must specify the exact purpose of the meeting and a brief description of each item to be placed on the agenda. Notice of such special meeting shall be given as provided in Article IV Section 5 within 60 days of call by the Board of Directors or receipt by the Association of a valid written request by the members as set forth above by members. The Corporate Secretary shall be responsible for reviewing the written request of the members and determining whether the request meets the requirements for a special meeting as set forth above.

Section 4.3. Local and Social Meetings of Members. A majority of the Board of Directors may call meetings of the members of the Association for the purpose of (a) social functions or (b) obtaining input from members regarding minor local problems affecting the members or property of the Association.

Section 4.4. Place of Meeting of Members. The Board of Directors may designate any place, within the County of Elko, State of Nevada, as a place of meeting for any annual meeting of members or for any special meeting of members called by the Board of Directors or the members.

Section 4.5. Notice of Meetings of Members. A written agenda stating the place, day and hour of the meeting, the purpose or purposes for which the meeting is called, and the items to be discussed or acted upon shall be delivered to all members of the Association not less than thirty (30) days nor more than sixty (60) days before the date of the meeting. Such notification shall be delivered either personally, by mail or by other means, by or at the written direction of the Chairman of the Board, the President, the Secretary, or the officer or persons properly directed by the Board of Directors to give such

notice. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, postage prepaid and addressed to the member at the address as it appears on the membership books of the Association.

Section 4.6. Limits on Notice and Voting. No member shall be entitled to notice of any meeting of members unless proof of the member's membership in the Association shall appear on the records of the Association not less than 60 days immediately prior to the meeting. No members shall be entitled to vote at any meeting of members or election of Directors unless proof of the member's membership in the Association shall appear on the records of the Association not less than five (5) business days immediately prior to the meeting or election.

Section 4.7. Quorum for Meetings of Members. A valid quorum for purposes of taking action on any item(s) presented at any meeting of members, including the annual meeting, shall be 2% of the total membership of the Association, which must be present either in person or by proxy.

Section 4.8. Voting of Members. Each member shall be entitled to one (1) vote for each lot owned, upon each matter submitted to a vote at a meeting of the membership. Voting rights of members shall be as provided in Article VI of the Articles of Incorporation of the Association.

## **ARTICLE V Board of Directors**

Section 5.1. General Powers. The business and affairs of the Association shall be managed by and vested in its Board of Directors. At the regular meeting of the Board of Directors held in the month of \_\_\_\_\_, the Board shall elect one of its members as Chairman to serve in such capacity until the meeting of \_\_\_\_\_ of the following year. The Chairman of the Board shall conduct the meetings of the Board of Directors and perform other functions and duties as may be specified hereinafter or assigned by the Board of Directors.

Section 5.2. Number. The number of Directors of the Association shall be not fewer than five (5) nor more than nine (9). The present number of Directors of this Association is seven (7). Said number may be increased or decreased within the above limits if a majority of the votes of a quorum of the

members of the Association at any annual or duly called special meeting called for that purpose shall approve such increase or decrease.

Section 5.3. Election of Directors.

5.3.a. Representation: Directors shall be elected or appointed in accordance with Article V and Article VI of these Bylaws when vacancies exist during the term of this Association. Except as provided in Sections 10 and 11 of this Article, Directors shall be composed of at least one person owning an undivided fee interest in a lot in the area of Spring Creek the Director is to represent which shall be broken down as follows:

- Area 1: Tracts in the 100 series;
- Area 2: Tracts in the 200 series;
- Area 3: Tracts in the 300 series;
- Area 4: Tracts in the 400 series;

and three (3) At-Large Directors owning an undivided fee interest in any lot in any Tract.

5.3.b. Candidates: The announcement of the results for the election of Directors will occur on the day of the annual meeting. Each candidate must be an eligible member of the Association as defined in Article III of the Bylaws. Board members must remain current on property owner assessments and in compliance with the Declaration of Reservations for the Association to serve on the Board of Directors. No member may be placed on the ballot for election to the Board unless his or her assessments are current and he or she is in compliance with the Declaration of Reservations for the Association. The Association's Committee of Architecture shall decide, and their decision shall be final, any questions which arises as to whether a candidate is in compliance with the Declaration of Reservations. Any property owner wishing to run for the Board of Directors of the Spring Creek Association shall file his or her name with the Secretary of the Association during regular business hours, between February first and March thirty-first of the election year. If February first or March thirty-first should fall on a weekend or a Nevada Statutory holiday, filing of candidates will be extended to the following business day. The Secretary of the Association will identify the candidate and verify his/her eligibility pursuant to this Article and Article III of the Bylaws. No other names will appear on the ballot.

There shall be no write-in candidates. Each candidate will be responsible for his/her own campaign with no expense to the Association.

5.3.c. Voting Tabulation: Each member of the Association shall receive a ballot as hereinafter provided. The ballots cast will be counted and results announced. Subject to the requirements of Article VI, Section 3, the candidate receiving the greatest number of votes for each elective position will be declared the winner. When At-Large Directors are to be elected the three (3) candidates receiving the most votes shall be declared the winners.

5.3.d. Election Area Directors: The Directors to be elected from Areas 1, 2, 3 and 4, as defined in Article V Section 3.a. of the Bylaws of the Spring Creek Association shall be elected only by those members with voting rights in the area that the Director represents.

5.3.e. Election of At-Large Directors: The At-Large Directors shall be elected by all members of the Association with members entitled to the number of votes equivalent to the number of open At-Large positions but with no more than one vote per candidate.

Section 5.4. Regular Meetings. The regular monthly meeting dates of the Board of Directors shall be set at the regular Board Meeting in June of each year. The Board of Directors may provide, by resolution, the time and place, within the County of Elko, State of Nevada, for the holding of additional regular meetings.

Section 5.5. Special Meetings. Special Meetings of the Board of Directors may be called by or at the request of the Chairman of the Board, the President, the Secretary, or any two (2) Directors. The person or persons authorized to call Special Meetings of the Board of Directors may fix any place, within the County of Elko, State of Nevada, as the place for holding any Special Meeting of the Board of Directors called by them.

Section 5.6. Consent in Lieu of Meeting. Any emergency action required or permitted to be taken at any meeting of the Board of Directors thereof may be taken so long as such required action is of a true emergency nature and notice has been given as

required by Section 5.7 of these Bylaws or state statutes or regulations.

Section 5.7. Notice. Except in case of an emergency (as defined below), written notice of all meetings of the Board of Directors shall be given to the directors and the membership at least 3 working days before the meeting and by posting a copy of the notice at the principal office of the Association and at not less than three other separate, prominent places within Spring Creek Association not later than 9 a.m. of the third working day before the meeting. The notice shall include:

(a) The time, place and location of the meeting.

(b) A list of the locations where the notice has been posted.

(c) An agenda consisting of:

(1) A clear and complete statement of the topics scheduled to be considered during the meeting.

(2) A list describing the items on which action may be taken and clearly denoting that action may be taken on those items.

(3) A period devoted to comments by the general public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action may be taken pursuant to subparagraph (2).

(4) If any portion of the meeting will be closed to consider the character, alleged misconduct or professional competence of a person, the name of the person whose character, alleged misconduct or professional competence will be considered.

(5) If, during any portion of the meeting, the public body will consider whether to take administrative action against a person, the name of the person against whom administrative action may be taken.

Any Director may waive notice of any meeting. The attendance of a Director at a Meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

An "emergency" is defined as an unforeseen circumstance which requires immediate action and includes, but is not limited to:

(a) Disasters caused by fire, flood, earthquake or other natural causes; or

(b) Any impairment of the health and safety of the public.

Section 5.8. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice. The act of a majority of the Directors present at a meeting at which a quorum is present shall be deemed the act of the Board of Directors.

Section 5.9. Vacancies.

5.9.a. Appointment: Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors though less than a quorum of the Board of Directors. A Director appointed to fill a vacancy shall be appointed for the unexpired term of his predecessor in office and, if his predecessor was a representative of one of the four areas specified in Article V, Section 3.a., must be a representative of the same area of Spring Creek as was his predecessor, unless there is no candidate from such area available to fill such vacancy, in which event the Directors may fill the vacancy with the person they deem most qualified. Each such vacancy shall be advertised in a local newspaper of general circulation in the County of Elko, at least three (3) times per week, for at least a period of two (2) weeks in order to allow interested persons to contact the Association. Any Director appointed for a period of less than two calendar years shall be eligible to run for election for two (2) complete consecutive terms after the period of his or her appointment expires. Any Director who is appointed for a period of more than two (2) calendar years shall be eligible to run for election for only one (1) complete term immediately after the period his or her appointment expires.

5.9.b. Increase in Number of Directors: Any Directorship to be filled by reason of an increase in the number of Directors shall be filled by election at the time of the regular election of directors or at a special meeting of members called for that purpose.

5.9.c. Resignations or Removal of Directors: Any Director may resign from the Board of Directors at any time without cause. Any Director who represents a specific Tract and who disposes of all of his property in that Tract, and any At-Large Director who disposes of all of his or her property located within the boundaries of Spring Creek Corporation, will be deemed to have resigned from the Board of Directors. Any Director who fails to attend regular meetings of the Board on three (3) consecutive occasions will be deemed to have resigned from the Board of Directors.

5.9.d. Director Removal by Board of Directors. Except as otherwise provided in these Bylaws, the Board of Directors may remove a Director designated or appointed by the Board for any reason with or without cause by a majority of the total number of directors whenever in their judgment the best interests of the Association would be served thereby.

5.9.e. Director Removal by Members. The Members within the district which voted for a Director ("Removing Members") may remove a Director as follows:

5.9.e.1. Director Removal Petition. For a Director for whom removal is being requested, the Members must deliver to the President or Secretary of the Association a dated written petition ("Director Removal Petition") which contains the following information:

- (1) identifying the Director on each page;
- (2) explaining, on each page, the basis for the Director's removal; and
- (3) as Removing Members existed on the Director Removal Petition date, containing the printed names, printed addresses, and original and dated signatures obtained within sixty days following the Director Removal Petition date, of at least ten percent of the Removing Members.

5.9.e.2. Action by President or Secretary upon receipt of Removal Petition. Within thirty (30) days after the President or Secretary of the Association receives a Director Removal Petition:

- (1) the Association shall forward a copy of the Director Removal Petition to the Director

- named in the Director Removal Petition ("Implicated Director"); and
- (2) the Board of Directors shall meet to review the Director Removal Petition.

5.9.e.3. Notice of Member Meeting. If the Board of Directors determines that the Director Removal Petition complies with this Bylaw, then the Association shall notice and hold a Member Meeting, for those members entitled to vote for the implicated Director, within sixty (60) days following the Board's determination. Notice of the Member Meeting must state that:

- (1) a purpose of the Member Meeting is to consider removing the Implicated Director;
- (2) evidence may be presented, and a Member vote taken, regarding removing the Implicated Director; and
- (3) Members may elect a successor Director.

5.9.e.4. Member Meeting. If ten percent or more of Removing Members are present in person or represented by Member Proxy at the Member Meeting, then:

- (1) before a Member vote, information must be presented supporting the basis for removing the Implicated Director;
- (2) the Implicated Director may be represented by legal counsel, and must have the opportunity to refute, and present information opposing, the basis for removing the Implicated Director; and
- (3) after the Implicated Director's presentation and Member discussion, the Removing Members must vote by secret ballot whether to remove the Implicated Director.

If a majority or more of the Removing Members present at the member meeting vote to remove the Implicated Director, then the Implicated Director is removed effective the time and date of the Member vote. At the Member Meeting, the Removing Members may elect a new Director to succeed the removed Director without complying with any Director Nomination or notice provisions of these Bylaws. A successor Director elected by the Removing Members must comply with the Director Qualifications and will serve for the remainder of the unexpired Term of the removed

Director. A Director Removal Petition or Director removal shall not affect the validity of any Board action.

Section 5.10. Tenure and Qualifications. Except as otherwise provided herein, the Directors shall hold office for a term of four (4) years. Commencing with the June 1990 annual meeting, the term of the Directors At-Large, shall expire June, 1993. Commencing with the June 1991 annual meeting, the term of the Directors from the four areas specified in Article V, Section 3.a., shall expire June, 1995. No Director shall be allowed to serve more than two (2) consecutive terms beginning with the 1990 term. In the event of an increase or decrease in the number of Directors, the Board of Directors shall have the power to make such rules (including rules concerning the terms of any new or existing Directors) as they deem appropriate to implement, effectuate, and/or perpetuate the requirements concerning staggered elections of Directors which are set forth in this Section. All Directors shall hold office until their respective successors have been elected and qualified therefor.

Section 5.11. Powers. The Board of Directors shall have the power to take action on behalf of the Association pursuant to all the powers of the Association specified in Article IV of the Articles of Incorporation of the Association. In the event a Director has a material, personal, financial interest with a company that provides goods or services to the Association, that Director shall abstain from voting on issues involving a contract or transaction with that provider company.

Section 5.12. Duties. It shall be the duty of the Board of Directors:

5.12.a. Records and Financial Information. To cause to be kept a complete record of the minutes of all their meetings and a record of all acts of the Board, and to present a complete financial statement at the annual meeting of the members of the Association, showing in detail the current financial condition of the Association, including all assets and liabilities.

5.12.b. Supervise Officers. To supervise all officers and agents of the Association and to see that their duties are performed properly.

5.12.c. Operation of Amenities. The Board shall operate the Golf Course, Horse Palace and Trap and Skeet facilities for the benefit of the property owners. Any promotions or activities over and above regular operations, except for activities of local non-profit organizations, shall be on a break-even or profit basis, including, but not limited to: golf tournaments, trap and skeet tournament shoots, rodeos, cuttings, ropings and pennings. When determining the break-even point for the activity, the Board shall take into account, direct and indirect labor costs, insurance costs, depreciation expense, promotion and advertising expense, and any other expense associated with conducting the activity.

Section 5.13 Director Salaries and Expenses. No Director shall be eligible to be an officer nor to receive any salary or other compensation from the Association other than the Association may reimburse any Director for expenses incurred by the Director for any corporate purpose.

## **ARTICLE VI**

### **Member Voting, Proxies and Validation of Elections**

Section 6.1. Voting by Members. The election of Directors shall occur in alternate years and the results shall be announced at the annual meeting of the members of the Association, pursuant to Article V, Section 10. A member may vote by one of the following two means:

6.1.a. Polling Places and Ballot. Polling places shall be established at reasonably convenient places in the Spring Creek Development and polling hours shall be posted. A member may obtain an official ballot for each lot upon proof of membership, mark the ballot and deposit it in an official ballot box; or,

6.1.b. Mail Ballots. A member may mark and return by mail the official ballot which the Association shall mail to every member entitled to vote under these Bylaws. The written ballot will set forth each proposed action or candidate and provide an opportunity to vote for each candidate and for or against each proposed action. In order for a mail-in ballot to be counted, it must be actually received by the Association's principal office at least five (5) business days before the day of the annual meeting. A mail-in ballot, once mailed to the Association, may not be revoked.

Section 6.2. Proxies. At all meetings of the membership where a membership vote may be taken and at elections of Directors, a member may vote by proxy executed in writing by the member. Such proxy may be filed on the official Association proxy form and filed with the Secretary of the Association at least ten (10) days prior to the time of the annual meeting or any other duly called special meeting or election. The official Association Proxy forms will be maintained in the Association office and made available to any member in person or by mail.

Section 6.3. Required Votes to Validate Election. In order to validate an election for any candidate seeking to represent a specific tract as Director, at least ten percent (10%) of the total number of votes in that tract of the Association must actually be cast pursuant to these Bylaws. Ten percent (10%) of the total number of votes in the Association must be cast pursuant to these Bylaws in order to validate any election of an At-Large candidate for Director. In no event shall any lot or lots owned by the Association be used to calculate the number of votes in any tract or in the Association for purposes of any election validation. In the event the election of any Director or Directors cannot be so validated, the existing Board of Directors shall cause a special election to be held for each such candidate within ninety(90) days of the annual meeting.

## **ARTICLE VII Officers**

Section 7.1. Number. The officers of the Association shall be the President, a Secretary, and a Treasurer, each of whom shall be selected by the Board of Directors. Such other officers and assistant officers as may be deemed necessary may be appointed by the Board of Directors.

Section 7.2. Selection and Term of Office. The Board of Directors shall have the authority to select and hire officers of the Association upon such terms and conditions as it deems appropriate from time to time.

Section 7.3. Removal. Any officer or agent selected or appointed by the Board of Directors may be removed by a majority of the Board of Directors whenever in their judgment the best interests of the Association would be served thereby.

Section 7.4. 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 7.5. President. The President shall be the principal administrative officer of the Association in charge of its operations and shall, under the supervision and control of the Board of Directors, direct and control the business operations of the Association. The President shall perform such duties as may from time to time be assigned to him by the Board of Directors.

Section 7.6. Vice-President. In the absence of the President or in the event of his death, inability or refusal to act, the Vice-President, if there be one, (or in the event there may be more than one Vice-President, the Vice-Presidents in the order designated at the time of their selections, or in the absence of any designation, then in the order of their selection) 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 duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 7.7. Secretary. The Secretary shall:

7.7.a. Keep Minutes. Keep the minutes of the members' and the Board of Directors' meetings in one or more books provided for that purpose;

7.7.b. Give Notices. See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law;

7.7.c. Custodian of Association Records. Be custodian of the corporate records and of the seal of the Association;

7.7.d. Official Membership List. Keep current the official register of the name and address of each member of the Association;

7.7.e. Make Certain Records Available for Inspection. Keep approved minutes and financial statements available at the business office of the Association during normal

business hours for inspection by any member of the Association requesting to see them;

7.7.f. Perform duties of Secretary. In general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Board of Directors; and,

7.7.g. Assume duties of President. In the event of the death, resignation, incapacity, absence or inability of the President, and the Vice-President, if any, the Secretary shall assume and discharge pro tempore the powers and duties of the President.

Section 7.8. Treasurer. The Treasurer may be required to provide a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. The Treasurer shall:

7.8.a. Custody of Funds and Securities of the Association. Have charge and custody of and be responsible for all funds and securities of the Association;

7.8.b. Receive Monies and Pay Obligations. Receive and give receipts for monies due and payable to the Association from any sources whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VIII Sec. 4 of these Bylaws;

7.8.c. Perform Duties of Treasurer. In general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or the Board of Directors; and,

7.8.d. Assume Duties of Secretary. In the event of the death, resignation, incapacity, absence or inability of the Secretary, the Treasurer shall assume and discharge pro tempore the powers and duties of the Secretary.

Section 7.9. Salaries. The salaries, if any, of the officers shall be fixed from time to time by the Board of Directors.

**ARTICLE VIII**  
**Miscellaneous Provisions**

Section 8.1. Contracts. The Board of Directors may authorize any officer, officers, agent, or agents to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

Section 8.2. Loans. No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless authorized by a majority vote of the Board of Directors. Such authority may be general or confined to specific instances.

Section 8.3. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Association shall be signed by such officer, officers, agent, or agents of the Association in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 8.4. Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors may select.

Section 8.5 Governing Law. These Bylaws must be governed by, and interpreted under, the laws of the state of Nevada.

Section 8.6. Titles and Headings. Titles and headings of Bylaw articles, sections, and subsections are for convenience and reference and do not affect the interpretation of a Bylaw article, section, or subsection.

Section 8.7. Partial Invalidity. When reasonably possible, every Bylaw article, section, subsection, paragraph, sentence, clause, or provision (collectively, "Bylaw Provision") must be interpreted in a manner by which the Bylaw Provision is valid. The invalidation of a Bylaw Provision by an Entity possessing proper jurisdiction and authority, which invalidation does not alter the fundamental rights, duties, and relationship between the Association and its Members, does not invalidate the remaining Bylaw Provisions.

Section 8.8. Cumulative Remedies. The rights and remedies provided in these Bylaws are cumulative. The Association or a Member asserting a right or remedy provided in these Bylaws does not preclude the Association or its Members from asserting other rights or remedies provided in these Bylaws.

Section 8.9. Entire Agreement. Between the Association and a Member, the Governing Documents: (1) constitute the entire agreement; and (2) supersede and replace a prior or contemporaneous oral or written communication or representation.

Section 8.10. Successors and Assigns. Except as otherwise provided in these Bylaws: (1) the duties, obligations, and liabilities imposed upon, and the rights granted to, the Association by these Bylaws are binding upon, and inure to the benefit of, the Association's successors and assigns; and (2) the duties, obligations, and liabilities imposed upon a Member by these Bylaws are binding upon the Member's successors and assigns. The binding nature of the duties, obligations, and liabilities imposed by these Bylaws upon the successors and assigns of the Association or a Member does not relieve the Association or Member of the duties, obligations, and liabilities imposed by these Bylaws.

Section 8.11. Waiver. The failure of the Association to assert a right or remedy provided in these Bylaws does not waive the right or remedy provided in these Bylaws.

## **ARTICLE IX Fiscal Year**

Section 9.1. Fiscal Year. The accounting books and records of the Association shall be kept on a calendar year basis, beginning on the first day of January and ending on the thirty-first day of December of each year.

## **ARTICLE X Notice**

Section 10.1. Waiver of Notice. Whenever any notice is required to be given to any member or Director of the Association under the provisions of these Bylaws, of the Articles of Incorporation, or applicable corporate law, 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, unless otherwise prohibited by law.

**ARTICLE XI**  
**General Improvement District**

Section 11.1. Formation of General Improvement District. Provided that all applicable requirements of Nevada Law are followed, nothing contained in these Bylaws shall preclude the formation of a general improvement district within the Spring Creek Development (as defined in the Articles of Incorporation of the Association), which district may undertake and/or assume all or part of the responsibilities of the Association, including, but not limited to, management, maintenance and care of the roads and Common Recreation Facilities (as defined in the Declaration of Reservations).

**ARTICLE XII**  
**Amendment of Bylaws**

Section 12.1. Modifications and Revisions to Bylaws. These Bylaws may be amended, rescinded, changed, or expanded (a) by the vote of a majority of the members of the Association voting in person or by proxy or by absentee ballot at a regular meeting or duly called special meeting of the membership, or (b) by vote of a majority plus one of the members of the Board of Directors (i.e.: present board numbers 7 members, a majority is 4, 4+1 = 5 board members required to amend, rescind, change or expanded the Bylaws). Any prepared amendment, rescission, change or expansion to the Bylaws shall be set forth verbatim in the meeting agenda at which time the item will be placed for action by the Board of Directors.

**ARTICLE XIII**  
**Conflicts in Controlling Documents**

Section 13.1. Declaration of Reservations Controlling. In the event of any inconsistency between these Bylaws and the Articles of Incorporation of the Association, the Articles of Incorporation shall control, and in the event of any inconsistency between these Bylaws or the Articles of Incorporation and the Declaration of Reservations, the Declaration of Reservations shall control.

**ARTICLE XIV**  
**Rules of Order**

Section 14.1. Roberts Rules of Order. In the event of a dispute at any meeting regarding procedure, and that dispute is made a part of the record by the Board of Directors, the current Roberts Rules of Order shall be used to resolve the matter at the earliest reasonable opportunity.

CERTIFICATE OF SECRETARY

As the duly qualified and acting Secretary of Spring Creek Association, I certify that the foregoing Restated Bylaws were duly adopted as herein set out effective the \_\_\_\_ day of \_\_\_\_\_, 2008.

Dated the \_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_  
Corporate Secretary