

**THE BYLAWS OF
LA LUZ DEL SOL LANDOWNERS ASSOCIATION
(BOARD APPROVED FINAL REVISIONS ON 12/3/16)**

ARTICLE - 1 PURPOSE

As stated in the Articles of Incorporation, registered with the State Corporation Commission of New Mexico, April 24, 1980, the purpose of the La Luz del Sol Landowners Association is:

"To acquire, manage, maintain and care for the common areas and other property of La Luz del Sol for the benefits of the residents of La Luz del Sol and to implement the Declaration of Planned Residential Community concerning La Luz del Sol recorded on March 11, 1980."

ARTICLE 2 - MEMBERSHIP

Section A - Qualifications in Good Standing

In addition to those qualifications set forth in Article II, Section 1, of the Declaration, the qualifications for being a Member in good standing shall be as follows:

- a. Full payment of any and all assessments levied by the Association against the Member's lot.
- b. Full compliance with the Declaration and any rules and regulations promulgated by the Association.

Section B - Voting

The right to vote shall be as stated in Article II, Section 2, of the Declaration. Each unit (Member) in good standing in the Association will be entitled to one vote per unit at regular and called meetings of the Association. See glossary for the definition of Member.

ARTICLE 3 - MEETINGS OF MEMBERS

Section A - The Annual Meeting

A meeting of the Members will be held annually, and the day and time of the meeting will be fixed to occur during the month of December. The purpose of the meeting will be



to elect Directors (the "Directors") of the Association, to ratify the financial reports submitted by the Board of Directors, to approve the proposed budget for the next fiscal year, and to act on matters presented by the Board, and to do other business as may come before the meeting.

Section B - Special Meetings

Unless otherwise prescribed by statute, Special Meetings of the Members for any purpose or purposes may only be called in the following ways:

- a. By a majority of the Board.
- b. By the President of the Association.
- c. By the Members of the association entitled to cast in total not less than ten (10) percent of the votes on any issue proposed for the meeting where written requests describing the purpose or purposes for the Special Meeting are signed, dated and delivered to a member of the Board or other Officer of the Association.
- d. The Board will determine the time, place and date of any Special Meeting to be held not more than 30 days after the written request to call the Special Meeting is delivered to the Board. Special Meetings will be limited to discussing and voting on the items identified in the meeting notice.

Section C - Place of Meeting

The Annual Meetings or Special Meetings of the Association may be held at any place within the county of Bernalillo at the discretion of the Board of Directors.

Section D - Written Notice of Meeting

- a. Notice shall be given not less thirty (30) days before the date of the meeting to each Landowner entitled to vote at that meeting. The written notice of the meeting will state the place, date and hour of the meeting, the means of remote communications, if any, and, in the case of a Special Meeting, the purpose or purposes.
- b. If mailed, notice is given when the notice is deposited in the United States mail, postage prepaid, and directed to the Member at the address of the Member as it appears on the records of the Association. An affidavit of the Secretary of the Association that the notice has been given will, in the absence of fraud, be prima facie evidence of the facts stated in the notice.
- c. A written waiver, signed by the person entitled to receive a notice of meeting, or a waiver by electronic transmission by the person entitled to receive that notice,

whether before or after the time stated in the notice, will be deemed equivalent to the person receiving the notice.

- d. Further, attendance of a person at a meeting will constitute a waiver of notice of that meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

Section E - List of Members Entitled to Vote

The list of Members entitled to vote in person or by proxy at any meeting of the Members will be examined as to meeting all requirements of this section and approved by the Board of Directors.

Section F - Quorum and Required Vote

- a. A minimum of twenty-five (25) percent of the units represented by Members entitled to vote, present in person or represented by proxy, will constitute a quorum entitled to take action at the Association's Annual Meeting, unless a different quorum is required by law.
- b. A quorum once attained continues until adjournment despite the withdrawal of enough Members to leave less than a quorum. In all matters, any act of the Members must be passed by an affirmative vote by a majority of the Members in person or represented by proxy present at the meeting and entitled to vote.
- c. Subject to the Articles of Incorporation, each Member will be entitled to one vote for each unit held by that Member.

Section E - Voting by Proxy

Each Member entitled to vote at a meeting of the Association or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for that Member by proxy, but no proxy will be valid after eleven (11) months from the date of its execution unless the proxy provides for a longer period.

Execution of a proxy may be accomplished by the Member or by the authorized Officer, or Director, signing the writing or causing that person's signature to be affixed to the writing by any reasonable means including, but not limited to, by facsimile signature.

A duly executed proxy will be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A proxy may be made irrevocable regardless of whether the interest with which it is coupled is an interest in a particular action or an interest in the Association generally.

Section F - Election of Directors

- a. The slate of candidates for Directors and their term of office will be presented by the Secretary of the Association at the Annual Meeting. Nominations may also be made by Members in attendance at the meeting.
- b. Directors will be elected by a majority of the votes present in person or represented by proxy at the meeting and entitled to vote.

ARTICLE 4 - BOARD OF DIRECTORS

Section A - General Powers

The business and affairs of the Association will be managed by or under the direction of the Board of Directors, hereafter referred to as the Board.

Section B - Number, Tenure and Quorum

The Board will consist of five (5) Members, each of whom will be a natural person. Each Director will hold office for a term of two (2) years until that Director's earlier resignation or removal. Any Director may resign at any time upon notice given in writing or by electronic transmission to the Association. In order to transact business at a meeting of the Directors, a quorum of three (3) Directors eligible to vote will be required. The vote of the majority of the Directors present at a meeting at which a quorum is present will be the act of the Board.

Section C - Regular Meetings

By resolution, the Board may provide the time and place for the holding of regular meetings without any notice other than that resolution.

Section D - Special Meetings

- a. Special Meetings of the Board may be called by or at the request of the President or by a majority of the Directors. The person or persons calling that special meeting of the Board may fix any date, time or place to be the date, time and place for holding that Special Meeting.
- b. Written notice of the date, time, and place of a Special Meeting of the Board will be given at least seven (7) days prior to the date set for that meeting. The written notice can be given personally, by mail, by private carrier, or by any other manner as permitted by the New Mexico Business Association Act (53-8-1 NMSA 1978). The notice will be given by the Secretary or other person authorized to call Board meetings.

- c. If written notice is mailed, correctly addressed to a Director's address as provided in the Association's current records, the notice will be deemed to have been given to that Director at the time of mailing. If written notice is sent by private carrier or if the written notice is sent by United States mail, postage prepaid, or by registered or certified mail, return receipt requested, the notice will be deemed to have been given to a Director on the date of the mailing.

Section D - Action by Directors Without a Meeting

Pursuant to the current edition of Robert's Rules, no action by the Board or any committee of the Board may be taken without deliberation in a called meeting and duly recorded in minutes of the meeting.

Section E - Remote Participation Meetings

- a. Remote participation means any electronic communication including conference telephone, video conference, the internet, or any other method currently available or developed in the future by which Directors not present in the same physical location may simultaneously communicate with each other.
- b. A meeting of the Board may be held by any means of remote communication by which all persons authorized to vote or take other action at the meeting can hear each other during the meeting and each person has a reasonable opportunity to participate. This remote participation in a meeting will constitute presence in person at the meeting.

Section F - Vacancies and Newly Created Directorships

- a. When vacancies or newly created Directorships resulting from any increase in the authorized number of Directors occur, a majority of the Directors then in office, although less than a quorum, or a sole remaining Director will have the power to appoint new Directors to fill this vacancy or vacancies. Each new Director so chosen will hold office until the next Annual Meeting of the Association.
- b. If, at any time, by reason of death or resignation or other cause, the Association should have no Directors in office, then any Member or an executor, administrator, trustee or guardian of a Landowner, or other fiduciary entrusted with like responsibility for the person or estate of a Landowner, may call a Special Meeting of Association for an election to fill the vacancy.
- c. When one or more Directors resign from the Board and the resignation is to become effective at a future date, a majority of the Directors then in office, not including those who have so resigned, will have the power to appoint new Directors to fill this vacancy or vacancies. The appointments of these new Directors will take effect when the resignation or resignations are to become

effective, and each new Director so chosen will hold office until the next annual meeting of the Landowners.

Section G - Removal

Any Director or the entire Board may be removed, with or without cause, by a majority of the Members in good standing and entitled to vote at a Special Meeting of the Association called for that purpose. No Director may be removed when the number of votes cast against removal is a majority of Members in good standing and entitled to vote at a Special Meeting of the Association called for that purpose.

Section H - Organization

Meetings of the Board will be presided over by the President, or in the President's absence, by the Vice-President or by a Director chosen at the meeting. The Secretary will act as Secretary of the meeting, but in the absence of the Secretary, the person presiding at the meeting may appoint any person to act as Secretary of the meeting.

Section I - Chair of the Board

The President of the Board functions as Chair of the Board, and if present, will preside at all meetings of the Board, and exercise and perform any other authorities and duties as may be from time to time delegated by the Board.

Section J - Compensation

Directors will not receive any compensation for their service on the Board or on any Committee. If a Board member incurs expenses authorized by an action of the Board, the Director may request reimbursement in writing and submit it to the Board for approval.

Section K - Presumption of Assent

A Director of the Association who is present at a meeting of the Board will be presumed to have assented to an action taken on any corporate matter at the meeting unless:

- a. The Director objects at the beginning of the meeting, or promptly upon the Director's arrival, to holding the meeting or transacting business at the meeting.
- b. The Director's dissent or abstention from the action taken is entered in the minutes of the meeting.

- c. The Director delivers written notice of the Director's dissent or abstention to the presiding officer of the meeting before the adjournment of the meeting or to the Association within a reasonable time after adjournment of the meeting.
- d. Any right to dissent or abstain from the action will not apply to a Director who voted in favor of that action.

ARTICLE 5 - COMMITTEES

Section A - Appointment

- a. The Board may designate one or more Committees. Each Committee so designated will have specific duties and responsibilities as approved by the Board. The Board will designate the roster of each Committee.
- b. In the absence or disqualification of a Member of a Committee, the Member or Members present at any meeting and not disqualified from voting, whether or not that Member or Members constitute a quorum, may unanimously appoint another Member of the Board or of the Association to act at the meeting in the place of any absent or disqualified Member.
- c. All Committees created by the Board may make recommendations to the Board concerning policies, procedures and actions requiring Board deliberation and approval. The chair of the Committee will report these recommendations to the Board. Each standing Committee shall include at least two of the Directors of the Association.

Section B - Tenure

Each member of a Committee will serve for the tenure of the Committee as set forth in the resolution creating the Committee.

Section C - Standing Committees

At the first meeting of the Board of Directors, after the Annual Meeting of the Association, the Board will appoint a Nominating Committee and an Architectural Review Committee. Each standing Committee shall include at least two of the Directors of the Association.

- a. The purpose of the Nominating Committee will be to recommend to the Board persons who are Members in good standing to serve on the Board of Directors to fill vacancies, either by resignation or by term of office. The Nominating

Committee may also recommend persons to serve on the Committees the Board creates.

- b. The purpose of the Architectural Review Committee will be to fulfill the responsibilities as stated in The Declaration regarding any modifications, repairs or replacements required to any living unit a part of the Association, using the standards specified in the Declaration or established the regulations adopted by the Board of Directors.
 - 1. The Committee is authorized by the Declaration to take any action on behalf of the Association to preserve the harmony of the external design and location of the units in relation to surrounding structures and topography.
 - 2. The Committee may also make recommendations for alterations to these regulations for deliberation by the Board and/or by the Membership.
 - 3. A Member of the Board shall chair the Committee.
 - 4. Members may appeal any decision by the Committee to the Board of Directors.

Section D - Meetings and Notice

The method by which Board meetings may be called and the notice requirements for these meetings as set out in these Bylaws will apply to any Committee designated by the Board.

Section E - Quorum

The majority of Committee Members will constitute a quorum.

Section G - Resignation and Removal

Any Member of a Committee may be removed at any time, with or without cause, by a resolution adopted by a majority of the full Board. Any Member of a Committee may resign from the Committee at any time by giving written notice to the President of the Board of the Association, and unless otherwise specified in the notice, the acceptance of this resignation will not be necessary to make it effective.

Section H - Vacancies

Any vacancy in a Committee may be filled by a resolution adopted by a majority of the Board.

Section I - Committee Rules of Procedure

A Committee will elect a presiding officer from its Members if one was not named in the resolution creating the Committee. It may fix its own rules of procedure provided they are not inconsistent with these Bylaws. A Committee will keep regular minutes of its proceedings, and report those minutes to the Board at the first subsequent meeting of the Board. The Committee will be guided in its deliberations by Roberts' Rules of Order.

ARTICLE 6 - OFFICERS

Section A - Appointment of Officers

- a. The Officers of the Association (individually the "Officer" and collectively the "Officers") will be appointed from the elected Directors of the Association and will consist of the President, the Vice-president, and the Secretary/Treasurer.
- b. Each year, the Officers will be appointed by the Board at the first meeting of the Board or as soon as possible after the first meeting of the Board if Officers have not already been appointed. No appointee may hold more than one office.

Section B - Term of Office

Each Officer will hold office for one (1) year. An Officer may hold that office for an additional year upon action of the Board.

Section C - Removal

Any Officer or agent appointed by the Board or by the Association may be removed by the Board at any time with or without cause.

Section D - Vacancies

The Board may fill a vacancy in any office because of death, resignation, removal, disqualification, or otherwise.

Section E - President and Vice-President

Subject to the control and supervisory powers of the Board and its delegate, the powers and duties of the President or the Vice-President in the absence of the President, will be:

- a. To preside at all meetings of the Association.
- b. To call meetings of the Association to be held at such times and at such places as the President will deem proper within the limitations prescribed by law or by these Bylaws.
- c. To ensure that all orders and resolutions of the Board are effectively carried out.
- d. To maintain records of and certify, whenever necessary, all proceedings of the Board and the Association.
- e. To put the signature of the Association to all deeds, conveyances, mortgages, guarantees, leases, obligations, bonds, certificates and other papers and instruments in writing which have been authorized by the Board or which, in the opinion of the President, should be executed on behalf of the Association; to sign certificates for the Association's shares; and, subject to the instructions of the Board, to supervise and manage all Officers, agents and employees of the Association.
- f. To perform all other duties and carry out other responsibilities as determined by the Board.

Section F – Secretary/Treasurer

Subject to the control and supervisory powers of the Board and its delegate, the powers and duties of the Secretary/Treasurer will be:

- a. Secretary's Responsibilities
 - 1. Prepare the minutes of the meetings of the Association and meetings of the Board and keep minutes with the official records of the Association.
 - 2. Authenticate the official records of the Association as will from time to time be required.
 - 3. Ensure that all notices are duly given in accordance with the provisions of these Bylaws or as required by law.
 - 4. Act as custodian of the corporate records and of the corporate seal, if any, and ensure that the seal of the Association, if any, is affixed to all documents the execution of which on behalf of the Association under its seal is duly authorized.
 - 5. Keep a register of the post office address of each unit owner(s).

6. Perform all duties incidental to the Office of Secretary and any other duties as from time to time may be delegated to the Secretary by the President or the Board.

b. Treasurer's Responsibilities:

1. To keep accurate financial records for the Association.
2. To deposit or cause to deposit all money, drafts and checks in the name of and to the credit of the Association in the banks and depositories designated by the Board.
3. To endorse or to cause to endorse and deposit all notes, checks, drafts received by the Association as instructed by the Board, making proper vouchers for them.
4. To disburse or cause to disburse corporate funds and issue checks and drafts in the name of the Association, as instructed by the Board.
5. To submit to the President and the Board, as requested, an account of all transactions by the Treasurer and the financial condition of the Association.
6. To prepare and submit to the Board annual reports detailing the financial status of the Association.
7. To ensure that proper accounting procedures are in place in preparation for audit.
8. To perform all other duties and carry out other responsibilities as prescribed by the Board or the President.

ARTICLE 7 - SPECIFIC POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section A - Powers

The Board shall have the power to:

- a. Adopt and publish rules and regulations governing the use of the common facilities and common properties, the personal conduct of Members and their guests thereon, and to establish fines and/or penalties for the infraction thereof.
- b. Impose reasonable sanctions for violations of the Declaration, these By-laws and regulations after due notice has been given.

- c. Impose reasonable monetary fines, which may constitute a lien after a reasonable time set by the Board, on the lot of a Member, for a violation of rules and regulations adopted by the Board, set forth in the Declaration and in these By-laws.
- d. Make repairs and replacements on the Common Facilities and Common Properties as may be reasonably necessary to protect the overall security, appearance and continuity of the lots or the health and safety of the Members and guests. The actual costs and expenses of these repairs and replacements will be equitably assessed on all Members, following the procedure outlined in these By-laws for regular and special assessments.
- e. Declare the office of a Director vacant in the event that such Director has been absent for four (4) consecutive regular meetings of the Board and fill that vacancy by election by the Board.
- f. Employ a property management service, independent contractors, or other such specialized service provider in order to maintain and/or improve the Common Properties and Facilities.
- g. Incur debt and approve contracts, provided however that the Common Facilities and Common Properties are not mortgaged or conveyed without consent and affirmative approval by two thirds (2/3) of the Members, excluding Declarant. Without authorization by a resolution of the Board, the Association is prohibited from making or accepting loans in its name, or issuing evidences of indebtedness in its name. The authorization of the Board for the Association to perform these acts can be general or specific.
- h. Insure all checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Association are signed by a designated Officer or Officers, agent, or agents of the Association and in a manner as will, from time to time, be determined by resolution of the Board.
- i. Deposit all funds of the Association not otherwise used to the credit of the Association in banks, trust companies, or other depositories designated by the Board.
- j. Appoint an Arbitration Committee to hear any Party Wall dispute as set forth in the Declaration and Regulations.

Section B - Duties of the Board

- a. Cause to be kept a record of all its acts and corporate affairs and to present a statement thereof to the Members at the Annual Meeting of the Members or at a Special Meeting.
- b. Supervise the Officers, agents, and employees of the Association to insure their duties are performed properly.
- c. Fix the annual assessment against each lot for the next year, the dates by which payment or regular payments will be made, and announce this decision thirty (30) days in advance of the annual meeting. An increase in the annual assessment may be made once every three (3) years.
- d. Cause all Officers or employees having fiscal responsibilities to be bonded, if in the discretion of the Board, such bond is deemed appropriate.
- e. Procure and maintain adequate liability and hazard insurance on property owned and maintained by the Association.
- f. Procure and maintain adequate Directors' and Officers' liability insurance coverage for the Officers and Directors of the Association if deemed necessary or advisable by the Board.
- g. Prepare the annual budget to include, without limitation, amounts deemed necessary for the operation and maintenance of the Common Facilities and Common Properties and general operating reserves for replacements and new improvements and to make up for any deficits.
- h. In the event a special assessment is deemed necessary by the Board, the Board will call a Special Meeting of the Members, providing at least thirty (30) days advance notice of the meeting. The notice will include the purpose and amount of the special assessment.
- i. The Board is responsible to adhere to the responsibilities outlined in the Homeowners Association Act, Chapter 47, Article 16.

ARTICLE 8 - AMENDMENTS

These By-laws may be repealed or amended by a vote of two thirds of the Members, at the Annual Meeting of the Association or at any Special Meeting called for that purpose, provided that notice of the proposed repeal or amendment is incorporated in the notice of such a meeting.

ARTICLE 9 - MISCELLANEOUS

Section A - Fiscal Year

The fiscal year of the Association will begin on the first day of January and end on the last day of December.

Section B - Indemnification of Board of Directors, Officers and Other Committees authorized by the Board of Directors

The Association shall indemnify any present or former Director or Officer and any present or former Member of any Committee authorized by the Board of Directors or by the Members of the Association, against reasonable expenses, costs and attorneys' fees actually and reasonably incurred by him/her in connection with the defense, suit or proceeding, civil or criminal, in which he/she is a party or in which her/he may become involved by reason of being or having been a Director or Officer or Member of any Committee. The indemnification shall include any amounts paid to satisfy a judgment or to compromise to settle a claim, provided that in the event of a settlement and reimbursement as being in the best interest of the Association. The Director, Officer or Committee shall not be indemnified if he/she is adjudged to be liable on the basis that he/she has breached or failed to perform the duties of his/her Office or Committee and the breach or failure to perform constitute willful misconduct or recklessness.

Section C - Resolution of Conflicts

In order to act consistently with the statement of purpose of the Association in all corporate activities, the Association, Board, Officers, and employees shall:

- a. Always include contract clauses that provide for mediation and arbitration of disputes.
- b. Try in good faith to settle any corporate disputes by mediation. If a mediator and a mediation process cannot be agreed upon by the parties to the dispute, it is agreed that the Commercial Mediation Rules of the American Arbitration Association will be used before resorting to arbitration, litigation or other dispute resolution procedure.
- c. In the event a conflict arises within the Board, within Committees, between a Committee and the Board, between the Board, or a member of the Board, and a Member or Members of the Association, resolution of the conflict will utilize mediation, or failing that will utilize arbitration, before litigation is set in motion. The parties of the conflict will select a neutral third party to resolve the conflicts.

Section D - Conflict of Interest

- a. All Directors shall make an oral or written declaration of any interest of any kind that they might have with an organization or individual that may be in conflict with

his/her responsibilities as a Director. The declaration shall be submitted to the President of the Board. A Director with a stated conflict of interest will not participate in any discussion, will not influence or will not vote when such interest is involved. The minutes of the meeting will indicate the reason for the abstention.

- b. A Director may speak on any proposal or decision at a Board meeting, including those that are determined to be a conflict of interest as stated in Section D-a.
- c. Said Director shall not make any motion, second any motion or vote on any action or proposal that affects the Director's interest.
- d. A Director that has a direct conflict of interest with the Association's mission, purpose and/or goals shall immediately resign from said position.

This set of Bylaws for the La Luz del Sol Landowners Association supersedes all previous Bylaws of the La Luz del Sol Landowners Association.

Dated: December 3, 2016

La Luz del Sol Landowners Association, Inc.

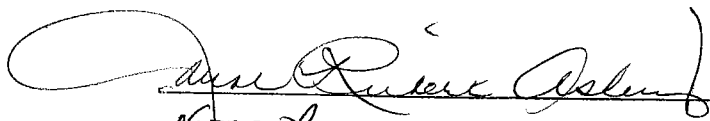
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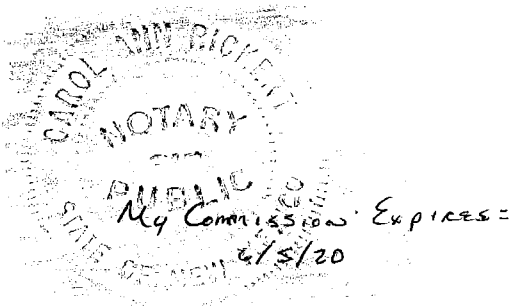
Matt Fritzsche, President of the Board of Directors

State of New Mexico

County of Bernalillo

Signed or Attested Before me this 3rd day of December, 2016.


Notary Public



APPENDIX - GLOSSARY

- **Articles** - means the Articles of Incorporation.
- **Assessment** - means the annual or special assessments made for the maintenance and capital improvements on Common Facilities and Common Properties.
- **Association** - means the La Luz del Sol Landowners Association, a NM not-for-profit organization.
- **Bylaws** – means the purpose of these bylaws (the "Bylaws") is to provide rules governing the internal management of the Association.
- **Common Properties and Common Facilities** - means the property established as the common area by the Declaration and any buildings or facilities constructed on the common areas for the use of the members of the Association.
- **Declaration** - means the Declaration of Planned Residential Community, recorded March 11, 1980 in Misc. Book 738 through 783 with the Bernalillo County Clerk, and any Supplemental Declaration as established by the Declaration. The applicable terms and provisions of the Declaration are hereby incorporated in the By-laws by reference.
- **Living Unit** - means any unit established by the Declaration as a Living Unit.
- **Member(s)** - means owner(s) of living units If ownership is held jointly, all are considered as a single living unit
- **Principal Office** - the Principal Office of the Association is the address designated in the annual report.
- **Principal Place of Business** - the Principal Place of Business is the address at which the Association conducts its primary business.
- **Registered Office** – the Registered Office is the physical street address within the state designated by the Board of Directors.
- **Regulations** - means the rules promulgated by the Board from time to time to govern the conduct of the members and their guests, to aid in the management of the Common Properties and Common Facilities and to provide for the internal management of the Association.
- **Unit** - any living unit or office unit as defined in the Declaration.