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IN BOOK 769 OF misc PAGE 402
NO. 598338 DOROTHY L. TAYLOR
COUNTY CLERK

BYLAWS OF

DOVE ACRES SUBDIVISION
ASSOCIATION

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DOVE ACRES SUBDIVISION ASSOCIATION

ARTICLE I

INTRODUCTION

Section 1.1. Name; Introduction; Reference to Declaration.

The Property is located in the County of Converse, State of Wyoming, known as Dove Acres Subdivision, located at Douglas, Wyoming, pursuant to that certain Declaration recorded on 1-5-82, in Book 769, pages 393 to 401 inclusive, records of Converse County, Wyoming, (hereinafter called the "Declaration"). The Declaration, as amended and supplemented from time to time as therein provided, is incorporated herein by reference.

Section 1.2. Definitions. The terms "Developer" or "Declarant",

as used herein refer to Dove Acres, Inc., a Wyoming corporation, its successors and assigns. The term "Lot" refers to an unimproved lot, together with such lot's undivided percentage interest in the General Common Elements (sometimes referred to collectively as the "Common Elements", and being more particularly described in the Declaration).

Section 1.3. Application of Bylaws. All present and future

owners or any other person that might use the facilities of the Dove Acres Subdivision (hereinafter "Subdivision") in any manner are subject to the provisions of these Bylaws. The ownership of any of the lots or the mere action of occupancy of any of said lots will signify that these Bylaws are accepted and ratified, and will be binding upon and complied with by the occupant or co-owner of each such lot.

ARTICLE II

MEMBERSHIP AND VOTING

Section 2.1. Membership. The owners of the lots shall be the

members of the Association of Owners, and membership in the Association shall be limited to the owners of the lots, except that Dove Acres, Inc., as Developer, shall have and retain a membership in the Association. An owner will be deemed a member of the Association upon recordation, in the public records of Converse County, Wyoming, of a deed and/or other instrument establishing record title to the lot. An owner shall remain a member of the Association until such member's death, or until time as such member's lot is sold and conveyed, assigned or transferred, at which time such member's membership in the Association shall automatically cease and terminate in that person(s) and be automatically transferred to such transferee. Dove Acres, Inc. membership shall continue in existence for a period of ten (10) years, unless earlier terminated by it, at which time that right to vote one share shall be extinguished. No certificates of membership shall be issued, and membership shall be evidenced by an official list of said members, which list shall be kept by the Secretary-Treasurer of the Association. Notwithstanding the number of Owners who may jointly or otherwise own a lot, voting on all matters shall be limited to one of the Owners. Where two or more persons own an interest in a lot they shall designate to the Secretary-Treasurer, in writing, one of their number who shall have the power to vote.

Section 2.2. Voting. In all matters requiring a vote of the

Association, voting shall be on the basis of one vote per lot, plus one vote to the developer for a total not to exceed forty three (43) votes. If the Developer in fact retains ownership of one or more lots, it will also be entitled to such lot or lots' vote.

Section 2.3. Majority of Owners. As used in these Bylaws, the term "majority of owners" shall mean those owners holding more than fifty percent (50%) of the votes in accordance with the votes assigned to each lot (plus the one (1) vote assigned to the Developer, for as long as that voting right exists herein).

Section 2.4. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of a "majority of owners" as defined in Section 2.3 of this Article shall constitute a quorum, and a majority of those present either in person or by proxy at an annual or duly noticed special meeting shall be necessary to pass any proposal before the Association. The acts of a majority of the members at any meeting at which a quorum is present shall be the acts of the Association except as otherwise provided herein. In the event that a quorum is not met at any meeting, the owners present, in person or by proxy, though less than a quorum, may adjourn the meeting to a later date and give at least ten (10) days' written notice thereof to all the owners. At that meeting, the presence of owners holding in excess of 30% of the total votes shall constitute a quorum for the transaction of business. In the event that a quorum is not present at that meeting, the owners present, in person or by proxy, though less than a quorum, may give at least ten (10) days' written notice to all the co-owners of a future meeting, and at that meeting, the presence of owners holding in excess of 15% of the total votes shall constitute a quorum for the transaction of business.

Section 2.5. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary-Treasurer before the appointed time of each meeting.

ARTICLE III

ASSOCIATION RESPONSIBILITIES: MEETING OF OWNERS

Section 3.1. Association Responsibilities. The owners of the lots constitute the Association of owners, and shall have the responsibility of electing the Board of Directors, administering the Bylaws through the Board, and exercising those duties and responsibilities provided for herein, as well as in the Declaration and Bylaws.

Section 3.2. Place of Meeting. Meetings of the members of the Association shall be at the principal place of business of the Association located three miles north on Highway 59, Douglas, Wyoming, or at such other suitable place convenient to the owners as may be designated by the Board of Directors.

Section 3.3. Annual Meetings. The first annual meeting of the members of the Association shall be held three years after the date of recording the Declaration or when one hundred percent (100%) of the lots have been sold by the Developer, whichever occurs first. Thereafter, the annual meeting of the Association shall be held on the first day of October of each succeeding year. At such meetings there shall be elected by ballot of the owners a Board of Directors in accordance with the requirements of Article IV, Section 4.4 of these Bylaws. The owners may also transact such other business of the Association as may properly come before them.

Section 3.4. Special Meetings. Special meetings of the Association may be held at any time upon the call of the President or a petition signed by owners holding at least forty percent (40%) of the total votes and presented to the Secretary-Treasurer.

Section 3.5. Notice of Meetings. It shall be the duty of the Secretary-Treasurer to mail a notice of each annual or special meeting, stating the proposed purpose thereof with the day, hour and place where it is to be held, to each owner at least five (5) but not more than twenty (20) days prior to such meeting. The mailing of a notice in the manner provided in this Section shall be deemed valid notice served on the date of mailing of the notice. If notice is given pursuant to the provisions of

this Section, the failure of any members to receive actual notice of any meeting shall in no way invalidate such meeting or any proceedings thereat. The presence of any member in person or by proxy at any meeting shall be deemed a waiver of any required notice to such member unless he shall at the opening thereof object to the holding of such meeting because of the failure to give notice in accordance with the provisions hereof.

Section 3.6. Order of Business. The order of business at all meetings of the members of the Association of owners shall, unless any such requirements are waived, be as follows:

- (a) Roll call and verification of proxies.
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of Board of Directors.
- (f) Reports of committees.
- (g) Appointment of inspectors of election when required.
- (h) Election of members of the Board of Directors when required.
- (i) Unfinished business.
- (j) New business.

ARTICLE IV

BOARD OF DIRECTORS

Section 4.1. Number and Qualification. The affairs of the Association shall be governed by a Board of Directors composed of at least two (2) persons, all of whom must be owners of lots, except the Developer, who may, if elected, serve as a member of the Board of Directors.

Section 4.2. Powers and Duties. In addition to the powers and duties imposed by the Declaration, these Bylaws or resolutions from time to time adopted by the Association, the Board of Directors at all times shall be responsible for the care, upkeep and surveillance of the General Common Elements and facilities. The powers and duties of the Board of Directors shall include but shall not be limited to the following:

- (a) Preparation of an annual budget and allocation of the budget to the various lots in accordance with the various percentages of interest owned.
- (b) Collection of monthly assessments from the owners, and enforcement of the collection right including but not limited to the foreclosure of the assessment lien.
- (c) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements and facilities.
- (d) Employment of a management agent, if desired by the Board of Directors, at a compensation established by the Board of Directors to perform such duties and services as the Board shall authorize. The duties conferred upon the management agent by the Board of Directors may at any time be revoked, modified or amplified by a majority of the Board of Directors at a duly constituted meeting.
- (e) Obtain and keep in full force and effect insurance on all Common Elements in the Subdivision, and public liability, property damage and other insurance as required in these Bylaws or deemed necessary and advisable by the Board.

(f) Adopt and amend rules and regulations and enforce the same covering the operation and use of all of the Common Elements in the Subdivision.

(g) Open bank accounts on behalf of the Association and designate the signatories required therefore.

(h) Invest any excess funds held or controlled by the Association.

(i) The Board additionally shall have all powers necessary for the administration of the affairs of the Association and may do all such acts and things therefore as are not by law, the Declaration or these Bylaws directed to be exercised or done only by the owners.

Section 4.3. Election and Term of Office. At the first annual meeting of the members of the Association the term of office of one (1) director shall be fixed for three (3) years, the term of office for one (1) director shall be fixed at two (2) years, and the term of office of one (1) director shall be fixed at one (1) year. At the expiration of the initial term of office of each respective director, his successor shall be elected to serve a term of three (3) years. The directors shall hold office until their successors have been duly elected. Until the first annual meeting of the Association of owners, the members of the Board of Directors shall be designated by the Declarant/Developer and shall serve until the first annual meeting of the members of the Association of owners or until their successors are duly elected.

Section 4.4. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a director by a vote of the members of the Association shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum; and each person so elected shall be a director until a successor is elected at the next annual meeting of the Association. Ceasing to be a member of the Association, death, incapacity or resignation of any director shall cause his office to become vacant.

Section 4.5. Removal of Directors. At any regular or special meeting of the Association duly called, any one or more of the directors may be removed with cause by a majority of the votes held by the owners, or without cause by a vote of 60% of the votes held by the owners, and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the owners shall be given an opportunity to be heard at the meeting.

Section 4.6. Compensation. No compensation shall be paid to the directors or officers for their services as directors or officers. No remuneration shall be paid to a director for services performed by him for the Association in any capacity, unless a resolution authorizing such remuneration shall have been unanimously adopted by the Board of Directors before the services are undertaken. Neither a director nor an officer may be a salaried employee of the Association. Directors and officers, however, may be reimbursed for any actual expenses incurred in connection with their duties as such officers or directors.

Section 4.7. Organization Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days after their election at such place as shall be fixed by the members at the meeting at which such directors were elected.

Section 4.8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors, but at least one (1)

such meeting shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

Section 4.9. Special Meetings. Special meetings of the Board of Directors may be called by the President or Secretary-Treasurer on three (3) days' notice to each director, given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

Section 4.10. Waiver of Notice. Before or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all of the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 4.11. Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 4.12. Liability. The members of the Board of Directors shall not be liable to the Association or any owner for any mistake of judgment, negligence, or otherwise, except for their own individual wilful misconduct or bad faith. The Association shall indemnify and hold harmless each of the members of the Board of Directors against all contractual liability to others arising out of contracts made by the Board of Directors on behalf of the Association unless any such contract shall have been made in bad faith or knowingly contrary to the provisions of the Declaration or of these Bylaws.

Section 4.13. Execution of Instruments. All checks, drafts, notes, acceptances, conveyances, contracts and other instruments shall be signed on behalf of the Association by such person or persons as shall be provided by general or special resolution of the Board of Directors, or, in the absence of any such resolution applicable to such instrument, by one of the following: President or Secretary-Treasurer.

ARTICLE V

OFFICERS

Section 5.1. Designation. The principal officers of the Association shall be a President and Secretary-Treasurer, both of whom shall be elected by and from the Board of Directors.

Section 5.2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board. All officers must be owners in the Subdivision, (except the Developer who may, if elected serve as an officer of the Association).

Section 5.3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.

Section 5.4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. Subject to the control of the Board he shall exercise general supervision and direction over the management and conduct of the business and affairs of the Association. He shall also have such other powers and duties as may be provided by these Bylaws or assigned to him from time to time by the Board.

Section 5.5. Secretary-Treasurer. The Secretary-Treasurer shall attend and keep minutes of all meetings of the Association and of the Board of Directors, give all notices thereof as provided by these Bylaws, maintain and keep a continuous and accurate record of ownership of all lot, and have charge of such books, documents and records of the Association as the Board may direct. He shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate account of all receipts and disbursements in books belonging to the Association and such depositories as may from time to time be designated by the Board of Directors.

Section 5.6. Auditor. The Association may appoint annually an independent public accountant or accounting firm as auditor to audit the books and financial records of the Association.

Section 5.7. Other Personnel. The Board of Directors may contract to employ personnel to assist the Board in the performance of its management duties.

ARTICLE VI

OBLIGATIONS AND RIGHTS OF OWNERS AND OF THE BOARD OF DIRECTORS

Section 6.1. Assessments. All owners shall be obligated to pay monthly assessments for Common Element expenses imposed by the Board of Directors, including but not limited to assessments for street construction, paving and maintenance, curb and gutter construction and maintenance; sewer, water and trash removal charges; sidewalk construction and maintenance; snow removal charges; and such other assessments for Common Elements as deemed necessary by the Board of Directors. The Developer shall not be liable for such monthly assessments or for common charges unless he owns a lot or lots, in which case, since charges shall be assessed in proportion to the percentage of such ownership he will share as defined in the Declaration. Each owner will be responsible for maintenance and repair of his structure constructed upon his lot.

Section 6.2. Initial Assessment. Each owner shall pay to the Association of owners at the time each owner purchases a lot the sum of One Hundred Dollars (\$100.00) as and for the initial assessment (the "initial assessment") against such Owner's lot. Said initial assessment shall be non-refundable. Said sum may be used by the Association as working capital or as a reserve for Common Element maintenance and improvement expense. The Developer/Declarant shall not be liable for payment of the "initial assessment".

Section 6.3. Budget. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Association on a fiscal year basis, and specify the term and the amount of the common charges payable by the owners to meet the Common Expenses of the Association and allocate such common charges payable by each of them respectively, and shall furnish copies of the budget on which such common charges are based to all owners and to their mortgagees if requested in writing. The Developer shall not be required to pay any part of the common charges payable by the owners to meet the Common Expenses of the Association, unless he owns a lot or lots in the Subdivision.

Section 6.4. Insurance. The Board of Directors shall be required to obtain and maintain the following insurance:

- (1) Flood insurance, to the extent the same is available under the National Flood Insurers Association;
- (2) Workmen's Compensation Insurance, if applicable;
- (3) Public liability and property damage insurance in such amounts and with such additional coverage as the Board of Directors shall from time to time determine, but at least covering each member of the Board of Directors, the managing agent, the manager, and each Unit owner, and with cross-liability endorsement to cover liabilities of the owners as a group to a single owner; and
- (4) Such other insurance as the Board of Directors may determine.

All such policies shall provide that adjustment of loss shall be made by the Board of Directors and that the net proceeds thereof shall be payable to the Board of Directors.

All policies of physical damage insurance shall contain waivers of subrogation and waivers of any reduction of pro rata liability of the insurer as a result of any insurance carried by owners or of invalidity arising from any acts of the insured or any owner, and shall provide that such policies may not be canceled or substantially modified without at least ten days' prior written notice to all of the insureds, including all mortgagees of the lots. Duplicate originals of all policies of physical damage insurance and all renewals thereof, or acceptable certificates of such insurance, together with proof of payment of premiums, shall be delivered to all mortgagees of lots if requested in writing at least ten days prior to expiration of the then current policies.

Section 6.5. Unit Owner's Insurance. Lot owners may carry whatever insurance they desire for their own benefit insuring their structures, improvements, and other personal property, provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Board of Directors shall not be affected or diminished by any owner. Insurance is not provided for by the Association of owners. Unless the following insurance coverage is afforded by any of the policies carried by the Board of Directors, an owner also shall carry public liability and property damage insurance for his lot (as opposed to coverage for accident, deaths or property damage on or about the Common Elements) in such minimum amounts as such owner may deem necessary or appropriate.

Section 6.6. Maintenance and Repair.

(a) Each owner is responsible for the care, repair and maintenance of the interior and exterior of any and all structures placed upon his lot as described in the Declaration.

(b) An owner shall reimburse the Association for any costs incurred in repairing or replacing any Common Elements or portion or portions thereof damaged through his own fault or negligence, and such costs shall be secured by the lien against his lot.

Section 6.7. Rules and Regulations. The Board of Directors, upon giving notice to all members in the same manner as herein provided for notice of meetings of the Association may adopt, amend or repeal any rules

and regulations governing details of the operation and use, and imposing reasonable restrictions upon the use of, the General Common Elements not inconsistent with any provision of law, the Declaration or these Bylaws.

ARTICLE VII

AMENDMENTS

Section 7.1. Amendments. These Bylaws (and the Articles of Incorporation of Dove Acres Subdivision Association) may be amended by a seventy five per cent (75%) vote of the Association of Owners at any regular or special meeting where notice of the proposed amendment is included in the call or notice of meeting, provided that Bylaws may not be amended or added which would be in conflict with the Declaration.

ARTICLE VIII

MORTGAGES

Section 8.1. Notice to Board of Directors. Any owner who mortgages his lot shall notify the Secretary-Treasurer of the Association of the name and address of his Mortgagee, and the Secretary-Treasurer shall maintain a record of such information in a book entitled "Book of Mortgages". The Board of Directors at the request of any Mortgagee or prospective purchaser of any lot shall report to such person the amount of any assessments against such lot then due and unpaid.

Section 8.2. Record of Ownership. Every owner shall promptly cause to be recorded or filed of record the deed or other instrument establishing a record title to the lot and deliver to the Secretary-Treasurer of the Association a certified copy of such instrument. The Secretary-Treasurer shall maintain all such information in the Association's records of ownership of the lots.

ARTICLE IX

ADMINISTRATION UNTIL FIRST COUNCIL MEETING

Section 9.1. Developer Administration. From the date of recordation of the Declaration, and until the first annual meeting of the Association of Owners, the duties, rights and privileges given to the Board of Directors by these Bylaws for the administration of the Association and any designation of a management agent shall be exercised by the Developer, Dove Acres, Inc., who shall be entitled to appoint members of the Board of Directors to serve until said first annual meeting.

ARTICLE X

RECORDS AND REPORTS

Section 10.1. Maintenance of Books and Records. The Board of Directors shall cause to be maintained at the principal office of the Association complete books of account concerning all Association funds, assets and liabilities. Such books of account shall be open to inspection upon the written demand of any owner for a purpose reasonably related to his interest as a owner and shall be exhibited at any time when required by demand at any regular meeting of the owners holding 20% of the total votes represented at said meeting. Such inspection by an owner may be made in person or by agent or attorney, and the right of inspection includes the right to make extracts or to perform audits. Demand of inspection shall be made in writing upon the President or Secretary-Treasurer of the Board of Directors.

Section 10.2. Annual Report to Owners. Annually, at least ten (10) days prior to the annual meeting, the Board of Directors shall cause to be prepared and sent to every owner an annual report of the affairs of the Association. Said report shall contain a complete accounting of receipts and disbursements of all Association funds during the preceding fiscal year

and a balance sheet setting forth all Association assets and liabilities as of the end of the preceding fiscal year. Upon written demand of owners holding 40% or more of the total vote, given at least sixty (60) days prior to the date of the annual meeting, an independent audit of the Association's books and records shall be performed in accordance with generally accepted auditing standards by a licensed certified public accountant at the Association's expense. A copy of the report of such auditor shall then be rendered to each owner in lieu of the annual report hereinabove required.

Section 10.3. Fiscal Year. The last day of the fiscal year for the Association of Owners shall be December 31.

ARTICLE XI

RESTRICTIONS;

INCORPORATION OF COVENANTS OF RECORD

Section 11.1. Use. The owner of any lot shall not use or allow the use of such lot or any building or structure thereon for any purpose which will be noxious, offensive or detrimental to the use of the other lots which would violate those restrictive covenants of record (a copy of which are attached hereto as "Attachment A" and incorporated by this reference as if fully set forth herein), or which will in any manner violate any zoning or other regulations or laws of the City of Douglas, County of Converse, the State of Wyoming or of the United States.

The foregoing Bylaws were duly adopted as of the 4th day of October, 1981, by the Association of Owners of the Dove Acres Sub-division:

DOVE ACRES SUBDIVISION ASSOCIATION, by
DOVE ACRES, INC., Developer/Declarant:

ATTEST:

Betty McCalister

By:

W. J. McCalister