INCLINE CREST II

A TOWNHOUSE ASSOCIATION

BYLAWS

ARTICLE I. DEFINITIONS

AS USED IN THESE BYLAWS, THE FOLLOWING DEFINITIONS SHALL APPLY, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(A) DECLARATION. THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF INCLINE CREST II, A TOWNHOUSE ASSOCIATION, AFFECTING THE PROPERTY WHICH IS SUBJECT TO THE JURISDICTION OF THIS CORPORATION.

(B) OTHER TERMS USED HEREIN SHALL HAVE MEANING GIVEN TO THEM IN THE DECLARATION AND IN THE ARTICLES OF INCORPORATION OF THIS CORPORATION.

ARTICLE II MEMBERSHIP.

1. QUALIFICATIONS. QUALIFICATION FOR MEMBERSHIP SHALL BE AS SET FORTH IN THE ARTICLES OF INCORPORATION.

2. MEMBERSHIP CERTIFICATES. MEMBERSHIP CERTIFICATES SHALL BE ISSUED BY THE SECRETARY OF THE CORPORATION TO EACH VOTING MEMBER. UNLESS OTHERWISE DIRECTED BY CO-OWNERS OF A UNIT, THE VOTING MEMBER SHALL BE THE PERSON WHO IS FIRST NAMED ON RECORD TITLE OF

VOTING IS PERMITTED.

3. FEES, DUES AND ASSESSMENTS. NO INITIATION FEES, COSTS OR DUES SHALL BE ASSESSED AGAINST ANY PERSON AS A CONDITION TO H EXERCISE OF THE RIGHTS OF MEMBERSHIP, EXCEPT SUCH ASSESSMENTS LEVIES AND CHARGES AS ARE AUTHORIZED BY THE ARTICLES OF INCORPORATION OR THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS.

ARTICLE III. MEETINGS.

1. ANNUAL MEETINGS. ALL ANNUAL MEETINGS OF MEMBERS SHALL BE HELD AT SUCH PLACE AND TIME AS SET BY THE BOARD OF DIRECTORS IN MAY OF EACH YEAR.

(A) AT THE ANNUAL MEETING, DIRECTORS SHALL BE ELECTED, REPORTS OF THE OFFICERS OF THE CORPORATION SHALL BE CONSIDERED AND ANY OTHER BUSINESS MAY BE TRANSACTED THAT IS WITHIN THE POWERS OF THE MEMBERS, WHETHER OR NOT STATED IN THE NOTICE THEREOF.

2. NOTICE OF MEETINGS. NOTICE OF ALL MEETINGS OF MEMBERS SHALL BE GIVEN IN WRITING TO MEMBERS ENTITLED TO VOTE BY THE SECRETARY OR AN ASSISTANT SECRETARY OR OTHER PERSON CHARGED WITH THAT DUTY, OR, IN THE CASE OF HIS NEGLECT OR REFUSAL, OR IF THERE IS NOT PERSON CHARGED WITH DUTY OF GIVING NOTICE, BY ANY DIRECTOR OR MEMBER.

(A) NOTICE OF MEETINGS MAY BE GIVEN EITHER PERSONALLY OR BY MAIL OR OTHER MEANS OF WRITTEN COMMUNICATION, CHARGES PREPAID, ADDRESSED TO THE MEMBER AT THE ADDRESS GIVEN BY HIM TO THE CORPORATION FOR THE PURPOSE OF NOTICE.

(B) THE NOTICE SHALL BE SENT TO EACH MEMBER ENTITLED THERETO NOT LESS THAN THIRTY (30) DAYS BEFORE THE MEETING AND SHALL SPECIFY THE PLACE, THE DAY AND HOUR OF THE MEETING.

PURPOSE OR PURPOSES WHATSOEVER, MAY BE CALLED AT ANY TIME BY THE PRESIDENT, BY THE BOARD OF DIRECTORS, OR BY ONE OR MORE MEMBERS HOLDING NOT LESS THAN ONE-FIFTH OF THE VOTING POWER OF THE CORPORATION.

4. <u>NOTICE OF SPECIAL MEETINGS</u>. ON REQUEST IN WRITING TO THE PRESIDENT, VICE-PRESIDENT OR SECRETARY, SENT BY REGISTERED MAIL OR DELIVERED TO THE OFFICER IN PERSON, BY ANY PERSONS ENTITLED TO CALL A MEETING OF MEMBERS, THE OFFICER FORTHWITH SHALL CAUSE NOTICE TO BE GIVEN TO THE MEMBERS ENTITLED TO VOTE THAT A MEETING WILL BE HELD AT A TIME, FIXED BY THE OFFICER, NOT LESS THAN TEN (10) NOR MORE THAN SIXTY (60) DAYS AFTER THE RECEIPT OF THE REQUEST. IF THE NOTICE IS NOT GIVEN WITHIN SEVEN (7) DAYS AFTER THAT DATE OF DELIVERY, OR THE DATE OF MAILING OF THE REQUEST, THE PERSONS CALLING THE MEETING MAY FIX THE TIME OF MEETING AND GIVE THE NOTICE IN THE MANNER PROVEDED HEREIN. NOTHING CONTAINED HEREIN SHALL BE CONSTRUED AS LIMITING, FIXING OR AFFECTING THE TIME OR DATE WHEN A MEETING OF MEMBERS CALLED BY ACTION OF THE BOARD OF DIRECTORS MAY BE HELD.

(A) NOTICE OF ANY SPECIAL MEETING SHALL SPECIFY THE PLACE, THE DAY AND THE HOUR OF THE MEETING, AND STATE THE GENERAL NATURE OF THE BUSINESS TO BE TRANSACTED.

(B) NOTICE OF A SPECIAL MEETING SHALL BE GIVEN IN THE SAME MANNER AS FOR AN ANNUAL MEETING OF MEMBERS, EXCEPT IN SPECIAL CASES WHERE OTHER EXPRESS PROVISION IS MADE BY STATUTE. UNLESS THE NOTICE IS WAIVED, NOTICE OF ANY MEETING CALLED TO CONSIDER A PLAN OF MERGER OR CONSOLIDATION SHALL BE GIVEN TO EACH MEMBER AT LEAST FORTY (40) DAYS PRIOR TO THE DATE OF THE MEETING.

THE MEMBERS SHALL BE HELD AT THE PRINCIPAL OFFICE OF THE CORPORATION, PROVIDED THAT THE BOARD OF DIRECTORS MAY DESI(PLACE UPON OR IN THE IMMEDIATE VICINITY OF THE PROPERTY SUB TO THE JURISDICTION OF THIS CORPORATION OR SOME CONVENIENT WITIN A DISTANCE OR NOT MORE THAN FIVE MILES FROM SAID PRIN(OFFICE OF THE CORPORATION AS A PLACE AT WHICH ANY ANNUAL OR SPECIAL MEETING OF THE MEMBERS MAY BE HELD.

7. <u>NOTICE OF ADJOURNED MEETINGS</u>. NOTICE OF EACH SUCH ADJOURNED MEETING SHALL BE GIVEN IN LIKE MANNER AS PROVIDED IN THIS ARTICLE III FOR SPECIAL MEETINGS EXCEPT THAT THE TIME THEREOF MAY BE SHORTENED FROM THIRTY (30) TO SEVEN (7) DAYS.

8. <u>VOTING</u>. VOTING RIGHTS OF MEMBERS SHALL BE AS SET FORTH IN ARTICLE VIII OF THE ARTICLES OF INCORPORATION AND AS SET FORTH IN THE SUCCEEDING SECTIONS OF THIS ARTICLE III.

(A) THE VOTE AT ANY MEMBERS' MEETING MAY BE BY VOICE OR BY A BALLOT; PROVIDED, HOWEVER, THAT ALL ELECTIONS FOR DIRECTORS MUST BE BY BALLOT ON DEMAND MADE BY A MEMBER AT ANY ELECTION BEFORE THE VOTING BEGINS.

(B) THERE SHALL BE NO CUMULATIVE VOTING.

(C) THE BOARD OF DIRECTORS MAY FIX A TIME NOT EXCEEDING FORTY (40) DAYS PRECEDING THE DATE OF ANY MEETING OF MEMBERS AS A RECORD DATE FOR THE DETERMINATION OF THE MEMBERS ENTITLED TO NOTICE OF AND TO VOTE AT ANY SUCH MEETING AND IN SUCH CASE ONLY MEMBERS OF RECORD ON THE DATE SO FIXED SHALL BE ENTITLED TO NOTICE OF AND TO VOTE AT SUCH MEETING. IN THE EVENT NO SUCH RECORD DATE IS FIXED BY THE BOARD OF DIRECTORS, THE RECORD DATE FOR THE DETERMINATION OF MEMBERS ENTITLED TO NOTICE OF AND TO VOTE AT ANY SUCH MEETING SHALL BE THE TENTH DAY PRECEDING THE DATE OF SUCH MEETING AS OF 8:00 O'CLOCK A.M. OF EACH DAY.

TO KEEP THE SECRETARY OF THE CORPORATION ADVISED AS TO HIS CORRECT MAILING ADDRESS FROM TIME TO TIME. ABSENT WRITTEN N TO THE CONTRARY, THE MAILING ADDRESS OF EACH MEMBER SHALL BE MAILING ADDRESS AS SHOWN, ON THE DATE OF ANY MAILING, IN THE ASSESSOR'S OFFICE OF WASHOE COUNTY, NEVADA.

10. QUORUM. A QUORUM OF 50%+ 1 SHALL BE REQUIRED AT ANY MEETING, ANNUAL OR SPECIAL, OF THE MEMBERS, CALLED UPON DUE NOTICE.

11. CONSENT OF ABSENTEES. THE TRANSACTIONS OF ANY MEETING OF MEMBERS, HOWEVER CALLED AND NOTICED, ARE AS VALID AS THOUGH A MEETING HAD BEEN DULY HELD AFTER REGULAR CALL AND NOTICE, AND, IF EITHER BEFORE OR AFTER THE MEETING, EACH OF THE PERSONS ENTITLED TO VOTE, NOT PRESENT IN PERSON OR BY PROXY, SIGNS A WRITTEN WAIVER OF NOTICE, OR A CONSENT TO THE HOLDING OF THE MEETING, OR AN APPROVAL OF THE MINUTES THEREOF. ALL SUCH WAIVERS, CONSENTS, OR APPROVALS SHALL BE FILED WITH THE CORPORATE RECORDS OR MADE A PART OF THE RECORDS OF THE MEETING. EXECUTORS, ADMINISTRATORS, GUARDIANS, TRUSTEES AND OTHER FIDUCIARIES ENTITLED TO VOTE SHARES MAY SIGN SUCH WAIVERS, CONSENTS AND APPROVALS.

12. ACTION WITHOUT MEETING. ANY ACTION THAT UNDER ANY PROVISIONS OF THE GENERAL CORPORATION LAWS OF NEVADA MAY BE TAKEN AT A MEETING OF THE MEMBERS, EXCEPT APPROVAL OF AN AGREEMENT FOR MERGER OR CONSOLIDATION OF THE CORPORATION WITH OTHER CORPORATIONS, MAY BE TAKEN WITHOUT A MEETING IF AUTHORIZED BY A WRITING SIGNED BY ALL OF THE PERSONS WHO WOULD BE ENTITLED TO VOTE UPON SUCH AN ACTION AT A MEETING, AND FILED WITH THE SECRETARY OF THE CORPORATION.

13. PROXIES. PROXIES, IN ORDER TO BE ACCEPTED AS VALID AT ANY MEETING, SHALL HAVE BEEN GRANTED WITHIN ELEVEN (11) MONTHS PRIOR TO THE MEETING, UNLESS THE MEMBER GRANTING SUCH PROXY SHALL HAVE SPECIFIED THEREIN THE LENGTH OF TIME FOR WHICH SUCH PROXY IS TO CONTINUE IN FORCE, IN WHICH CASE, THE PROXY SHALL BE VALID UNTIL THE TIME OF EXPIRATION SET FORTH THEREIN INSOFAR AS THE SAME DOES NOT EXCEED THE MAXIMUM TIME PROVIDED FOR BY LAW. ALL PROXIES SHALL BE IN WRITING, SIGNED BY THE MEMBER OR HIS DULY AUTHORIZED ATTORNEY AND DELIVERED TO THE SECRETARY OF THE CORPORATION.

ARTICLE IV. DIRECTORS.

1. POWERS. SUBJECT TO LIMITATIONS OF THE ARTICLES OF INCORPORATION, OF THESE BYLAWS, AND OF THE GENERAL CORPORATION LAWS OF NEVADA AS TO ACTION THAT MUST BE AUTHORIZED OR APPROVED BY THE MEMBERS, AND SUBJECT ALSO TO ALL THE RESTRICTIONS, PROVISIONS AND LIMITATION IN THE DECLARATION, ALL CORPORATE POWERS SHALL BE EXERCISED BY OR UNDER AUTHORITY OF, AND THE BUSINESS AND AFFAIRS OF THE CORPORATION SHALL BE CONTROLLED BY THE BOARD OF DIRECTORS.

2. NUMBER OF DIRECTORS. THE AUTHORIZED NUMBER OF DIRECTORS IS FIVE (5). THIS NUMBER MAY BE CHANGED BY AN AMENDMENT OF THE ARTICLES OF INCORPORATIONS OR BY A BYLAW DULY ADOPTED BY THE VOTE OR WRITTEN ASSENT OF MEMBERS ENTITLED TO EXERCISE A MAJORITY OF THE VOTING POWER OF THIS CORPORATION; PROVIDED, HOWEVER, THAT THE AUTHORIZED NUMBER OF DIRECTORS SHALL IN NO EVENT BE LESS THAN THREE (3).

3. <u>ELECTION AND TERM OF OFFICE</u>. THE FIVE INITIAL DIRECTORS SHALL BE AS DESIGNATED IN THE ARTICLES OF INCORPORATION AND THREE (3) OF THE INITIAL DIRECTORS SHALL HOLD OFFICE FOR A PERIOD OF TWO (2) YEARS; THE REMAINING TWO (2) DIRECTORS SHALL HOLD OFFICE FOR A PERIOD OF ONE (1) YEAR. THEREAFTER, AT EACH ANNUAL MEETING OF THE MEMBERS, DIRECTORS SHALL BE ELECTED FOR A TWO-YEAR TERM.

4. <u>VACANCIES</u>. ANY VACANCY OCCURRING ON THE BOARD OF DIRECTORS MAY BE FILLED BY A VOTE OF THE MAJORITY OF THE REMAINING DIRECTORS, THOUGH THEY ARE LESS THAN A QUORUM OF THE BOARD, OR BY A SOLE REMAINING DIRECTOR. A DIRECTOR SO CHOSEN MUST BE A MEMBER OF THE CORPORATION AND SHALL SERVE UNTIL THE NEXT MEETING AND THE ELECTION OF HIS SUCCESSOR. THE MEMBERS MAY ELECT A DIRECTOR AT ANY TIME TO FILL ANY VACANCY NOT FILLED BY THE DIRECTORS. IF THE BOARD OF DIRECTORS ACCEPTS THE RESIGNATION OF A DIRECTOR TENDERED TO TAKE EFFECT AT A FUTURE TIME, THE BOARD OR THE MEMBERS MAY ELECT A SUCCESSOR TO TAKE OFFICE WHEN THE RESIGNATION BECOMES EFFECTIVE.

5. <u>MEETINGS</u>.

(A). <u>CALL</u>. SPECIAL MEETINGS MAY BE CALLED AT ANY TIME BY THE PRESIDENT, OR IF HE IS ABSENT OR UNABLE TO OR REFUSES TO ACT, BY A VICE-PRESIDENT OR BY ANY TWO DIRECTORS. REGULAR MEETINGS SHALL BE HELD WITHOUT CALL.

(B). <u>TIME</u>. WITHOUT CALL OR NOTICE OTHER THAN THIS BYLAW, THE BOARD OF DIRECTORS SHALL HOLD AN ORGANIZATIONAL MEETING IMMEDIATELY FOLLOWING EACH ANNUAL MEETING OF MEMBERS.

(C) PLACE OF MEETINGS. REGULAR MEETINGS OF THE BOARD OF DIRECTORS SHALL BE HELD AT ANY PLACE WITHIN OR WITHOUT THE STATE THAT HAS BEEN DESIGNATED FROM TIME TO TIME BY RESOLUTION OF THE BOARD OR BY WRITTEN CONSENT OF ALL MEMBERS OF THE BOARD. IN THE ABSENCE OF SUCH A DESINATION, REGULAR MEETINGS SHALL BE HELD AT THE PRINCIPAL OFFICE OF THE CORPORATION. SPECIAL MEETINGS OF THE BOARD MAY BE HELD EITHER AT A PLACE SO DESIGNATED OR AT THE PRINCIPAL OFFICE.

(D) NOTICE. WRITTEN NOTICE OF THE TIME AND PLACE OF SPECIAL MEETINGS OF THE BOARD OF DIRECTORS SHALL BE DELIVERED PERSONALLY TO EACH DIRECTOR, OR SENT TO EACH DIRECTOR BY MAIL OR BY OTHER FORM OF WRITTEN COMMUNICATION AT LEAST TWO DAYS BEFORE THE MEETING. NOTICE OF THE TIME AND PLACE OF HOLDING A ADJOURNED MEETING NEED NOT BE GIVEN TO ABSENT DIRECTORS IF THE TIME AND PLACE IS FIXED AT THE MEETING ADJOURNED. NOTICE OF ALL REGULAR MEETINGS IS DISPENSED WITH.

(E) WAIVER OF NOTICE. THE TRANSACTIONS OF ANY MEETING OF THE BOARD OF DIRECTORS, HOWEVER CALLED AND NOTICED OR WHEREVER HELD, ARE AS VALID AS THOUGH A MEETING HAD BEEN DULY HELD AFTER REGULAR CALL AND NOTICE, IF A QUORUM IS PRESENT, AND IF EITHER BEFORE OR AFTER THE MEETING, EACH OF THE DIRECTORS NOT PRESENT SIGNS A WRITTEN WAIVER OF NOTICE, A CONSENT TO HOLDING THE MEETING, OR AN APPROVAL OF THE MINUTES THEREOF. ALL SUCH WAIVERS, CONSENTS OR APPROVALS SHALL BE FILED WITH THE CORPORATE RECORDS OR MADE A PART OF THE MINUTES OF THE MEETING.

(F) QUORUM. A MAJORITY OF THE AUTHORIZED NUMBER OF DIRECTORS CONSTITUTES A QUORUM OF THE BOARD FOR THE TRANSACTION OF BUSINESS. EVERY ACT OR DECISION DONE OR MADE BY A MAJORITY OF THE DIRECTORS PRESENT AT A MEETING DULY HELD AT WHICH A QUORUM IS PRESENT IS THE ACT OF THE BOARD OF DIRECTORS. THREE (3) OF A FIVE-DIRECTOR BOARD SHALL CONSTITUTE A MAJORITY FOR QUORUM PURPOSES.

(G) ADJOURNMENT. IN THE ABSENCE OF A QUORUM, A MAJORITY OF THE DIRECTORS PRESENT MAY ADJOURN FROM TIME TO TIME UNTIL THE TIME FIXED FOR THE NEXT REGULAR MEETING OF THE BOARD. NOTICE OF THE TIME AND PLACE OF HOLDING AN ADJOURNED MEETING OF A MEETING NEED NOT BE GIVEN TO ABSENT DIRECTORS IF THE TIME AND PLACE ARE FIXED AT THE MEETING ADJOURNED.

6. COMPENSATION. DIRECTORS AS SUCH SHALL NOT RECEIVE ANY SALARY FOR THEIR SERVICES AS DIRECTORS; PROVIDED, HOWEVER, THAT NOTHING HEREIN CONTAINED SHALL BE CONSTRUED TO PRECLUDE ANY DIRECTOR FROM SERVING THE CORPORATION IN ANY OTHER CAPACITY AND RECEIVING COMPENSATION THEREFOR.

ARTICLES V. OFFICERS.

1. DESIGNATION. THE OFFICERS OF THE CORPORATION SHALL BE A PRESIDENT, A VICE-PRESIDENT, A SECRETARY AND A TREASURER. THE CORPORATION MAY ALSO HAVE, AT THE DISCRETION OF THE BOARD OF DIRECTORS, ONE OR MORE ADDITIONAL VICE-PRESIDENTS, ONE OR MORE ASSISTANT SECRETARIES, ONE OR MORE ASSISTANT TREASURERS, AND SUCH OFFICES AS MAY BE APPOINTED IN ACCORDANCE WITH THE PROVISIONS OF THIS ARTICLE V. OFFICERS OTHER THAN THE PRESIDENT NEED NOT BE DIRECTORS.

2. ELECTION. THE OFFICERS OF THE CORPORATION, EXCEPT SUCH OFFICERS AS MAY BE APPOINTED IN ACCORDANCE WITH THE PROVISIONS OF THIS ARTICLE V HEREINAFTER STATED SHALL BE CHOSEN ANNUALLY BY THE BOARD OF DIRECTORS, IMMEDIATELY AFTER THE REGULAR ANNUAL MEETING OF THE MEMBERS, AND EACH SHALL HOLD HIS OFFICE UNTIL HE SHALL RESIGN OR SHALL BE REMOVED OR OTHERWISE DISQUALIFIED TO SERVE, OR HIS SUCCEESSOR SHALL BE ELECTED AND QUALIFIED.

3. SUBORDINATE OFFICERS. THE BOARD OF DIRECTORS MAY ELECT OR AUTHORIZE THE APPOINTMENT OF SUCH OTHER OFFICERS AS THE BUSINESS OF THE CORPORATION MAY REQUIRE, EACH OF WHOM SHALL HOLD OFFICE FOR SUCH PERIOD, HAVE SUCH AUTHORITY AND PERFORM SUCH DUTIES AS ARE PROVIDED IN THE BYLAWS OR AS THE BOARD OF DIRECTORS MAY FROM TIME TO TIME AUTHORIZE OR DETERMINE.

4. REMOVAL AND RESIGNATION. ANY OFFICER MAY BE REMOVED, EITHER WITH OR WITHOUT CAUSE, BY A MAJORITY OF THE DIRECTORS AT ANY REGULAR OR SPECIAL MEETING OF THE BOARD.

5. VACANCIES. A VACANCY IN ANY OFFICE BECAUSE OF DEATH, RESIGNATION, REMOVAL, DISQUALIFICATION OR ANY OTHER CAUSE, SHALL BE FILLED IN THE MANNER PROVIDED OR AUTHORIZED HEREIN FOR REGULAR ELECTIONS OR APPOINTMENTS TO SUCH OFFICE.

6. PRESIDENT. THE PRESIDENT SHALL BE THE CHIEF EXECUTIVE OFFICER OF THE CORPORATION AND SHALL, SUBJECT TO CONTROL OF THE BOARD OF DIRECTORS, HAVE GENERAL SUPERVISION, DIRECTION AND CONTROL OF THE AFFAIRS AND OTHER OFFICERS OF THE CORPORATION. HE SHALL PRESIDE AT ALL MEETINGS OF THE MEMBERS AND AT ALL MEETING OF THE BOARD OF DIRECTORS AND SHALL HAVE THE GENERAL POWERS AND DUTIES OF MANAGEMENT USUALLY VESTED IN THE OFFICE OF PRESIDENT OF A CORPORATION, AND SHALL HAVE SUCH OTHER POWERS AND DUTIES AS MAY BE PRESCRIBED BY THE BOARD OF DIRECTORS AND THE BYLAWS, SUBJECT, HOWEVER, TO ANY LIMITATIONS CONTAINED IN THE DECLARATION.

7. VICE-PRESIDENT. IN THE ABSENCE OR DISABILITY OF THE PRESIDENT, THE VICE-PRESIDENT, OR, IF MORE THAN ONE, IN ORDER OF THEIR RANK AS FIXED BY THE BOARD OF DIRECTORS, OR IF NOT RANKED, THE VICE-PRESIDENT DESIGNATED BY THE BOARD OF DIRECTORS, SHALL PERFORM ALL 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. THE VICE-PRESIDENT SHALL HAVE SUCH OTHER POWERS AND PERFORM SUCH OTHER DUTIES AS FROM TIME TO TIME MAY BE PRESCRIBED FOR THEM RESPECTIVELY, BY THE BOARD OF DIRECTORS, OR BYLAWS.

8. SECRETARY. THE SECRETARY SHALL KEEP OR CAUSE TO BE KEPT A BOOK OF MINUTES AT THE PRINCIPAL OFFICE OR SUCH OTHER PLACE AS THE BOARD OF DIRECTORS MAY ORDER, OF ALL MEETINGS OF DIRECTORS OR MEMBERS, WITH THE TIME AND PLACE OF HOLDING, WHETHER REGULAR OR SPECIAL, AND IF SPECIAL, HOW AUTHORIZED, THE NOTICE THEREOF GIVEN, THE NAMES OF THOSE PRESENT AT DIRECTORS' MEETINGS, THE NUMBER OF MEMBERSHIPS AND VOTES PRESENT OR REPRESENTED AT MEMBERS' MEETINGS AND ALL THE PROCEEDINGS THEREOF. THE SECRETARY SHALL GIVE OR CAUSE TO BE GIVEN NOTICE OF ALL MEETINGS OF THE MEMBERS AND OF THE BOARD OF DIRECTORS REQUIRED BY THE BYLAWS OR BY LAW TO BE GIVEN, AND SHALL KEEP THE SEAL OF THE CORPORATION IN SAFE CUSTODY AND SHALL HAVE SUCH OTHER POWERS AND PERFORM SUCH OTHER DUTIES AS MAY BE PRESCRIBED BY THE BOARD OF DIRECTORS OR BY THE BYLAWS.

9. TREASURER. THE TREASURER SHALL KEEP AND MAINTAIN, OR CAUSE TO BE KEPT OR MAINTAINED, ADEQUATE AND CORRECT ACCOUNTS OF THE PROPERTIES AND BUSINESS TRANSACTIONS OF THE CORPORATION, INCLUDING ACCOUNTS OF ITS ASSETS, LIABILITIES, RECEIPTS, DISBURSEMENTS, GAINS AND LOSSES. THE TREASURER SHALL ALSO MAINTAIN OR CAUSE TO BE MAINTAINED, COMPLETE RECORDS OF ALL

ASSESSMENTS AND CHARGES LEVIED AND THE LIENS SECURING SAME UNDER AND PURSUANT TO THE PROVISIONS OF THE DECLARATION, THE AMOUNTS THEREOF, THE PROPERTIES AND INTERESTS AGAINST WHICH THE SAME HAVE BEEN ASSESSED, THE DATES UPON WHICH THE SAME ARE DUE, AND UPON WHICH THE SAME ARE DELINQUENT, AND A RECORD OF THE PAYMENTS THEREOF. THE TREASURER SHALL DEPOSIT OR CAUSE TO BE DEPOSITED ALL MONIES AND OTHER VALUABLES IN THE NAME AND TO THE CREDIT OF THE CORPORATION WITH SUCH DEPOSITORIES AS MAY BE DESIGNATED BY THE BOARD OF DIRECTORS. HE SHALL DISBURSE THE FUNDS OF THE CORPORATION AS MAY BE ORDERED BY THE BOARD OF DIRECTORS, SHALL RENDER TO THE PRESIDENT AND DIRECTORS, WHENEVER THEY REQUEST IT, AN ACCOUNT OF ALL HIS TRANSACTIONS AS TREASURER AND OF THE FINANCIAL CONDITION OF THE CORPORATION, AND SHALL HAVE SUCH OTHER POWERS AND PERFORM SUCH OTHER DUTIES AS MAY BE PRESCRIBED BY THE BOARD OF DIRECTORS OR BY THE BYLAWS. THE TREASURER SHALL ALSO ISSUE SUCH CERTIFICATES TO TITLE INSURERS AND ESCROWEES AS MAY BE REEQUESTED BY THEM.

ARTICLE VI. CONTRACTS AND COMMITTEES.

1. CONTRACTS. THE BOARD OF DIRECTORS MAY ENTER INTO, MAKE, PERFORM AND CARRY OUT CONTRACT OF ANY KIND AND CHARACTER FOR ANY LAWFUL PURPOSE, CONSISTENT WITH THE STATUS OF A NON-PROFIT CORPORATION, WITH ANY PERSON OR PERSONS, PARTNERSHIP FIRM, ASSOCIATION, CORPORATION, PRIVATE, PUBLIC OR MUNICIPAL, ANY BODY POLITIC, ANY STATE, TERRITORY OR MUNICIPALITY OF THE UNITED STATES, OR WITH THE GOVERNMENT OF THE UNITED STATES OR ANY DEPARTMET, BRANCH, BOARD, COMMISSION OR CONTRACTING AUTHORITY THEREOF OR WITH ANY FOREIGN GOVERNMENT, INCLUDING THE RIGHT TO MAKE AGREEMENTS WITH MUNICIPAL, COUNTY, TOWNSHIP, STATE, NATIONAL OR OTHER PUBLIC OFFICIALS OR WITH ANY POLITICAL SUBDIVISION OR ANY CORPORATION OR INDIVIDUAL FOR AND ON BEHALF OF THE OWNERS OF

THE PROPERTY.

2. CONTRACTS WITH MEMBERS. THE BOARD OF DIRECTORS MAY ENTER INTO AGREEMENTS, CONTRACTS AND ARRANGEMENTS WITH ANY MEMBER FOR CONSTRUCTION OR REPAIR WORK, PLANTING OR REPLANTING, CARE, CLEANING, PROTECTING, MAINTAINING OR RENDERING OF MAID, TELEPHONE, LAUNDRY, CLEANING AND ANY KIND AND ALL OTHER SPECIAL SERVICES GENERALLY IN CONNECTION WITH SUCH MEMBER'S UNIT; PROVIDED THE FOREGOING SHALL BE PAID FOR DIRECTLY BY SUCH MEMBER AND AND SHALL NOT BE PAID FROM FUNDS DERIVED FROM THE CHARGES AND/OR ASSESSMENTS PROVIDED FOR IN THE DECLARATION.

3. COMMITTEES. THE BOARD OF DIRECTORS MAY MAINTAIN AND OPERATE SUCH DEPARTMENTS, BOARDS AND COMMITTEES AS MAY BE PROVIDED FOR IN THESE BYLAWS OR AS IT MAY PROVIDE BY RESOLUTION, WITH SUCH POWERS AND AUTHORITY AS MAY BE CONFERRED, AND TO MAKE FUNDS OF THE CORPORATION AVAILABLE FOR THE USE OF SUCH DEPARTMENTS, BOARDS AND COMMITTEES. THE BOARD OF DIRECTORS MAY EMPLOY A MANAGER, SECRETARIES, ENGINEERS, AUDITORS, LEGAL COUNSEL, TECHNICAL CONSULTANTS OR ANY OTHER EMPLOYEES OR ASSISTANCE PROVIDED FOR BY BYLAWS OR AUTHORIZED BY THE BOARD OF DIRECTORS AND MAY PAY ALL EXPENSES NECESSARY OR INCIDENTAL TO THE CONDUCT AND CARRYING ON OF THE BUSINESS OF THE CORPORATION.

ARTICLE VII. CHARGES AND LEVIES.

1. GENERAL. THE BOARD OF DIRECTORS SHALL DETERMINE THE AMOUNT OF ALL CHARGES AND ASSESSMENTS PROVIDED FOR IN THE DECLARATION AND SHALL LEVY AND ENFORCE SUCH CHARGES AND ASSESSMENTS IN THE MANNER THEREIN PROVIDED.

ARTICLE VII. MISCELLANEOUS.

1. ANNUAL REPORT TO MEMBERS. THE BOARD OF DIRECTORS SHALL PRESENT AT EACH ANNUAL MEETING TO THE MEMBERS A CURRENT STATEMENT OF THE BUSINESS AFFAIRS AND FINANCIAL CONDITION OF THE

CORPORATION.

2. TREASURER'S REPORT TO DIRECTORS. ON OR BEFORE FIFTY (50) DAYS PRIOR TO THE ANNUAL MEETING OF MEMBERS, THE TREASURER SHALL SUBMIT TO THE BOARD OF DIRECTORS (1) A CURRENT STATEMENT OF THE PREVIOUS YEAR'S REVENUE AND DISBURSEMENTS; (2) THE ESTIMATED BUDGET SETTING FORTH THE REVENUE AND DISBURSEMENTS FOR THE FORTHCOMING YEAR; (3) A COMPLETE LIST OF THE NAMES, UNIT NUMBERS AND MAILING ADDRESSES OF THE VOTING MEMBERS OF THE ASSOCIATION.

3. CHECKS, DRAFTS AND NOTES. ALL CHECKS, DRAFTS OR OTHER ORDERS FOR PAYMENT OF MONEY, NOTES OR OTHER EVIDENCES OF INDEBTEDNESS, ISSUED IN THE NAME OF OR PAYABLE TO THE CORPORATION, AND ANY AND ALL SECURITIES OWNED OR HELD BY THE CORPORATION REQUIRING SIGNATURE FOR TRANSFER, SHALL BE SIGNED OR ENDORSED BY SUCH PERSON OR PERSONS AND IN SUCH MANNER AS, FROM TIME TO TIME, SHALL BE DETERMINED BY RESOLUTION OF THE BOARD OF DIRECTORS.

5. INSPECTION OF CORPORATE RECORDS. THE BOOKS OF ACCOUNT AND THE MINUTES OF PROCEEDINGS OF THE MEMBERS AND DIRECTORS AND OTHER CORPORATE RECORDS SHALL BE KEPT OPEN TO INSPECTION BY ANY DIRECTOR UPON DEMAND AT ANY REASONABLE TIME AND TO INSPECTION BY ANY MEMBER UPON WRITTEN DEMAND OF ANY SUCH MEMBER AT ANY REASONABLE TIME FOR A PURPOSE REASONABLY RELATED TO HIS INTEREST AS A MEMBER AND SHALL BE EXHIBITED AT ANY TIME WHEN REQUIRED BY THE DEMAND OF TWENTY-FIVE (25) PERCENT OF THE VOTING POWER OF THE MEMBERS REPRESENTED AT ANY MEMBERS' MEETING. SUCH INSPECTION MAY BE MADE IN PERSON OR BY AN AGENT OR ATTORNEY AND SHALL INCLUDE THE RIGHT TO MAKE EXTRACTS. DEMAND OF INSPECTION BY ANY MEMBER OTHER THAN AT A MEMBERS' MEETING SHALL BE MADE IN WRITING UPON THE PRESIDENT, SECRETARY OR ASSISTANT SECRETARY OF THE CORPORATION. EVERY SUCH DEMAND, UNLESS GRANTED, SHALL BE REFERRED

BY SUCH OFFICER TO THE BOARD OF DIRECTORS.

6. HEADINGS AND TITLES. ALL HEADINGS AND TITLES USED BYLAWS, INCLUDING THOSE OF ARTICLES, SECTIONS AND SUBSEC ARE INTENDED SOLELY FOR CONVENIENCE OF REFERENCE, AND TH SHALL NOT, NOR SHALL ANY OF THE, AFFECT THAT WHICH IS SE IN SUCH ARTICLE, NOR ANY OF THE TERMS OR PROVISIONS OF THESE BYLAWS NOR THE MEANING THEREOF.

7. RULES. SUBJECT TO THE LIMITATIONS CONTAINED IN THE DECLARATION THE BOARD OF DIRECTORS MAY FROM TIME TO TIME MAKE, PUBLISH AND ENFORCE RULES, AND ESTABLISH AND COLLECT FINES FOR THE VIOLATION THEREOF, GOVERNING THE USE OF THE PROPERTY OVER WHICH THIS CORPORATION HAS JURISDICTION AND THE CONDUCT OF THE USERS THEREOF, IN THE MANNER SET FORTH IN SUCH DECLARATION. A CURRET RECORD OF ALL RULES, AS AMENDED FROM TIME TO TIME, AND A RECORD OF THE AMOUNTS OF THE FINES (IF ANY) ESTABLISHED FOR THE VIOLATION THEREOF, SHALL BE KEPT BY THE SECRETARY OF THE CORPORATION AND SHALL BE AVAILABLE TO ANY MEMBER AT ANY REASONABLE TIME.

ARTICLE IX. AMENDMENTS.

1. AMENDMENTS. THESE BYLAWS AND ANY PART THEREOF, MAY BE AMENDED OR REPEALED AND NEW BYLAWS MAY BE ADOPTED BY THE VOTE OR WRITTEN ASSENT OF MEMBERS ENTITLED TO EXERCISE A MAJORITY OF THE VOTING POWER.

THE UNDERSIGNED REPRESENTING A MAJORITY OF THE VOTES OF INCLINE CREST II, A TOWNHOUSE ASSOCIATION, ASSENT TO THE BYLAWS AS ABOVE DRAWN.

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PRESIDENT

I, THE UNDERSIGNED, BEING THE SECRETARY OF INCLINE CREST II, A TOWNHOUSE ASSOCIATION, DO HEREBY CERTIFY THE FOREGOING TO BE THE BYLAWS OF SAID ASSOCIATION, AS DULY ADOPTED IN ACCORDANCE WITH N.R.S. 81.470.1.

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SECRETARY