

BYLAWS OF
TUXFORD, INC.

ARTICLE ONE: MEMBERS

1. Membership

The owner of record of each lot in Tuxford shall have one membership in the corporation. In the event the ownership of a single lot is a joint or common ownership, said joint or common owners shall together constitute the membership so that in all cases the voting power of members shall be limited to one vote per lot. Membership in the corporation shall terminate when any member shall cease to be the owner of record of a lot in Tuxford. No member may be expelled from membership for any reason whatsoever; provided, however, that the voting power of any member shall be suspended during any time that such member shall be in arrears in paying the assessments or charges due to the corporation or in the event that any member has failed to comply with any notice from the board of directors of the corporation to bring his dwelling or lot into conformity with the restrictive covenants and articles of incorporation and bylaws of the corporation. Each member shall be entitled to one vote on each matter submitted to a vote of the members.

2. Determination of Member

For purposes of determining whether a member has received notice, or is present at a meeting, or has signed a proxy and for similar matters, a member shall be deemed the owner of record of a lot in the subdivision, a member of the owner's household over the age of 18, or such owner's spouse.

3. Assignment of Membership to Tenants

A member may assign his membership rights and obligations to the tenant residing in his dwelling by filing with the Secretary a written notice signed by the owner and the tenant. Irrespective of such assignment, an owner shall pay the dues or assessments assessed against his tenant in the event that the tenant-member defaults in such payment. The membership shall revert to the owner at the time that the tenant moves out of the dwelling or in the event that the owner pays the dues or assessments which the tenant fails to pay.

ARTICLE TWO: MEETINGS OF MEMBERS

1. Annual Meeting

An annual meeting of the members shall be held in September of each year commencing with _____. The board of directors may defer the annual meeting to October in the event a deferment is deemed necessary by reason of circumstances then existing. The date, time, and place of the annual meeting shall be fixed by the board but in all cases shall be in Jefferson County and within a reasonably close proximity to the subdivision. The purposes of the annual meeting shall be as set forth in the notice of the meeting. In addition, the members at an annual meeting may transact such other business as may be brought properly before the meeting.

2. Special Meetings

Special meetings of the members may be called by the board or by a petition signed by 25% of the members. The date, time and place of special meetings shall be fixed by those calling the meeting, but in all cases shall be in Jefferson County and within a reasonably close proximity of the subdivision. The business at special meetings shall be confined to the proposals which are listed in the notice of the meeting.

3. Notice

Written notice stating the date, time, and place of any special or annual meeting of members shall be delivered by the Secretary by mail not less than 14 days nor more than 28 days before the meeting to each member entitled to vote at the date of the notice. Notice shall be deemed delivered when deposited in the mail, postage prepaid, and addressed to the member at his address on the corporate records. It shall be the responsibility of those calling a special meeting to furnish the Secretary with information concerning the date, time, place, and purpose of special meetings within a reasonable time before notice of the meeting is required to be delivered. Notices of special and annual meetings shall list with reasonable detail the specific proposals to be considered at the meeting; provided that notices of annual meetings shall further state that the purposes of the meeting shall be such other business as may be brought properly before the meeting. Attendance at a meeting, whether in person or by proxy, without objection to the notice or lack thereof, shall constitute waiver of notice of the meeting.

4. Quorum and Voting

The presence, in person or by proxy, of a majority of the members entitled to vote in the subdivision as of the date of the notice of the meeting shall be a quorum at all meetings of members; provided that in no event shall a quorum exist unless at least 25% of the members entitled to vote are present in person at the meeting. The act of a majority of members present in person or by proxy at a meeting at which a quorum is present shall be the act of the members unless a greater percentage is required by these bylaws or by law. The members present in person or by proxy at a duly organized meeting may continue to do business until adjournment, notwithstanding the withdrawal of enough persons to leave less than a quorum. It shall be considered a responsibility of each director to insure a quorum by obtaining commitments of their constituents to attend the annual or special meetings or else obtain their proxies if they cannot attend. All meetings shall be conducted in accordance with "Roberts Rules of Order", Seventh Edition, to the extent consistent with the bylaws.

5. Proxies

A member may vote at any meeting by means of a written proxy signed by the member and delivered by the proxyholder to the Secretary at the meeting. Members may obtain blank proxy forms from the directors. The secretary shall distribute a sufficient number of blank proxy forms to each director for this purpose. A written proxy form shall be mailed to the member together with the notice of the meeting. By use of the proxy, a member may authorize a director, or such other person as he selects, to vote as the member directs on matters to be brought before the meeting. No proxy may be voted on matters which are not specifically referred to in the notice of the meeting; except that, with respect to annual meetings, a member may at his discretion indicate on the proxy that the proxyholder is authorized to vote as such proxyholder desires in matters which are not specified in the notice but which are brought properly before the annual meeting.

ARTICLE THREE: DIRECTORS

1. General Power

The board of directors shall administer the corporation in accordance with the bylaws and with other governing documents.

2. Number and Qualification of Directors

The board of directors shall consist of six persons elected from the membership. The initial board shall be three persons. After the sale of the first 25 units the board shall consist of 4 members, after the sale of the second 25 units the board shall be six members.

3. Election of Directors

The outgoing director shall conduct an election in the second to last month of his term of office, this being the month prior to the annual meeting. His successor shall be elected by the majority vote of all members in the zone. The director-elect shall take office as director of record at the 1st regular bi-monthly meeting of the board of directors. If the outgoing director fails in his responsibility to conduct an election by the annual meeting, the board of directors will assume the responsibility and conduct an election as soon after the annual meeting as possible. If no member will serve as director, that directorship will remain vacant until such time as some member is willing to serve and can be elected. Odd numbered directors shall be elected in odd numbered years; even numbered directors shall be elected in even numbered years.

4. Tenure of Office

Directors shall serve for two years. The term of each director ends at the September board meeting - in odd years, the three directors' terms end; in even years, the remaining three directors' terms end. In the event a director resigns or is removed, it is the responsibility of the board to conduct an election for a new director, and if qualified, the new director will serve the remainder of his predecessor's term.

5. Meetings of the Board of Directors

(a) Regular Meetings. Regular meetings of the board will be held in September, after the annual meeting, November, January, March, May and July.

(b) Special Meetings. Special meetings of the board may be called by any director.

(c) Notice of Board Meeting. With respect to regular meetings, the President shall cause notice to be given to each director of the time and place of the meeting. With respect to special meetings, the director calling the meeting shall notify each director of the time, place and purpose of the meeting. Notices of board meetings may be given orally.

(d) Quorum and Voting. A simple majority of the board shall constitute a quorum for the transaction of business. The total number of directors for the purpose of determining a majority will be the total of elected, qualified directors of record. Directors, in the event of anticipated absence, may assign their votes by written proxy to either another member or to another board member. Proxies shall be counted as a present board member for the purpose of quorums and voting. The act of a majority of directors (but not less than 3 including proxies) at which a quorum is present, shall be the act of the board of directors.

(e) Conduct of Board Meetings and Corporate Minutes. The President shall preside at all meetings of the board of directors. In his absence, the vice-president shall preside in his place. If both the president and vice-president are absent, the directors may appoint a director to preside over the meeting. Minutes of board meetings shall be open to any member for inspection at reasonable times. Decisions of the board which are reflected in the minutes shall specify the manner in which each director voted. Corporate

minutes shall not be permitted to be taken from the Secretary's possession without the consent of the board. Minutes of board meetings shall be distributed to all members.

(f) Removal of Directors. Any director may be removed from office at any time, with or without cause, by a majority vote of the members.

(g) Vacancies. In the event a vacancy occurs in the board of directors by resignation, removal or otherwise, an election shall be held within two weeks after such vacancy occurs. The outgoing director shall conduct such election except if he is unable or unwilling to conduct such election, then the President or his designee shall conduct the election.

(h) Proposals by Members. Members may submit proposals to the board for consideration at regular or special board meetings.

ARTICLE FOUR: OFFICERS

1. Officers

The board shall elect a President, Vice-President, Treasurer and Secretary.

2. Qualification, Election and Tenure

(a) Qualification. Each officer shall be a director of the corporation, except that the Secretary shall be a member or the spouse of a member.

(b) Election and Tenure. At the September board meeting, after the annual meeting, the board of record at the annual meeting will conduct any business necessary to conclude its responsibilities, including the Treasurer's final, audited, comprehensive report, and a synopsis, by the secretary on the preceding year's board actions and a review of all committees, their chairmen, and their members. The presiding officer will then conduct an election for President amongst the members of the next board. Upon election, the newly elected President will assume the position of presiding officer and conduct an election amongst the members of the next board for the offices of Vice-President, Treasurer, and Secretary. After the election all authorities, properties, records, etc., of Tuxford will be transferred to the proper officers of the new board. The newly constructed board will proceed with whatever business it deems proper, including adjournment of the meeting. Each officer shall serve until the next September board meeting unless they resign or are removed. In the event an office is vacated, the director presiding over the next board meeting which has a quorum shall conduct an election to fill the vacancy.

3. Powers and Duties of Each Officer

(a) President. The President shall be chairman of the board of directors and shall preside at all meetings of the membership and of the board of directors at which he is present. He shall exercise general supervision of the affairs and activities of the corporation subject to the control and direction of the board, and shall serve as a member ex-officio of all standing committees.

(b) Vice-President. The Vice-President shall assume the duties of President during his absence or disability. He shall have such duties as the President or the board determines.

(c) Secretary. The Secretary shall maintain the minutes of meetings of members and of the board of directors which shall be the official record of all business transacted. A recording secretary for meetings of members or of the board may be appointed whenever necessary or convenient.

(d) Treasurer. The Treasurer shall collect dues and all other corporate funds and do such other acts as required under Article Six dealing with "Funds". The Treasurer shall submit a complete, written financial report at each board meeting. At the annual meeting, he shall submit a complete, detailed, audited financial statement for the past year. He shall have one copy for each member of the Association, to be distributed at the annual meeting to those attending.

4. Vacancies

In the event a corporate office is vacated by resignation, removal or otherwise, the duties of such vacated office shall be filled immediately by appointment of the President until such office is filled by election at the next meeting of the board.

5. Removal

The board may remove any officer for sufficient cause. Sufficient cause shall consist of failure to obey board directives, misappropriation of corporate funds, failure to perform the duties of his office set forth in the bylaws, or other misfeasance in office.

ARTICLE FIVE: COMMITTEES

1. Appointment of Committees

The members of committees shall be appointed by the board and shall be as broadly representative of members in the subdivision as practical.

2. Tenure of Committee Members

Members of committees shall be appointed for such term as the board directs. The board may make changes in the membership of committees as it deems necessary from time to time.

3. Standing Committees

The board shall appoint standing committees for the following matters of concern in the subdivision:

- (a) Maintenance
- (b) Community Development
- (c) Architectural Control
- (d) Social and Recreational Activities

The board may appoint other standing committees which are deemed necessary or appropriate to further corporate purposes.

4. Special Committees

Special committees may be appointed by the board of directors

5. Committee Reports and Recommendations

Reports and recommendations of committees shall be presented to the board as the board may reasonably request from time to time. Such reports may be oral or written as the committee considers appropriate but the board may request written reports when it considers the subject matter of sufficient importance for a written report. Oral reports of committee shall be reflected in the corporate minutes.

ARTICLE SIX: FUNDS

1. Dues

(a) Amount. The amount of dues shall be determined by the board of directors in accordance with these bylaws and the subdivision restrictions.

(b) Payment of Dues. Dues shall be due and payable in advance on July 1 of each year. The payment of dues shall be considered in default if they are not paid within 30 days after their due date.

2. Dues of New Members

It shall be the responsibility of the old member to deal with a new owner of record on the matter of pro-rata adjustment of dues.

3. Bank Account and Authorized Signatories

The board of directors shall establish a checking and savings account for the deposit of corporate funds. Corporate funds shall not be distributed unless approved by the board of directors. The signatures of the Treasurer together with the President or Vice-President shall be required for the withdrawal of any funds from the corporation's checking or savings account.

4. Use of Funds

Dues shall be applied toward the payment of the community street light bill and other obligations entered into in the ordinary course of the corporation's affairs, provided that funds previously set aside for the purpose of future road maintenance must not be used for any other purpose without being submitted to the members for approval at a special or annual meeting. There shall be funds set aside for future road maintenance, the annual amount to be kept current by reevaluation of cost every two years and presented for approval by the membership at the annual meeting in even numbered years.

5. Bonding of Officers

The persons authorized to sign checks or withdraw documents from the corporation's checking and savings accounts shall be bonded in such amount as the board determines.

6. Increase or Decrease of Dues

Any change in the amount of dues shall be first approved by the board of directors and then shall be required to be presented to the membership at an annual or special meeting for approval. Such increase or decrease shall not occur unless approved by a majority of all members present. The current dues shall be \$_____ per year.

7. Special Assessments

Any special assessments shall be first approved by the board of directors and then shall be required to be submitted to the members for their approval. No special assessments shall be made unless approved by the majority of the members present at a special or annual membership meeting which has a quorum.

8. Collection of Dues

The Treasurer, as directed by the board of directors and in accordance with these bylaws as otherwise permitted by law, shall take any measures he deems necessary to collect the dues or special assessments required to be paid by the members.

ARTICLE SEVEN: AMENDMENT OF BYLAWS

1. Any three members of the corporation, including directors, may initiate the procedure for amending these bylaws. Such proposed amendments shall be first approved by the board of directors and then shall be presented to the members at an annual or special meeting. No amendment to the bylaws shall be adopted unless approved by a majority of the members present at a meeting at which a quorum is present.

ARTICLE EIGHT: MISCELLANEOUS PROVISIONS

1. Directors shall be responsible for contacting and informing new members concerning their membership in the corporation and their responsibility for paying dues.

2. All governing documents of the corporation shall be distributed to each member by the Secretary or as the Secretary may direct.

3. These bylaws shall not be deemed to supersede the restrictive covenants applicable to this subdivision and shall be interpreted consistent with such restrictive covenants.

ARTICLE NINE: PAID POSITIONS

1. The Board of Directors may retain an attorney in order to have legal advice, direction, and assistance as required.

2. The Board of Directors may hire a Board Clerk to perform all clerical functions required by the Board Officers.

Certified as a true copy of the By-Laws,
adopted at Board Meeting on 7/21/97
and as revised on _____.

By Jewell N. Young
Secretary