

By- Laws of
Hoshi Terrace Association

ARTICLE I
NAME AND LOCATION.

The name of the corporation is the Hoshi Terrace Association, hereinafter referred to as the "association". The principal office of the corporation shall be located at Carson City, Nevada, but meetings of members and directors may be held at such places within the State of Nevada or elsewhere, as may be designated by the Board of Directors

ARTICLE II
DEFINITIONS

The Definitions under these By-Laws shall be as set forth in the Declaration of Covenants, Conditions, and Restrictions recorded July 29, 1982, in the Office of the County Recorder of Douglas County, Nevada;

ARTICLE III
MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held the first Saturday in April of each year thereafter. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of one-quarter of the members who are entitled to vote.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least (10) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-fourth (1/4) of the votes of members shall constitute a quorum, for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented. Should a meeting be cancelled due to lack of a quorum and a new meeting rescheduled and properly noticed as in Section 3, those members present at the rescheduled meeting shall constitute a quorum.

Section 5. Proxies At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his condominium.

HOSHI TERRACE ASSOCIATION BY-LAWS

Section 6. Voting Each condominium unit shall have one vote, so long as they are a member in good standing and not delinquent in their dues to the association.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of no less than three or more than five directors, who must be members of the Association

Section 2. Term of Office. At the first annual meeting the members shall elect two directors for a term of two years and the remaining directors for a one year term. At each annual meeting thereafter, the members shall elect the directors for a term of two years.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his/her successor shall be selected by the remaining members of the Board and shall serve for the un-expired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service s/he may render to the Association. However, any director may be reimbursed for his/her actual expenses incurred in the performance of his/her duties.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nominations for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members in good standing.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held on the 1st Saturday in April, July, October and January, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each director.

HOSHI TERRACE ASSOCIATION BY-LAWS

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 4. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to

- a. adopt and publish rules and regulations governing the use of Common area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof
- b. suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;
- c. exercise for all the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;
- d. declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- e. employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to

- a. cause to be kept a complete 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 any special meeting when such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;
- b. supervise all officers, agents, and employees of this Association and to see that their duties are properly performed.
- c. as more fully provided in the Declaration, to
 1. fix the amount of the assessments against each condominium;
 2. send written notice of each assessment to every Owner subject thereto at least (15) days in advance of each assessment period; and
 3. foreclose the lien against any property for which assessments are not paid or to bring an action at law against the power personally obligated to pay the same. Such action is to be taken as determined by the Board.
- d. issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these

HOSHI TERRACE ASSOCIATION BY-LAWS

certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.

- e. procure and maintain adequate liability and hazard insurance on property owned by the Association and insurance for officers and directors.
- f. cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.
- g. cause the Common Area to be maintained.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this association shall be a president, vice-president, a secretary, and a treasurer. Such other officers as the Board may from time to time by resolution create. Officers shall at all times be members of the Board of Directors.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer being replaced.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

- a. **The President** shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall prepare, sign, certify, and cause to be recorded if needed any of those orders or resolutions as directed by the board.
- b. **The Vice-President** shall act in the place and stead of the president in the event of his absence, inability to refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.
- c. **The Secretary** shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.
- d. **The Treasurer** shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completing of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

HOSHI TERRACE ASSOCIATION BY-LAWS

HOSHI TERRACE ASSOCIATION BY-LAWS

ARTICLE IX
COMMITTEES

The association shall appoint an Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X
BOOKS AND RECORDS

The books, records, and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI
ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay the Association assessments which are secured by a continuing lien upon the property. If there are assessments which are not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of twelve (12%) per cent per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, cost and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his condominium.

ARTICLE XII
AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

HOSHI TERRACE ASSOCIATION BY-LAWS

ARTICLE XIV
MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the directors of the Hoshi Terrace Association,

have hereunto set our hands this _____ day of _____, 20____

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

CERTIFICATION

I, the undersigned, do hereby certify:
That I am the duly elected and acting secretary of the Hoshi Terrace Association, a Nevada corporation, and,
That the foregoing By-Laws constitute the original By-Laws of said association, as duly adopted at a meeting of the Board of Directors thereof, held on the _____ day of _____, 20_____.

Secretary