

**BYLAWS
OF
PRESCOTT PRAIRIE
COMMUNITY ASSOCIATION**

**ARTICLE 1.
GENERAL PROVISIONS**

1.1. Principal Office. The principal office of this corporation shall be located at the place designated in the Articles of Incorporation or such other place as the Association may designate from time to time in accordance with the Arizona statutes governing nonprofit corporations, but meetings of Members and directors may be held at such other place within the State of Arizona as may be designated by the Board of Directors.

1.2. Defined Terms. Capitalized terms used in these Bylaws without definition shall have the meanings specified for such terms in the Declaration of Covenants, Conditions and Restrictions for Prescott Prairie, as such Declaration relates to the Record of Survey of Prescott Prairie, recorded at Book 122 of Land Surveys, Page 53, Records of Yavapai County, Arizona.

1.3. Conflicting Provisions. In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

1.4. Corporate Seal. The Association may have a seal in a form approved by the Board of Directors.

1.5. Designation of Fiscal Year. The fiscal year of the Association shall begin on the 1st 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 of the Association.

1.6. Amendment.

1.6.1 These Bylaws may be amended, at a regular or special meeting of the Board of Directors.

1.6.2 The Declarant, as long as the Declarant owns any Parcel, and thereafter,

the Board of Directors, without a vote of the Members and without the consent of any First Mortgagee, may amend these Bylaws in order to conform these Bylaws to the requirements or guidelines of any federal, state or local governmental agency whose approval of the Plat or Project Documents is required by law or requested by the Declarant or the Board of Directors.

1.6.3 So long as the Declarant owns any Parcel, any amendment to these Bylaws must be approved in writing by the Declarant.

1.7. Indemnification. To the extent it has the power to do so under the Arizona Nonprofit Corporation Act, A.R.S. §10-3101, et seq., the Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the Association, by reason of the fact that he is or was a member, director, officer, employee or agent of the Association or is or was serving at the request of the Association as a member, director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, and against judgments, monetary penalties and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted, or failed to act, in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. Indemnification of any such person shall be made in accordance with the procedures set forth in the Arizona-Nonprofit Corporation Act.

ARTICLE 2.

MEETINGS OF MEMBERS

2.1. Annual Meeting. An annual meeting of the Members of the Association shall be held at least once every twelve (12) months at such time and place as is determined by the Board of Directors.

2.2. Special Meetings. Special meetings of the Members may be called at any time by the president, by a majority of the Board of Directors, or upon written request signed by Members having at least one-fourth (1/4) of the total authorized votes in the Association.

2.3. 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 hand delivering or mailing a copy of each notice, postage prepaid, at least ten (10) days but no more

than sixty (60) 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, including the general nature of any proposed amendment to the Declaration, Articles, changes in Assessments that require approval of the Members and any proposal to remove a director or an officer of the Association. When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place of the meeting are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Association may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each member entitled to vote at the meeting. By attending a meeting, a Member waives any right he may have had to object to the meeting on the basis that the proper notice of the meeting was not given in accordance with these Bylaws or the statutes of the State of Arizona. The failure of any Member to receive actual notice of a meeting does not affect the validity of any action taken at that meeting.

2.4. Quorum. Except as otherwise provided in the Articles, the Declaration or these Bylaws, the presence in person or by proxy of Members entitled to cast one-tenth (1/10th) of the total authorized votes in the Association shall constitute a quorum at all meetings of the Members. If a quorum shall not be present at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

2.5. Proxies. At all meetings of the Members a vote may be cast in person or by proxy. A proxy may be granted by any Member in favor of only another Member, the Secretary of the Association, the Declarant, or the Member's mortgagee, or in the case of a non-resident Member, the lessee of such Member's Parcel, his attorney or managing agent. A proxy shall be duly executed in writing and it shall be valid only for the particular meeting designated in the proxy. All proxies must be filed with the Secretary prior to the commencement of the meeting for which the proxy is given. The proxy shall be deemed revoked only upon actual receipt by the person presiding over the meeting of a notice of revocation signed by the Member who granted the proxy. No proxy shall be valid after twenty-five months from the date of its execution.

2.6. Membership Lists For Meetings. After fixing a record date for a particular

Annual or Special meeting identifying the Members eligible to receive notice of a meeting, the Association shall prepare pursuant to A.R.S. § 10-3720 an alphabetical list of the names of all of its Members who are entitled to notice of the meeting showing each Member's address and the number of votes each Member will be entitled to vote at the meeting. The Association shall prepare through the time of the meeting another list of Members, if any, who are entitled to vote at the meeting but were not entitled to notice of the meeting. For the purpose of communication between Members concerning the meeting, the lists prepared by the Association pursuant to this Section shall: (i) be made available for inspection by a Member, its agent or attorney, during the meeting and any adjournment for which the meeting notice was given; and (ii) be made available for inspection at the Association's principal office, or at such other place identified in the meeting notice, by any Member and, upon receipt by the Association of a written demand, any Member, its agent or attorney, may inspect and, subject to the limitation of A.R.S. §§ 10-11602(C) and 10-11605, such Member or its agent or attorney may copy the lists during the Association's regular business hours at the Member's expense.

2.7. Suspension of Voting Rights. In the event any Parcel Owner is in arrears in the payment of any Assessment, monetary penalties or other fees and charges due under the terms of the Project Documents for a period of thirty (30) days, the Parcel Owner's right to vote as a Member of the Association shall be automatically suspended and shall remain suspended until all payments, including accrued interest and attorneys' fees, are brought current.

ARTICLE 3. BOARD OF DIRECTORS

3.1. Number. Except as provided herein, the affairs of this Association shall be initially managed by a Board of Directors consisting of two (2) directors. At the time of the initial incorporation of this Association, Daniel Siegel and Robert Conlin shall serve as the directors. During the Period of Declarant Control, the Declarant shall have the sole right to appoint and remove additional directors and the directors need not be Members of the Association. Upon the termination of the Period of Declarant Control, the Parcel Owners shall elect the Board of Directors, consisting of at least three (3) directors, all of whom must be Members of the Association. The Declarant may voluntarily surrender his right to appoint and remove the members of the Board of Directors before termination of the Period of Declarant Control, and in that event the Declarant may require, for the duration of the Period of Declarant Control, that specified actions of the Association or the Board of Directors, as described in a

recorded instrument executed by the Declarant, be approved by the Declarant before they become effective. The Board of Directors may increase the number of directors on the Board of Directors but, after the termination of the Period of Declarant Control, the number of directors must always be an odd number and shall not exceed five (5) directors.

3.2. Term of Office. The initial members of the Board of Directors shall hold office until the first annual meeting of the Members and until their successors are elected and qualified. Commencing with the first annual meeting of the Members, and for the duration of the Period of Declarant Control, all directors shall be appointed by the Declarant for a term of one (1) year. At the first annual or special meeting after termination of the Period of Declarant Control, the Members shall elect one (1) director for a term of one (1) year, one (1) director for a term of two (2) years and one (1) director for a term of three (3) years. At each annual meeting thereafter, the Members shall elect directors to replace those directors whose terms have expired and all such directors shall be elected for a term of two (2) years. If the Board of Directors increases the number of directors, the newly appointed directors shall serve until the first annual meeting after such increase, at which time the terms of the new directorships shall be designated by the Members.

3.3. Removal. Except with respect to members of the Board of Directors appointed by the Declarant, at any annual or special meeting of the Members duly called, any one or more of the members of the Board of Directors may be removed from the Board of Directors with or without cause by Members having more than fifty percent (50%) of the votes entitled to be cast by the Members present in person or by proxy at the meeting, and a successor may then and there be elected to fill the vacancy thereby created.

3.4. Compensation. No director shall receive compensation for any service he may render to the Association which is within his duties as a director. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties. A director may receive compensation for services rendered to the Association which are outside his duties as a director if the payment of such compensation is approved by all of the other directors.

3.5. 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 consent of all the directors. Any such written consent shall be filed with the minutes of the

proceedings of the Board of Directors.

3.6. Vacancies. Except with respect to members appointed by the Declarant and for vacancies on the Board of Directors caused by the removal of a director in accordance with the provisions of **Section 3.3** of these Bylaws, any vacancy occurring in the Board of Directors shall be filled by the affirmative vote of a majority of the remaining directors, though less than a quorum, or by a sole remaining director. Any director so chosen shall serve the unexpired portion of the prior director's term. Any newly created directorship shall be deemed a vacancy. Any person elected to fill such vacancy shall serve until the next annual meeting of the Members. When one (1) or more directors resigns from the Board of Directors, effective at a future time, a majority of the directors then in office, including those who have so resigned, may fill such vacancy, the vote on the vacancy to take effect when such resignation becomes effective. If by reason of death, resignation or otherwise, the Association has no directors in office, any officer or Member may call a special meeting of the Members for the purpose of electing the Board of Directors.

3.7. Meetings.

3.7.1. Meetings of the Board of Directors, regular or special, shall be held at least annually and may be held by means of conference telephone or other similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation at such meeting shall constitute presence in person at the meeting.

3.7.2. Until termination of the Period of Declarant Control, regular meetings of the Board of Directors may be held with or without notice at such time and place as is determined from time to time by the Board of Directors. After termination of the Period of Declarant Control, notice to Members of meetings of the Board of Directors shall be given at least forty-eight (48) hours in advance of the meeting by newsletter, conspicuous posting or any other reasonable means as determined by the Board of Directors. Any notice of a Board of Directors meeting shall state the time and place of the meeting. An affidavit of notice by an officer of the Association is prima facie evidence that notice was given as prescribed by this Section. The failure of any Member to receive actual notice of a meeting of the Board of Directors does not affect the validity of any action taken at that meeting.

3.7.3. Special meetings of the Board of Directors may be called by the President on three (3) business days notice to each director, given in writing, by hand delivery, mail or facsimile, which notice shall state the time, place and purpose of the meeting. Special meetings

of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) directors. In addition, after termination of the Period of Declarant Control, notice of special meetings of the Board of Directors shall be given to Members as set forth in **Section 3.7.2.**, except that notice to Members of meetings of the Board of Directors is not required if emergency circumstances require action by the Board of Directors before notice can be given.

3.7.4. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting except when a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

3.7.5. Regular and special meetings of the Board of Directors are open to all Members and all Members so desiring shall be permitted to attend and listen to the deliberations and proceedings; provided, however, that for regular and special meetings of the Board of Directors, Members who are not Board members may not participate in any deliberation or discussion unless expressly so authorized by a vote of the majority of a quorum of the Board of Directors. Any portion of a meeting may be closed only if the closed portion of the meeting is limited to consideration of one or more of the following: (i) employment or personnel matters for employees of the Board of Directors or the Association; (ii) legal advice from an attorney to the Board of Directors or the Association; (iii) pending or contemplated litigation; or (iv) pending or contemplated matters relating to enforcement of the Project Documents.

3.8. Quorum. A majority of the 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 of Directors.

3.9. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by the Project Documents required to be exercised or done by the Members. In addition to the duties imposed by these Bylaws or by any resolution of the Members that may hereafter be adopted, the Board of Directors shall have the following powers and duties:

3.9.1. Open bank accounts on behalf of the Association and designate the signatories thereon;

3.9.2. Make, or contract for the making, of repairs, additions to, improvements to or alterations of the Areas of Association Responsibility, in accordance with the Project

Documents, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;

3.9.3. In the exercise of its discretion, enforce by legal means the provisions of the Project Documents;

3.9.4. Designate, hire and dismiss the personnel necessary for the maintenance and repair of the roadway easements and provide services for the Members, and, where appropriate, provide for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties;

3.9.5. Provide for the repair and maintenance of all of the roadway easements and borrow money on behalf of the Association when required in connection with any one (1) instance relating to the repair and maintenance of the roadway easements; provided, however, the consent of Members having at least two-thirds (2/3) of the total votes in the Association shall be obtained either in writing or at a meeting called and held for such purpose in accordance with the provisions of these Bylaws in order for the Association to borrow in excess of \$5,000.00;

3.9.6. Prepare and adopt an annual budget for the Association prior to the commencement of each fiscal year;

3.9.7. Suspend the voting rights of a Member during any period in which such Member shall be in default in the payment of any Assessment or other amounts due under the terms of the Project Documents for a period of fifteen days and for a period not to exceed sixty (60) days for any infraction of the Project Documents;

3.9.8. Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of the Project Documents;

3.9.9. Except with respect to members of the Board of Directors appointed by the Declarant, 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;

3.9.10. Employ, hire and dismiss such employees as they deem necessary and to prescribe their duties and their compensation;

3.9.11. 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 at any special meeting when such statement is requested in writing by any Member entitled to vote;

3.9.12. Supervise all officers, agents and employees of the Association and see that their duties are properly performed;

3.9.13. Levy, collect and enforce the payment of assessments in accordance with the provisions of the Declaration;

3.9.14. Issue, or cause an appropriate officer to issue: (i) upon demand to any interested person a certificate setting forth whether or not any Assessment has been paid; and (ii) on written request, furnish to a lienholder, Member or person designated by a Member, after receipt of a written request therefore, a recordable statement setting forth the amount of any unpaid Assessment against the Parcel. A reasonable charge may be made by the Board of Directors for the issuance of such certificates or statements. If a certificate or statement states an Assessment has been paid, such certificate or statement shall be binding on the Association.

3.9.15. Procure and maintain adequate liability, errors and omissions, and other insurance as required by the Declaration;

3.9.16. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

3.10. Managing Agent. The Board of Directors may employ for the Association and the Project a "Managing Agent" at a compensation established by the Board of Directors. The Managing Agent shall perform such duties and services as the Board of Directors shall authorize, including, but not limited to, all of the duties listed in the Project Documents except for such duties and services that under the Project Documents may not be delegated to the Managing Agent. The Board of Directors may delegate to the Managing Agent all of the powers granted to the Board of Directors or the officers of the Association by the Project Documents other than the power: (i) to adopt the annual budget, any amendment thereto or to assess any Common Expenses; (ii) to adopt, repeal or amend Rules; (iii) to designate signatories on Association bank

accounts; (iv) to borrow money on behalf of the Association; or (v) to acquire real property and mortgage Parcels. Any contract with the Managing Agent must provide that it may be terminated with or without cause and without payment of any penalty or termination fee on no more than thirty (30) days written notice. The term of any such contract may not exceed three (3) years.

ARTICLE 4. OFFICERS AND THEIR DUTIES

4.1. Enumeration of Officers. The principal officers of the Association shall be the President, Vice-President, Secretary, and Treasurer. During the Period of Declarant Control, all officers of the Association shall be appointed and removed by the Declarant. After the termination of the Period of Declarant Control, all officers shall be elected by the Board of Directors. The President must be a Member of the Board of Directors. Any other officers may, but need not, be Members of the Board of Directors.

4.2. 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.

4.3. Term. After the termination of the Period of Declarant Control, the officers of the Association shall be elected annually by the Board of Directors in the manner set forth in Section 3.2 herein, and each shall hold office for two (2) years unless he shall sooner resign, or shall be removed, or is otherwise disqualified to serve.

4.4. Special Appointments. The Board of Directors 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 of Directors may, from time to time, determine.

4.5. Resignation and Removal. Except for officers appointed by the Declarant, any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, 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, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

4.6. Vacancies. Except for officers appointed by the Declarant, a vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy

shall serve for the remainder of the term of the officer he replaces.

4.7. Multiple Offices. Any two (2) or more offices may be held simultaneously by the same person.

4.8. Powers and Duties. To the extent such powers and duties are not assigned or delegated to a Managing Agent pursuant to **Section 3.10.** of these Bylaws, the powers and duties of the officers shall be as follows:

4.8.1. President. The President shall be the chief executive officer of the Association; shall preside at all meetings of the Board of Directors or the Members; shall see that orders and resolutions of the Board of Directors are carried into effect; and have general and active management of the business of the Association.

4.8.2. Vice-President. The Vice-President, if any, shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.

4.8.3. Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors 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 of Directors 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 of Directors.

4.8.4. Treasurer. 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; keep proper books of account; 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; and, in general, perform all the duties incident to the office of Treasurer. If a Vice President has not been elected, then the Treasurer shall also shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.

4.9. Officers Authorized to Execute Amendments to Declaration. Any amendments to the Declaration or the Plat which are required by the Declaration to be executed by the Association may be executed by either the President or Vice-President of the Association.

ARTICLE 5. MONETARY PENALTIES

5.1. Power of Board of Directors to Impose Monetary Penalties. In accordance with the procedures set forth in this Article, the Board of Directors shall have the right to impose reasonable monetary penalties against any Parcel Owner for a violation of any provision of the Project Documents by the Parcel Owner, his family, tenants or guests. Any monetary penalty imposed by the Board of Directors shall be imposed only after the procedures set forth in this Article have been complied with.

5.2. Notice of Violation.

5.2.1. The Board of Directors, or any person designated by the Board of Directors, may serve a "Notice of Violation" against a Parcel Owner for a violation of any provision of the Project Documents by the Parcel Owner, his family, tenants or guests. A Notice of Violation shall contain: (i) a description of the violation; (ii) the approximate time and place at which the violation was observed; (iii) the amount of the monetary penalty, if any, to be paid by the Parcel Owner for such violation; (iv) the name of the person issuing the Notice of Violation; and (v) a statement advising the Parcel Owner of the Parcel Owner's right to request a hearing pursuant to **Section 5.2.4.** of the Bylaws.

5.2.2. A Notice of Violation shall be deemed to have been served if delivered personally to the Parcel Owner named in the Notice of Violation or sent to the Parcel Owner by registered or certified United States mail, return receipt requested, postage prepaid. A Notice of Violation served by mail shall be deemed to have been received by the Parcel Owner to whom the notice was addressed on the earlier of the date the notice is actually received or three (3) days after the notice is deposited in the United States mail. A Notice of Violation given by mail shall be addressed to the Parcel Owner at the address of the Parcel Owner as shown on the records of the Association. If a Parcel is owned by more than one person or entity, a Notice of Violation to one of the joint Parcel Owners shall constitute notice to all of the joint Parcel Owners.

5.2.3. In the event the Association, through the board of directors, determines that any Parcel Owner has not complied with the provisions of the Declaration of Covenants, Conditions and Restrictions, then the Association may, at its option, give written notice to the Owner of the conditions complained of. The Owner shall correct the same or, if not readily correctable within fifteen (15) days after the notice from the Association, the Owner shall submit corrective plans proposing its remedy to the condition complained of within fifteen (15) days after notice from the Association. The Association shall approve or disapprove, in writing, any plans submitted by the Owner, and set forth a reasonable time for correction of the condition complained of. In the event such condition is not corrected according to the approved plans, and within the allotted time, the Association shall have the right to undertake to remedy such condition or violation complained of. The costs thereof shall be deemed to be an assessment to such Owner and enforceable by the Association as if any other unpaid assessment. The Association is hereby granted the right of entry on the affected Parcel to correct the condition or violation complained of.

In the event a monetary penalty is assessed by the Association against the Parcel Owner, the Parcel Owner shall pay the monetary penalty set forth in the Notice of Violation to the Association within fifteen (15) days after the Notice of Violation is served on the Parcel Owner unless prior to that time the Parcel Owner requests a hearing on the violation pursuant to **Section 5.2.4.** of the Bylaws.

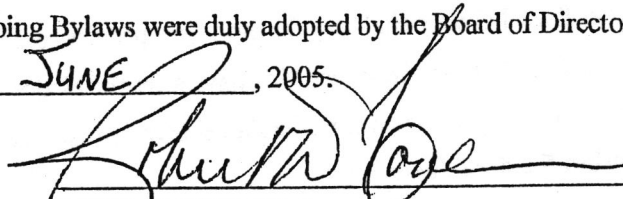
5.2.4. Any Parcel Owner served with a Notice of Violation may request a hearing on the violation. The request for a hearing must be addressed to the Secretary of the Association and must be actually received by the Association within fifteen (15) days after the service of the Notice of Violation. Upon receipt of a request for a hearing pursuant to this Section, the President or any other officer of the Association shall schedule a hearing on the violation before the Board of Directors or before a hearing officer or a committee approved by the Board of Directors and shall notify the Parcel Owner requesting the hearing of the date, time and place of the hearing. The notice of the hearing shall also advise the Parcel Owner of his right to produce statements, evidence and witnesses on his behalf and to be represented at the hearing by an attorney. If the hearing on the violation is before the Board of Directors, then the minutes of the meeting of the Board of Directors at which the hearing is held shall reflect the fact that the hearing on the violation was held and the action taken by the Board of Directors on the violation. If the hearing is held before a hearing officer or a committee appointed by the Board of Directors, then the hearing officer of the committee conducting the hearing shall,

within fifteen (15) days after the conclusion of the hearing, make a written recommendation to the Board of Directors on what action the Board of Directors should take in the violation. Upon receipt of the recommendation from the hearing officer or the committee, the Board of Directors shall act upon the recommendation. Any monetary penalty which is affirmed by the Board of Directors following a hearing pursuant to this Section shall be paid by the offending Parcel Owner within fifteen (15) days after a notice of the action of the Board of Directors is served upon the Parcel Owner. Service of the notice from the Board of Directors shall be made in the same manner as service of a Notice of Violation pursuant to **Section 5.2.2.** of the Bylaws.

5.3. Liability for Penalties. Any monetary penalties imposed pursuant to this **Article 5** shall be the joint and several liability of all of the joint Parcel Owners of a Parcel and shall be secured by the Assessment Lien.

CERTIFICATION

I hereby certify that the foregoing Bylaws were duly adopted by the Board of Directors of the Association on the 12TH day of JUNE, 2005.


ROBERT CONLIN, Secretary