

**BYLAWS
OF
THUNDER MOUNTAIN ESTATES PROPERTIES OWNERS ASSOCIATION, INC.
A NEW MEXICO NONPROFIT CORPORATION**

PREAMBLE

The following are the Bylaws of the Thunder Mountain Estates Properties Owners Association, Inc., a New Mexico nonprofit corporation, (“the Corporation” or “the Association”), duly amended and adopted by the Board of Directors on May 18, 2022, to regulate the internal affairs of the Association.

ARTICLE I. CORPORATE OFFICE

Section 1.1 Office. The principal address of this Corporation shall be located at P. O. Box 372, Edgewood, NM 87015. The registered office of the Corporation shall be maintained at the same address by filing appropriate notices with the State Corporation Commission as required from time to time.

ARTICLE II. MEMBERS

Section 2.1 Qualifications. Each owner of a Lot within Thunder Mountain Estates shall be a Member of the Corporation, and such ownership of a Lot or interest therein shall be the sole qualification for and entitlement to membership in the Corporation.

Section 2.2 Good Standing. A Member in Good Standing shall be defined as a Member whose Association dues and fees, assessments, fines, and other obligations to the Association have been paid in accordance with the provisions in these Bylaws and any other Association rules and whose right to vote has not been suspended pursuant to disciplinary action of any kind.

Section 2.3 Voting. Each Member in Good Standing shall be entitled to one (1) vote for each Lot in which such Member owns an interest qualifying him or her as a Member provided, however, that in no event shall more than one (1) vote be cast with respect to any Lot with respect to adoption or amendment of the Articles of Incorporation and the Covenants governing properties. When more than one Member owns an interest in a Lot, the vote for such Lot shall be exercised as they, among themselves, may determine, consistent with Section 2.3.1 below. Votes may only be cast by Members in good standing.

2.3.1 Joint Owner Votes. The voting rights for each Lot may not be cast on a fractional basis. In the event that the joint Owners of a Lot are unable to agree among themselves as to how their voting rights shall be cast, they shall forfeit such voting rights as to the matter in question. If any Owner casts the voting rights of a particular Lot without protest by any other joint Owner, it will thereafter be conclusively presumed for all purposes that he, she, or they were acting with the authority and consent of the other Owners of the

same Lot. In no event shall more than one (1) Member in Good Standing be entitled to cast a vote for a particular Lot, and only the first vote cast for a Lot shall be counted.

ARTICLE III. BOARD OF DIRECTORS

Section 3.1 General Powers. The business and affairs of the Corporation shall be managed by its Board of Directors. They shall exercise all necessary and incidental powers for carrying out all of the objectives, purposes, and intentions of this Corporation. Such actions shall be subject to the provisions of the statutes of the State of New Mexico, the Articles of Incorporation, these Bylaws and the Association Rules.

Section 3.2 Composition. The Board of Directors shall consist of no less than five (5) elected Directors, comprised of the Officers of the Corporation, and no more than 11 Directors elected by Members in Good Standing.

Section 3.3 Qualifications. To be eligible to serve on the Board of Directors, a person must be an owner of a Lot in Thunder Mountain Estates and be a Member in Good Standing.

Section 3.4 How Elected. Elections shall be by plurality vote by the Members in Good Standing at the annual Membership meeting, with those candidates receiving the most votes being elected.

Section 3.5 Terms of Directors. Directors shall be elected for a two (2) year term, commencing on the first day of July, except as otherwise provided in the Bylaws.

Section 3.6 Election Board, Election Procedures. Association Rules and Regulations to be known as the "Election Procedures" may be adopted by the Board of Directors. The Election Procedures, if adopted, shall provide for the establishment of an Election Board, nomination of candidates, and publication of their names and candidacy, campaign activities and regulations, voting and vote tallying procedures, and announcement of election results. The Election Procedures may contain other provisions as approved by the Board of Directors not inconsistent with the Articles, these Bylaws, or applicable law. The Election Board may employ assistance, with approval of the Board of Directors, necessary to carry out its duties.

Section 3.7 Duties and Powers. The Board of Directors shall have control and management of the business and affairs of the Corporation. The Board of Directors shall appoint and employ, discharge and set the compensation of all employees and outside agents of the Corporation. The Directors shall in all cases act as a Board, regularly convened and, in the transaction of business, the act of the Board. The Directors may adopt such rules and regulations for the conduct of their meetings and the management of the Corporation as they may deem proper, not inconsistent with the law or these Bylaws.

As defined in the New Mexico Charitable Solicitations Act, Section 57-22-10 NMSA 1978, and defined by the State's Attorney General, all officers, directors, managers, trustees, professional fundraisers, professional fundraising counsel or other persons having access to the money of a charitable organization intended for use for charitable purposes shall be held to the Standard of

Care defined for fiduciary trustees under common law, including the following.

3.7.1 The Duty of Care. Directors shall actively participate in the Corporation's affairs by attending regular and annual meetings of the Board and Association as well as meetings of committees on which the Director serves. Each Director shall be responsible to stay informed to determine if the Board of Director's policies are being followed and to understand how the Corporation is functioning.

3.7.2 The Duty of Loyalty. Directors shall give the Corporation complete and undivided loyalty by ensuring that the interests of the Corporation and, as a consequence, the interests of the Association Members, takes precedence over the Director's personal interests. A Director shall, loyally and without self-interest, further the objectives of the Corporation by acting fairly and in the best interests of the Corporation. Directors shall support the final decisions of the Board of Directors and abide by the Corporation's adopted policies.

3.7.3 The Duty to Manage Accounts. The Board of Directors shall be responsible for assuring the financial accountability of the Corporation and, accordingly, shall establish procedures to keep the Corporation fiscally sound and ensure that it operates in a fiscally responsible manner.

3.7.4 The Duty of Compliance. Board members shall be faithful to the Corporation's purposes and comply with the Corporation's governing documents. Directors shall also be familiar with the laws that apply to the Corporation and shall comply with those state and federal laws that relate to the Corporation and its business operations, including conducting financial audits as required by the NM HOA Act.

3.7.5 Attendance. Members of the Board of Directors are required to attend all scheduled meetings unless exigent circumstances arise. If a board member cannot be physically present at a meeting for unavoidable conflict, he/she may make arrangements to appear remotely via electronic means. A member of the Board of Directors who is unable to attend a Board of Director's meeting will notify the President of the Board prior to the meeting. If a Board Member intends to appear by telephone, that Board Member shall make arrangements with the Secretary or his or her designee.

Section 3.8 Regular Meetings. Regular Meetings of the Board of Directors shall be held at least once during each quarter, at a time and place designated and called by the President, and at such other times and places as he or she, or the Board acting jointly, deems necessary.

Section 3.9 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President at any time. The President must, upon a written request of any two (2) Directors, call a special meeting to be held not more than seven (7) days after the receipt of such request. The President may set any place, within Santa Fe County, as a place for holding any special meeting of the Board of Directors.

Section 3.10 Notice. Notice of any Special Meeting shall be given either (i) at a prior meeting; (ii)

in person or electronically to each Director personally; or (iii) by written notice delivered personally at least two (2) days in advance or delivered via electronic or postal mail at least two (2) business days in advance to each Director at his last known address. The business to be transacted at, or the purpose of, any special meeting of the Board of Directors shall be specified in the notice or waiver of notice of such meeting.

Section 3.11 Quorum. A majority of the elected Directors shall constitute a quorum for the transaction of business at any regular or special meeting of the Board of Directors. A quorum, once attained at a meeting, shall be deemed to continue until adjournment notwithstanding a voluntary withdrawal of enough Directors to leave less than a quorum. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless the act of a greater number is required by law, the Articles of Incorporation, the Parliamentary Authority, or as otherwise specifically set forth in these Bylaws. For purposes of Section 7.1.1 below, “Contracts with Insiders,” interested Directors shall be counted for quorum purposes. If less than a majority of the Directors is present at any meeting, a majority of the Directors present may adjourn the meeting without further notice, until a quorum shall be present.

Section 3.12 Presumption of Assent. A Director who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the Secretary of the meeting before adjournment or shall forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 3.13 Vacancy. In the event of a vacancy on the Board of Directors, the remaining Board of Directors shall have the power to appoint a qualified, eligible Member in Good Standing to fill such vacancy for the remainder of the term of the Director whose position has become vacant.

Section 3.14 Resignations and Removal of Directors.

3.14.1 Any Director may resign at any time by giving written notice to the President or to the Secretary, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

3.14.2 Any Director may be removed with or without cause by a majority vote of the Board of Directors. The Board of Directors shall, at its next meeting, hold a vote to decide whether to remove an Officer if and when that Officer has failed to attend two (2) number of scheduled meetings during a fiscal year (June 1 – May 31) of the Board of Directors or Officers, except when such absence is due to exigent circumstances, as determined by the Board.

Section 3.15 Compensation. No Director is to be compensated for his or her services as a Director. Upon prior approval of the Board of Directors a Director, Officer, staff person or volunteer may be reimbursed in whole or in part for expenses incurred in the execution of his or her role, including, but not limited to, travel or other expenses related to the purpose of the Corporation as

a representative of the organization and/or purchase of material essential to the implementation of activities in accordance with the Corporation's purchasing/procurement policy and approved in advance by the Board of Directors. The individual must present to the Treasurer, expense statements, bills or receipts for reimbursement. No Director shall be prevented from receiving reimbursement by reason of the fact that he is also an Officer of the Corporation.

Section 3.16 Special Terms. If any vacancy occurs on the Board of Directors and the Director vacating had greater than one (1) year remaining in his term, and the vacancy is not filled by the Board of Directors pursuant of Section 5.13 above, so that there exists an imbalance of outgoing Directors to remaining Directors at Election time, at the next Election such vacancy shall be filled for a one (1) year term in the following manner:

3.17.1 The Board of Directors shall inform the Members of the number of vacant positions to be filled by election for a one (1) year term.

3.17.2 The Board of Directors shall assign newly elected Directors who have the least number of votes to these one (1) year terms.

3.17.3 If not enough candidates run for the Board of Directors during an Election, the unfilled positions will be filled by the same procedure as filling a vacancy on the Board of Directors as provided in Section 3.13.

ARTICLE IV. OFFICERS

Section 4.1 Officers. The Officers of this Corporation shall consist of a President, a First Vice President, a Second-Vice President, a Secretary, and a Treasurer, each of whom must be a Member in Good Standing of the Association. Officers shall be elected by the Membership at the time and in the manner prescribed by these Bylaws. All Officers of the Corporation, as between themselves and the Corporation, shall have the authority and perform the duties in the management of the Corporation as provided in these Bylaws or as determined by resolution of the Board of Directors not inconsistent with these Bylaws.

Section 4.2 Election and Term. All Officers of the Corporation shall be elected annually by the Membership at the annual meeting of the Members and chaired by the outgoing President. If the election of Officers is not held at such meeting, such election shall be held as soon thereafter as may be convenient. All elected Officers' term of office shall be (1) year, or until a successor has been duly elected, and all elected Officers shall assume office as of July 1st of each year. Any Officer may succeed himself.

Section 4.3 Restriction. No two offices may be held at the same time by the same person.

Section 4.4 Vacancies. A vacancy in any office caused by death, resignation, removal, disqualification, or otherwise may be filled by the Board of Directors for the unexpired portion of the term, except as provided in Section 3.4.1 below. Vacancies may be filled at any meeting of the Board of Directors.

4.4.1 Vacancy - President. In the event the office of President is vacated, for whatever reason,

the First Vice President shall immediately assume the office for the remainder of the unexpired term.

4.4.2 Vacancy – First Vice President/Second-Vice President. In the event of a vacancy in either the office of First Vice President or Second-Vice President is vacated, the Board of Directors shall have the power to elect or appoint a qualified Member from the Board of Directors or the membership at large, an eligible, qualified Member to assume the office for the remainder of the term.

4.4.3 Vacancy - Secretary/Treasurer. In the event of a vacancy in either the office of Secretary or Treasurer, the Board of Directors shall have the power to elect or appoint, from the Board of Directors or the membership at large, an eligible, qualified Member to assume the office for the remainder of the term.

Section 4.5 Resignations and Removal of Officers.

4.5.1 Any Officer may resign at any time by giving written notice to the President or to the Secretary, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

4.5.2 Any Officer may be removed with or without cause by a majority vote of the Board of Directors whenever such removal is in the best interests of the Association. The Board of Directors shall, at its next meeting, hold a vote to decide whether to remove an Officer if and when that Officer has failed to attend two (2) number of scheduled meetings during a fiscal year (June 1 – May 31) of the Board of Directors or Officers, except when such absence is due to exigent circumstances, as determined by the Board.

Section 4.6 Duties. Each Officer shall perform the duties prescribed by these Bylaws, and any parliamentary and ministerial duties of such Officer set forth in the adopted Parliamentary Authority (as defined in Article XVI below), and such other duties as may be specified, from time to time, by resolution of the Board of Directors. Each officer shall attend each General and Special meeting of the Board of Directors, and such other meetings of Officers as may be called to order. If the President cannot attend the meeting, he or she must notify the First Vice-President and forward all information regarding the upcoming meeting to him or her, including notices of non-appearances by other board members.

Section 4.7 Duties of the President. The President shall be the principal executive Officer of the Corporation and, subject to the control of the Board of Directors, shall generally supervise and control all of the business and affairs of the Corporation.

4.7.1 The President shall preside at all meetings of the Members and shall preside at all meetings of the Board of Directors.

4.7.2 The President shall present at each annual meeting of the Members and Board of Directors a report of the condition of the business of the Corporation.

4.7.3 The President shall cause to be called regular and special meetings of the Members and Board of Directors in accordance with the requirements of the statutes and these Bylaws.

4.7.4 The President shall generally supervise all employees and agents of the Corporation.

4.7.5 The President, with the Secretary or any other proper Officer of the Corporation as required and duly authorized by the Board of Directors, shall sign and execute all contracts in the name of the Corporation and all deeds, mortgages, bonds, contracts, notes, drafts or other orders for the payment of money, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other Officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed.

4.7.6 The President shall cause all books, reports, and statements to be properly kept and filed as required by law.

4.7.7 The President shall enforce these Bylaws and perform all the duties incident to the office or which are required by law, and generally perform such other duties as may be prescribed by the Board of Directors from time to time.

4.7.8 The President is an ex-officio member of all Committees.

Section 4.8 Duties of the First Vice President. The First Vice President shall perform such duties as from time to time may be assigned by the President or by the Board of Directors. During any absence of the President or in the event of the President's inability to act, the Vice President shall, during such period, perform the duties of the President and, when so acting, shall have all the powers and be subject to all the responsibilities of the office of President. The Vice President shall also serve as Chairperson of the Association Architectural and Rules Committee.

Section 4.9 Duties of the Second-Vice President. The Second-Vice President shall perform such duties as from time to time may be assigned by the President or by the Board of Directors. The Vice President shall also serve as Chairperson of the Association Road Committee.

Section 4.10 Duties of the Secretary. The Secretary shall keep the minutes of the meetings of the Board of Directors and the minutes of the meetings of the Members in the appropriate books.

4.10.1 The Secretary shall see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law.

4.10.2 The Secretary shall be custodian of Association records, and seal (if any) of the Corporation and shall affix the seal to corporate papers and documents when required and duly authorized.

4.10.3 The Secretary shall keep a book or record containing the names, alphabetically arranged, of all persons who are Members of the Corporation, showing their mailing addresses, telephone numbers and email addresses as furnished to the Secretary by such Members, the number of Lots held by them respectively, and the dates when they became the Owners of record thereof (closing date). The Secretary shall keep all records, and minutes of the Corporation available for inspection within the limits prescribed by law and by any Director or by any Member or his duly authorized representative. At the request of the person entitled to and inspection thereof, the Secretary shall prepare and make available

a current list of the Officers and Directors of the Corporation and their mailing addresses.

4.10.4 The Secretary shall attest to the execution of instruments on behalf of the Corporation by a proper Officer thereof, and the Secretary shall affix the Corporate seal to such instruments on behalf of the Corporation when required and duly authorized.

4.10.5 The Secretary shall attend to all correspondence, and present to the Board of Directors at its meetings all official communications received by the Secretary.

4.10.6 The Secretary shall, in general, perform all duties incident to the Office of Secretary and such other duties as from time to time may be assigned to the Secretary by the President or by the Board of Directors.

4.10.7 Under direction of the Secretary and/or the Board of Directors, the Manager(s) shall assist in carrying out the above outlined duties and responsibilities, if such a manager is employed.

Section 4.11 Duties of the Treasurer. The Treasurer shall have the care and custody of and be responsible for all of the funds and securities of the Corporation, and shall deposit such funds and securities in the name of the Corporation in such banks, trust companies, or other depositories as shall be designated by the Board of Directors.

4.11.1 Subject to banking resolutions adopted by the Board of Directors, the Treasurer or the President shall make, sign, and endorse in the name of the Corporation all checks, drafts, notes, and other orders for the payment of money and receive and give receipts for monies due and payable to the Corporation from any source whatsoever and deposit all such monies in the name of the Corporation.

4.11.2 The Treasurer shall keep accurate books of account of all of the Corporation's business and transactions and shall, at all reasonable hours, exhibit books and accounts to any Member or his authorized representative upon application at the office of the Corporation during business hours.

4.11.3 The Treasurer shall render a report of the condition of the finances of the Corporation at each regular meeting of the Board of Directors and at such other times as shall be required, and shall make a full financial report at the annual meeting of the Members.

4.11.4 The Treasurer shall further perform all duties incident to the office of the Treasurer of the Corporation or that which may be assigned by the President or by the Board of Directors.

4.11.5 If required by the Board of Directors, the Treasurer shall give such bond for the faithful discharge of the duties provided herein in such sum and with such surety or sureties as the Board of Directors shall determine.

4.11.6 Under direction of the Treasurer and/or the Board of Directors, the Managers(s) shall assist in carrying out the above outlined duties and responsibilities of the Treasurer, if such a Manager is employed.

Section 4.12 Manager(s). If a Manager(s) is employed, the Manager(s) shall perform such duties and have such powers as may be assigned to them from time to time by the President or by the

Board of Directors. The Manager(s) shall be supervised by the President of the Corporation.

4.12.1 Any resident salaried employee(s) as qualified Owner(s) of a Lot is/are entitled to Membership and voting rights in accordance with the Declaration and the Bylaws, except that under no circumstances will they be considered eligible to serve in any capacity on the Board of Directors. They may serve on committees.

Section 4.13 Compensation of Officers. No Officer is to be compensated for his or her services as an Officer. Upon prior approval of the Board of Directors a Director, Officer, staff person or volunteer may be reimbursed in whole or in part for expenses incurred in the execution of his or her role, including, but not limited to, travel or other expenses related to the purpose of the Corporation as a representative of the organization and/or purchase of material essential to the implementation of activities in accordance with the Corporation's purchasing/procurement policy and approved in advance by the Board of Directors. The individual must present to the Treasurer, expense statements, bills or receipts for reimbursement. No Officer shall be prevented from receiving reimbursement by reason of the fact that he is also an Officer of the Corporation.

ARTICLE V. MEMBERS MEETINGS

Section 5.1 Annual Meetings. An annual business meeting to conduct the Board and Officer elections, and for the transaction of other business relative to the affairs of this Corporation shall be held on a date between the 1st and 23rd of June each year as determined by the Board of Directors. If the election of Directors is not held on the day designated for the annual meeting, or any adjournment thereof, the Board of Directors shall cause the Election to be held as soon thereafter as may be practical.

Section 5.2 Regular Meetings. There shall be one (1) regular Members meeting each year, for the transaction of business relative to the affairs of this Corporation, to be held during the second week of October or such other date designated by the Board of Directors.

Section 5.3 Special Meetings. Special meetings of Members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President or by the Board of Directors, and shall be called by the President at the request of any Members in Good Standing holding no less than one-fifth (1/5) of all votes entitled to be cast at such meeting. All meetings shall be held within the Development or as close to it as is practical as needed to accommodate participation by Members.

Section 5.4 Notice of Meeting. Written notice stating the place, day, and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting was called, shall be delivered not less than ten (10) nor more than thirty (30) days before the date of the meeting, by electronic or postal mail, by or at the direction of the President, the Secretary, or the Officer or persons calling the meeting, to each Member in Good Standing of record entitled to vote at the meeting. If mailed, the notice shall be deemed to be delivered when deposited in the United States

mail addressed to the Member at his address as it appears on the books of the Corporation with postage prepaid. Attendance of a Member in person or by proxy at a meeting constitutes a waiver of notice of the meeting, except where a Member attends a meeting for the express purpose of objecting to the transaction of any business because a meeting is not lawfully called or convened. A waiver of notice signed by all Members in Good Standing entitled to vote at the meeting may designate any time or place as the time and place for holding of such meeting.

Section 5.5 Closing of Transfer Books or Fixing of Record Date. For the purpose of determining Members in Good Standing entitled to notice of, or to vote at, any meeting of Members or Election, or any adjournment thereof, or in order to make a determination of Members in Good Standing for any other proper purpose, the Board of Directors of the Corporation may provide that the books be closed for a stated period not to exceed thirty (30) days. If the books are closed for the purpose of determining Members in Good Standing entitled to notice of, or to vote at, a meeting of the Members in Good Standing and/or Election, the books shall be closed for at least ten (10) days immediately preceding the meeting and/or Election. In lieu of closing the books, the Board of Directors may fix in advance a date as the record date for any such determination of Members in Good Standing, the date to be not more than thirty (30) days and, in case of a meeting of Members in Good Standing and/or Election, not less than ten (10) days prior to the date on which the particular action requiring such determination of Members in Good Standing is to be taken. If the books are not closed and no record date is fixed for the determination of Members in Good Standing entitled to notice of, or to vote at, a meeting of the Members in Good Standing and/or Election, the date of notice of the meeting of Members in Good Standing and/or Election is mailed shall be the record date for the determination of Members in Good Standing. When a determination of Members in Good Standing entitled to vote at any meeting of Members in Good Standing and/or Election has been made as provided for in this section, the determination shall apply to any adjournment thereof, except where the determination has been made through the closing of the books and the stated period of closing has expired.

Section 5.6 Voting List. The Treasurer and the Secretary having charge of the records of the Corporation shall make, at least ten (10) days before each meeting of Members in Good Standing and/or Election, a complete list of the Members in Good Standing entitled to vote at the meeting and/or Election or any adjournment thereof, arranged in alphabetical order, with the address of, and the number of Lots held by each, which list, for a period of ten (10) days prior to the meeting and/or Election and shall be kept on file at the office of the Corporation and shall be subject to the inspection by any Member in Good Standing at any time during usual business hours. The list shall also be produced and kept open at the time and place of meeting and/or Election and shall be subject to the inspection of any Member in Good Standing during the whole time of the meeting and/or Election. The records shall be prima facie evidence as to who are the Members in Good Standing entitled to examine the list, or books, or vote, at any meeting of Members in Good Standing and/or Election. Failure to comply with the requirements of this section does not affect the validity of any action taken at a meeting and/or Election.

Section 5.7 Quorum of Members. Twenty percent (20%) of the Members in Good Standing entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of the Members in Good Standing. A quorum, once attained at a meeting, shall be deemed to continue until adjournment notwithstanding the voluntary withdrawal of enough Members in Good

Standing to leave less than a quorum. If a quorum is present, the affirmative vote of a majority of the Members in Good Standing represented at the meeting and entitled to vote on the subject matter shall be the act of the Members in Good Standing, unless a vote of a greater number is required by law, by the Articles of Incorporation, the parliamentary authority, or as otherwise specifically set forth in these Bylaws. If less than twenty percent (20%) of the Members in Good Standing are represented at a meeting, and therefore a quorum is not present, a majority of Members in Good Standing so represented shall have the power to adjourn the meeting to a time not less than five (5) days nor more than sixty (60) days from the time the original meeting was called, but may not transact any other business. Any meeting of Members in Good Standing where a quorum is present may be adjourned for any reason to a time not less than five (5) days nor more than sixty (60) days from the time of such meeting by the Members in Good Standing representing a majority of the Members in Good Standing present at the meeting, in person or by proxy. At such adjourned meeting, any business may be transacted which might have been transacted at the meeting as originally called, provided a quorum is present.

Section 5.8 Proxies. At all meetings of Members, a Member may vote by proxy, which proxy must be written and dated, and must be executed by the Member in Good Standing or by his duly authorized attorney-in-fact pursuant to a written, acknowledged power of attorney. A separate proxy is required for each Lot owned. No proxy shall be valid after three (3) months from the date of its execution. Any Member in Good Standing giving a proxy has the power to revoke it by giving notice to the Corporation in writing or orally in an open meeting before any vote taken.

Section 5.9 Approval of Minutes of Members Meetings. The President may appoint a committee of in Good Standing who attended any meeting of the Members, to approve the minutes of such meeting, and such approval shall be effective for all purposes.

ARTICLE VI. COMMITTEES

Section 6.1 Standing Committees. There shall be three (3) Standing Committees in this Association:

6.1.1 Executive Committee

6.1.2 Architectural Control and Rules Committee.

6.1.3 Roads Development and Maintenance Committee.

Section 6.2 Executive Committee. The Executive Committee shall be comprised of the Officers of the Corporation, whose duty and responsibility it shall be to review, investigate, and/or audit the Corporation financial and business records periodically, or at the pleasure of the President or Board of Directors, and to submit their findings. They shall consider and recommend appropriate action to be taken by the Treasurer and the Board of Directors on all matters concerning budgets of income and expenses, audits, insurance, taxes, and other related financial matters. They shall annually prepare a proposed budget for the following fiscal year of the Corporation, and shall submit it to the Board of Directors for consideration. They shall employ such assistance, with the approval of the Board of Directors, as is necessary to carry out these assignments.

Section 6.3 Architectural Control and Rules Committee. The Architectural Control and Rules Committee, whose duty and responsibilities it shall be to establish, update and enforce the Covenants and to preserve the architectural and landscaping integrity of the Community as described by the Covenants, and whose duty and responsibility it shall also be to preserve and improve the landscaping, grounds, and other common areas of the Community. The Architectural Control and Rules Committee shall review and make recommendations to the Board of Directors on all rules governing the Community and the Association by considering all issues objectively in light of the interest of all Members They shall employ such assistance, with the approval of the Board of Directors, as is necessary to carry out these assignments. The First Vice President of the Association shall be Chairman of the Committee.

Section 6.4 Roads Development and Maintenance Committee. The Roads Development and Maintenance Committee, whose duty and responsibility it shall be to develop and maintain roads for public ingress and egress throughout Thunder Mountain Estates, and to prepare budgets and contracts for road maintenance. The Second-Vice President of the Association shall be Chairman of the Committee. They shall employ such assistance, with the approval of the Board of Directors, as is necessary to carry out these assignments.

Section 6.5 Chair. The Chair of each Standing Committee shall select, from the Corporation membership, members to complete his/her Standing Committee and to assist in carrying out the various functions of the Standing Committee, with deliberate care and consideration given to committee requirements and the knowledge and experience of persons selected. Members may participate on more than one Committee at a time. Members of the Board of Directors and salaried employees may also serve on more than one Committee.

Section 6.6 Vacancy -- Chair. Any Chair may resign his position as such by written notice to the Board of Directors, and any Chair may be removed from such position for any reason by the Board of Directors. In the event of a vacancy in the position of Chair of a Standing Committee, the Board of Directors, by majority vote at a regular or special meeting in which quorum is present, shall appoint a qualified Director or Member in Good Standing to fill the vacancy for the remainder of the term.

Section 6.7 Committee Procedures. All Standing Committees shall be responsible for creating, establishing, and subsequently reviewing and maintaining written operating procedures and policy statements relative to their areas of responsibility. These shall be reviewed, revised as necessary, and approved each year by the Board of Directors.

Section 6.8 Other Committees. The Board of Directors, by resolutions adopted by a majority of the Directors, may designate the President, Vice President, Secretary, and Treasurer as an Executive Committee, and may form other committees, each of which, to the extent provided in the resolution shall have and may exercise all the authority of the Board of Directors, but no such committee shall have the authority of the Board of Directors in reference to amending, altering, or repealing these Bylaws; electing, appointing, or removing any member of any committee or any Director or Officer of the Corporation; amending the Articles of Incorporation, restating Articles of Incorporation, adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange, or mortgage of any part of the property and

assets of the Corporation; authorizing the voluntary dissolution of the Corporation or revoking proceedings therefor; adopting a plan for the distribution of the assets of the Corporation; or amending, altering, or repealing any resolution of the Board of Directors unless, by its terms, such resolution of the Board of Directors provides that it may be amended, altered, or repealed by a specified committee. The designation of any such committee shall not operate to relieve the Board of Directors, or any Director, of any responsibility imposed by law.

Section 6.9 Special Committees. Other Special Committees, having and exercising the authority of the Board of Directors in the management of this Corporation, may be designated by resolution adopted by the Board of Directors from time to time. Except as otherwise provided in the resolution, the President shall appoint the Chairman and the Chairman shall select from the membership, at least two (2) members for his/her committee. Members of each such committee shall be Members in Good Standing of this Corporation, and the President shall act as an ex-officio member of each such committee. Such committees shall organize themselves and elect, from their members, a secretary and shall perform the functions and discharge the duties described in the resolution; and proposed committee recommendations may be adopted by the Board of Directors.

Section 6.10 Special Committee Composition. At least one (1) Director, in addition to the President who is an *ex officio* member, shall serve on each Committee of this Corporation, together with at least two (2) other Members in Good Standing from the membership at large.

Section 6.11 Attendance. At any meeting of the Board of Directors, regular or special, or of any committee, the attendance of a Director or committee member at such a meeting constitutes a waiver of notice of the meeting, except where a Director or committee member attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Meetings of the Board of Directors or any committee may be conducted by conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear each other at the same time, and participation of any party by such means shall constitute attendance and presence of such party as if in person at the meeting.

Section 6.12 Consents. Any action required by the Nonprofit Corporation Act to be taken at a meeting of the Directors of the Corporation, or any action which may be taken at a meeting of the Directors, or of any committee, may be taken without a meeting, if a consent in writing setting forth the action so taken, shall be signed by all of the Directors, or all of the members of the committee, as the case may be. The consent shall have the same effect as a unanimous vote.

ARTICLE VII. CONTRACTS, LOANS, CHECKS, AND DEPOSITS

Section 7.1 Contracts. Subject to the provisions regarding Prohibited Contracts, the Board of Directors may authorize any Officer or Officers, Agent or Agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

7.1.1 Contracts with Insiders. A Director or Officer of the Corporation shall not be disqualified by his office from dealing or contracting with the Corporation either as a

vendor, purchaser, or otherwise; nor shall any transaction or contract of the Corporation be void or voidable by reason of the fact that any Director or Officer, or any firm of which the Director or Officer is a member, stockholder, officer or director, is in any way interested in such transaction or contract; provided that such transaction or contract is or shall be authorized, ratified, or approved either (1) by a vote of the majority of a quorum of the Board of Directors, or (2) by the vote of a majority in interest of all Members in Good Standing; nor shall any Director or Officer be liable to account to the Corporation for any profits realized by or from or through any such transaction or contract authorized, ratified, or approved as herein provided by reason of the fact that he, or any firm of which he is a member, stockholder, officer or director was interested in such transaction or contract. Nothing herein contained shall create liability in the event above described or prevent authorization or approval of such contracts in any other manner permitted by law.

Section 7.2 Loans. No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 7.3 Checks, Drafts, Etc. All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness issued in the name of the Corporation, shall be signed by the Treasurer or the President, or otherwise as determined by the Board of Directors.

Section 7.4 Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

ARTICLE VIII. SHARES OF STOCK

Section 8.1 The Corporation shall not have or issue shares of stock and no dividends shall be paid. Non-Transferable Certificates of Membership may be issued at the discretion of the Board of Directors.

ARTICLE IX. POWERS AND DUTIES

Section 9.1 Powers of the Corporation. The Corporation shall have all the powers of a Nonprofit Corporation organized under the laws of the State of New Mexico. All powers shall be exercised as directed by the Board of Directors or the Members as provided in these Bylaws, or the Articles of Incorporation. The Corporation shall have the power to do any and all lawful things including without limitation, the following:

9.1.1 Assessments. The Corporation shall have the power to establish, fix, and levy assessments against the Owners of Lots and to enforce payment of such assessments, all in accordance with the provisions of the Declaration and these Bylaws. As provided in Article VII of the Declaration, the Members may disapprove a proposed budget requiring regular assessments in excess of the previous year's regular assessments by a factor greater than ten percent (10%).

9.1.2 Right of Enforcement. The Corporation shall have the authority and power of enforcement, including the right to commence and maintain actions and suits at law or in equity for any appropriate remedy. In addition, the Association shall have the right to support voting rights and/or assess monetary penalties.

9.1.3 Corporation (Association) Rules. The Board of Directors shall have the power to promulgate reasonable rules and regulations (“Rules”). The Rules shall not conflict with or materially alter any provisions of these Bylaws, and in the event of any conflict between any such Rules and any provisions of these Bylaws which cannot be otherwise resolved, the provisions of these Bylaws shall prevail to the extent of any such conflict.

Section 9.2 Duties of the Corporation. The Corporation shall have the obligation to conduct all business affairs of common interest to all Owners and, without limiting the generality of the foregoing, to perform each of the duties set forth herein, and in the Articles of Incorporation.

Section 9.3 Financial Reports. The financial statements for the Corporation consisting of the proposed annual budget and the annual report, shall be regularly prepared and distributed to all Members. In addition, a financial report shall be submitted to the Board of Directors in advance of each board meeting or no less than quarterly. This report shall include, but not be limited to, the receipts and disbursements of funds for the previous accounting period. These quarterly reports shall also be available to the members upon request.

Section 9.4 Dispute Resolution. The Association believes that the cost, complexity, and delay inherent in court proceedings make litigation a particularly inefficient means of resolving neighborhood disagreements. Further, relationships in our community may be damaged through use of adversarial means of resolving disputes. Accordingly, the Association encourages the use of alternative methods for resolving disputes. In the event of any dispute between the Association and Property Owners in situations that do not involve an imminent threat to the peace, health, or safety of the community, the Association and property owner(s) involved in the dispute shall work to resolve the dispute using the procedures set forth below prior to filing a complaint in court or otherwise initiating a legal proceeding. For each of the resolution processes, New Mexico law governs the process and the parties do not waive their right to employ legal counsel at their own expense to assist them. This policy of dispute resolution is binding on all members, and the Association itself.

9.4.1 Procedures: The Association or any Owner wishing to resolve a dispute (“Initiating Party”) will provide each other Party to the dispute with a written request (“Request for Resolution”) describing:

- i. the nature of the dispute, including the date, time, location, persons involved, and the other party’s or parties’ role in the dispute; [and]
- ii. a request for what the Initiating party would like the other party or parties to do or not do to resolve the dispute; and
- iii. times and dates that the Initiating Party may be available to communicate directly with the other party or parties to discuss in good faith ways to resolve the dispute.

A. Negotiation: The parties are encouraged to make reasonable efforts to communicate directly with each other in an attempt to reach an agreement that serves the interests of all parties prior to initiating any other dispute resolution procedures.

B. Mediation:

- i. Beginning the process. Unless otherwise agreed, if the parties do not resolve the dispute within sixty (60) business days of the date of receipt of the “Request for Resolution”, the parties will begin efforts to schedule a mediation session with a trained, neutral mediator to assist them in reaching their own solution. The mediator will facilitate the process but will not make decisions for the parties. The parties shall meet with the mediator within sixty (60) days of the date of receipt of the Request for Resolution.
- ii. Selecting a mediator. Unless otherwise agreed, the parties shall select a mutually acceptable mediator within sixty (60) business days of the date of receipt of the Request for Resolution. Each party will provide the other(s) with the name of at least one acceptable mediator. If the parties cannot reach agreement on who to select as a mediator, a mediator shall be appointed by the Association Board of Directors. The parties will work with the mediator to establish the date for the mediation meeting. The cost of mediation will be shared equally among the parties unless they agree otherwise.
- iii. Documentation of mediation. The mediator shall provide the parties with documentation noting who attended and that the mediation occurred.

9.4.2 Failure to comply with Agreement or Award. If the parties resolve any dispute through mediation, and a party or parties fails to abide by the terms of the agreement or award, the other party may initiate legal proceedings to enforce the agreement or award without need to comply with the provisions of this Policy. Additionally, the party taking action to enforce the agreement or award shall, if that party prevails, be entitled to recover from the non-complying party all costs incurred in enforcing the agreement or Award, including without limitation, attorney fees and costs.

ARTICLE X. SEAL

Section 10.1 The Board of Directors may provide a corporate seal which shall be circular in form and shall inscribe thereon the name of the Corporation, the State of incorporation and year of incorporation, and the words “Corporate Seal” or “Seal.” No instrument shall lack validity because of not having the corporate seal affixed.

ARTICLE XI. INDEMNIFICATION AND LIABILITY

Section 11.1 Indemnification. The Corporation shall indemnify any and all persons who may

serve or who have served at any time as Directors or Officers against any and all costs and expenses which may be imposed upon or incurred by him in connection with or resulting from any claim, action, suit, or proceeding in which such person may be involved by reason of his being or having been a Director or Officer of this Corporation, or of such other corporation at the time such costs and expenses are imposed or incurred. As used herein, the term “costs and expenses” shall include, but shall not be limited to, counsel, fees, fines, penalties and amount of judgements entered or amounts paid in settlement (before or after suit is commenced), actually and necessarily incurred by any such Director or Officer, other than amounts paid to the Corporation itself; provided, however, that no such Director or Officer shall be indemnified in any action, suit, or proceeding in which he shall admit or be adjudged liable for his own gross negligence or willful, or reckless misconduct in the performance of his duty. The foregoing rights of indemnification shall not be deemed exclusive of any other rights to which such Director or Officer may otherwise be entitled. The Corporation may procure Directors’ and Officers’ liability insurance on behalf of the Officers and Directors, in the discretion of the Board of Directors and at the Corporation’s expense.

Section 11.2 Liability. No Member of the Board or of any committee, nor any Officer of the Corporation, nor the Managing Agent(s) if any, or other agent of the Corporation, shall be personally liable to any Owner, or to any party, including the Corporation, for any damage, loss, or prejudice suffered or claimed on the account of any act, omission, error, or negligence of any such person or entity in his, her, or its capacity as such; provided that such person or entity has on the basis of such information may be possessed by him, her, or it, acted in good faith without willful, reckless, grossly negligent, or intentional misconduct.

ARTICLE XII. STANDING RULES

Section 12.1 Formulation. The Board of Directors shall have the power to formulate such Standing Rules as they deem proper to supplement, but not conflict with, these Bylaws.

Section 12.2 Adoption/Rescission. Standing Rules may be adopted or rescinded by a majority vote of the Board of Directors at any regular or special meeting of the Board of Directors. Notice of a proposal that a new Standing Rule or an amendment thereof is to be submitted to the Board of Directors for adoption, shall be given to each of the Directors at least ten (10) days prior to such regular or special meeting.

ARTICLE XIII. BOOKS AND RECORDS

Section 13.1 This Corporation shall keep correct and complete books and records of the accounts and shall also keep minutes of the proceedings of its Members, Board of Directors, and Committees having and exercising any authority of the Board of Directors; and shall keep as its principal office a record listing the names, addresses, telephone numbers, and email contacts of all Members, the number(s) of the Lot(s) held by them respectively, and the dates when they respectively became Owners of record thereof (closing date). Books and records of the Corporation may be inspected by any Member or his duly authorized representative, upon one (1) day’s written notice to the Board and may be copied or audited at his own expense, for any proper purpose under applicable law, which purpose may be required by the Board to be stated in the notice. Every

Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association.

ARTICLE XIV. FISCAL YEAR

Section 14.1 The Board of Directors shall have the power to fix and, from time to time, change the fiscal year of the Corporation.

ARTICLE XV. WAIVER OF NOTICE

Section 15.1 Whenever any notice is required to be given under the statutes of the State of New Mexico, or under the provisions of the Articles of Incorporation, or the Bylaws of the Corporation, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated herein, shall be deemed equivalent to the giving of such notice.

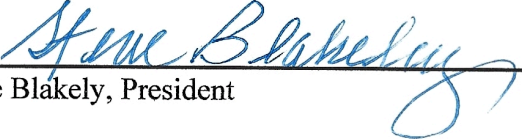
ARTICLE XVI. PARLIAMENTARY AUTHORITY

Section 16.1 The rules contained in the Robert Rules of Order, newly revised, shall guide the proceedings of this Association in all cases to which they are applicable and in which they are not inconsistent with these Bylaws and any special Rules of Order that this Association may adopt.

ARTICLE XVII. AMENDMENTS TO THE BYLAWS

Section 17.1 These Bylaws may be altered, amended, repealed, revised, or new Bylaws may be adopted by a two-thirds (2/3) vote of the entire Board of Directors at a regular or special meeting of the Board. Notice of a proposed change is to be submitted to the entire Board of Directors at least ten (10) days prior to the regular or special meeting of the Board. However, any Bylaws adopted by the Board of Directors may be altered, amended, repealed, or new Bylaws may be adopted by the vote of two-thirds (2/3) of all Members in Good Standing at a regular or special meeting of the Members.

I hereby certify that the foregoing Bylaws are the Bylaws of this Corporation, revised and adopted by the Board of Directors on the 18th day of May, 2022.

 5/22/2022

Steve Blakely, President

 5/27/2022

Bill Raynovich, Secretary