

BY-LAWS OF**ELK RUN TOWNHOUSES OWNERS ASSOCIATION****ARTICLE I
NAME AND LOCATION**

The name of the Association is the Elk Run Townhouses Owners Association. The Association is a Wyoming nonprofit corporation. The initial principal office of the Association shall be located at the Elk Run Townhouse project, in Jackson, Wyoming, but meetings of members and directors may be held at such places within the State of Wyoming, County of Teton, as may be designated by the Board of Directors.

The Association may have such other offices, either within or without the State of Wyoming, as the Board of Directors may designate.

**ARTICLE II
DEFINITIONS**

All terms used with initial capital letters and not otherwise specifically defined herein shall have the meanings set forth in the Declaration of Covenants, Conditions and Restrictions for the Elk Run Townhouses, a residential townhouse project in Teton County, Wyoming, to be filed of record with the Clerk of Teton County, Wyoming, as the same may be amended from time to time (the "Declaration").

**ARTICLE III
MEMBERSHIP, MEETINGS AND VOTING RIGHTS**

The applicable provisions relating to membership, meetings and voting rights are set forth in the Declaration.

**ARTICLE IV
BOARD OF DIRECTORS**

The applicable provisions relating to the membership, meetings and authority of the Board of Directors (also called the Management Committee) are set forth in the Declaration.

ARTICLE V

OFFICERS

Section 1. Officers. The officers of the Association shall be a President, who shall at all times be a member of the Board of Directors, a secretary, and such other officers as the Board of Directors may from time to time by resolution appoint as provided below.

Section 2. Appointment of Officers. The appointment of officers (after the initial appointments) 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 the Association shall be appointed annually by the Board of Directors and each shall hold office for one (1) year and until his or her successor is elected unless the officer shall sooner resign, or shall be removed or replaced.

Section 4. Special Appointments. The Board of Directors may appoint 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.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time 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.

Section 6. Vacancies. 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 or she replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No single 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) Chairman; President. The chairman shall preside at all meetings of the Board of Directors. The president shall see that orders and resolution of the Board of Directors are carried out; and shall sign all leases, mortgages, deeds and other similar written instruments.

(b) 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, and shall perform such other duties as required by the Board of Directors.

(c) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by the Board of Directors or the President; 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 meeting.

ARTICLE VI COMMITTEES

The Board of Directors may appoint committees as deemed appropriate in carrying out its purposes.

ARTICLE VII INDEMNIFICATION

The Association shall indemnify each director and officer, and former director and officer, of the Association, and his or her legal representative, against liabilities, expenses, counsel fees and costs arising out of any action, suit, proceeding or claim in which he or she is involved by reason of being, or having been, such director or officer. The Association likewise shall indemnify any person who, at the request of the Association, served as director or officer of another corporation in which this association owned corporate stock, and his or her legal representatives. In neither case shall the Association indemnify such director or officer or representative with respect to any matters as to which such person shall be finally adjudged in any

such action, suit or proceeding to have been liable for willful misconduct in the performance of duties to the Association. Nevertheless, such indemnity shall apply also in respect of any amount paid in compromise of any such action, suit, proceeding or claim asserted against such director or officer or representative (including reasonable expenses, counsel fees and costs incurred in connection therewith), if the Board of Directors approves such proposed compromise or settlement and determines that the person involved was not guilty of willful misconduct. In taking such action any director involved shall not be qualified to vote thereon. If for this reason, a quorum of the Board cannot be obtained to vote on such matter, members holding a majority of the lots and entitled to vote shall determine such matters at a duly called special meeting or at a regular meeting. In determining whether or not a person was guilty of gross negligence or willful misconduct in relation to any such matter, the Board of Directors or members, as the case shall be, may rely conclusively upon an opinion of independent legal counsel selected by such Board or such shareholders. The right indemnification herein provided shall not be exclusive of any other rights to which such director or officer may be lawfully entitled.

ARTICLE VIII **BOOKS AND RECORDS**

The books and records 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.

The fiscal year of the Corporation shall begin on the first day of January and end on the 31st day of December of every year, or as otherwise determined by the Board of Directors.

ARTICLE IX **CORPORATE SEAL**

The Association shall not be required to have a seal.

ARTICLE X **AMENDMENTS**

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. 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.

The undersigned certifies that the foregoing By-laws have been adopted as the initial By-laws of the Association, in accordance with the requirements of the Wyoming non-profit corporation law.

DATED as of December _____, 1993.

Robert W. Graham, Secretary