

EXHIBIT

C

BYLAWS
OF
THE LAS VEGAS CAY CLUB
HOMEOWNERS' ASSOCIATION

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BYLAWS OF THE LAS VEGAS CAY CLUB HOMEOWNERS' ASSOCIATION

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BYLAWS

OF

THE LAS VEGAS CAY CLUB HOMEOWNERS' ASSOCIATION

ARTICLE I

PLAN OF UNIT OWNERSHIP

Section 1.1 NAME

The name of the corporation is THE LAS VEGAS CAY CLUB HOMEOWNERS' ASSOCIATION (the "Association"). The Association is a Nevada nonprofit corporation.

Section 1.2 PRINCIPAL OFFICE

The principal office of the Association shall be located in Clark County, Nevada, as the Board may from time to time fix by a majority vote.

Section 1.3 APPLICATION

The provisions of these Bylaws are applicable to the common-interest community project know as the Las Vegas Cay Club Condominiums, located in Clark County, Nevada (the "Condominium Project"). All present and future Owners and their tenants, future tenants, employees and any other person who might use the Condominium Project in any manner are subject to the regulations set forth in these Bylaws and in the Declaration of Covenants, Conditions and Restrictions and Grant and Reservation of Easements for the Las Vegas Cay Club Condominiums (the "Declaration") Recorded or to be Recorded in the official Records of Clark County and applicable to the Condominium Project. The mere acquisition or rental of any Unit in the Condominium Project or the mere act of occupancy of any Unit will signify that these Bylaws are accepted, ratified and will be complied with by the Owner or occupant thereof.

Section 1.4 DEFINITIONS

Unless otherwise specifically provided herein, the capitalized terms in these Bylaws shall have the same meanings as are given to such terms in the Declaration.

ARTICLE II

VOTING BY THE OWNERS

Section 2.1 VOTING RIGHTS

The classes of voting Membership, the allocation of the votes and the manner in which votes shall be held or cast shall be as set forth in the Declaration. All voting rights shall be subject to the restrictions and limitations provided in the Declaration and these Bylaws.

Section 2.2 MAJORITY OF QUORUM

If a quorum is present, unless otherwise expressly provided in the Articles, these Bylaws or the Declaration, the affirmative vote of holders of at least a majority of the voting power represented in person or by proxy at a meeting of the Owners and entitled to vote on any matter shall be the act of the Owners.

Section 2.3 QUORUM

Except as otherwise provided in these Bylaws, the Articles or the Declaration, the presence in person or by proxy of at least twenty percent (20%) of the voting power of the Membership shall constitute a quorum of the Membership; provided, however, that a determination of whether a quorum is present for the purpose of electing the Board, only secret ballots returned to the Association may be counted. Owners present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Owners to leave less than a quorum.

Section 2.4 PROXIES

Votes may be cast in person, by secret ballot or by proxy executed by an Owner. Every proxy shall be revocable by the Owner(s) granting the proxy upon giving actual notice of revocation to the person presiding over a meeting of the Owners and shall automatically terminate immediately after the conclusion of the meeting for which it was executed; provided, however, that if a meeting cannot be held because a quorum is not present and the meeting is adjourned, then the proxy is valid at the reconvened meeting. An Owner may give a proxy only to a member of his or her immediate family, a tenant of the Owner who resides in the Unit, or any other person permitted by the Act. If a Unit is owned by more than one person, each Owner of the Unit may vote or register protest to the casting of votes by the other Owners of the Unit through an executed proxy. A proxy is void if (i) it is not dated or purports to be revocable without notice; (ii) it does not designate the votes that must be cast on behalf of the Owner who executed the proxy; or (iii) the holder of the proxy does not disclose at the beginning of the meeting for which the proxy is executed the number of proxies pursuant to which he or she will be casting and the voting instructions received for each proxy. A vote may not be cast pursuant to a proxy for the election of a member of the Board.

ARTICLE III MEETINGS OF THE OWNERS

Section 3.1 PLACE OF MEETINGS OF THE OWNERS

Meetings of the Owners shall be held at the Condominium Project or such other suitable place as proximate thereto as practicable and convenient to the Owners, as may be designated from time to time by the Board.

Section 3.2 ANNUAL MEETINGS OF THE OWNERS

A regular annual meeting of the Owners shall be held on or about the first (1st) anniversary of the Close of Escrow for the sale of the first Unit in the Association. Thereafter,

the annual meeting of the Owners shall be held on or about one (1) year after the date of the last annual meeting. If the Owners have not held a meeting for one (1) year, a meeting of the Owners must be held in accordance with the Act. Subject to the right of Declarant to appoint the directors who serve on the board (the "Directors") as described in the Declaration, at each annual meeting the Directors shall be elected by secret written ballot of the Owners, in accordance with the requirements set forth in Section 6.6 of these Bylaws. The Owners may also transact such other business of the Association at the annual meeting of the Owners as may properly come before the Owners. Each Eligible Mortgagee and Eligible Insurer of a Unit in the Condominium Project may designate a representative to attend all annual meetings of the Owners.

Section 3.3 SPECIAL MEETINGS OF THE OWNERS

It shall be the duty of the Board to call a special meeting of the Owners, as directed by resolution of a majority of the Board, by written consent of the majority of the Board, by request of the President of the Association or upon receipt by the Secretary of the Association of a petition signed by the Owners representing at least ten percent (10%) of the total voting power of the Association stating the purpose of the special meeting. The notice of any special meeting shall be given within twenty (20) days after adoption of such resolution or receipt of such request or petition and shall state the date, time and place of such meeting and the general nature of the business to be transacted. The special meeting shall be held not less than thirty-five (35) days nor more than ninety (90) days after adoption of such resolution or receipt of such request or petition. No business shall be transacted at a special meeting except as stated in the notice of the special meeting. Each Eligible Mortgagee and Eligible Insurer of a Unit in the Condominium Project may designate a representative to attend all special meetings of the Owners.

Section 3.4 NOTICE

It shall be the duty of the Secretary of the Association to send a notice of each annual or special meeting by first-class mail or hand delivered, at least ten (10) but not more than sixty (60) days prior to such meeting, provided, however, that if at the meeting an assessment for a capital improvement or commencement of a civil action is to be considered or action is to be taken on such assessment for a capital improvement, notice must be given at least twenty-one (21) days before the meeting. The notice shall state the purpose thereof as well as the day, hour and place where it is to be held, and must be given to each Owner of record to the mailing address specified in the Membership Register (as defined below) or, if none is specified, to the mailing address of such Owner's Unit, and to each Eligible Mortgagee and Eligible Insurer who has requested to be so notified. The notice must include a copy of the agenda for the meeting, which agenda must consist of: (a) a clear and complete statement of the topics scheduled to be considered during the meeting, including, without limitation, any proposed amendment to the Declaration or these Bylaws, any fees or assessments to be imposed or increased by the Association, any budgetary changes and any proposal to remove a Director or an officer of the Association; (b) a list describing items on which action may be taken and clearly denoting that action may be taken on those items; and (c) a period devoted to comments by the Owners and discussions of those comments. Except in the event of an emergency, no action may be taken upon a matter until the matter itself has been specifically included on an agenda as an item upon which action may be taken. The notice must also state: (i) the right of an Owner to obtain either a copy or a summary of the minutes of the meeting upon request, and if required by the Board,

upon payment to the Association of the cost of such copy or summary and (ii) the right of the Owner to speak at the meeting. In the event the agenda provides that action may be taken by the Owners to commence a civil action, the notice shall also include the information required by NRS Section 116.3115. The mailing of a notice, postage prepaid, in the manner provided in this Section 5.4, shall be considered notice served when said notice has been deposited in a regular depository of the United States mail. The delivery of a notice in the manner provided in this Section 5.4 shall be considered notice served when said notice has been delivered personally to the Owner. As used in this Section 5.4, "emergency" means any occurrences or combination of occurrences that (i) could not have been reasonably foreseen; (ii) affects the health, welfare and safety of the Owners; (iii) requires the immediate attention of, and possible action by, the Board; and (iv) makes it impractical to comply with the notice provisions set forth in this Section 3.4 or the Act.

Section 3.5 RECORD DATE

The Board may fix a date not more than sixty (60) days before any meeting as a record date for the determination of the Owners entitled to notice of any meeting of the Owners. If the Board does not fix a record date for notice to the Owners, the record date for notice shall be the close of business on the business day preceding the day on which notice is given. In addition, the Board may fix a date not more than sixty (60) days before any meeting as a record date for the determination of the Owners entitled to vote at any meeting of the Owners. If the Board does not fix a record date for determining the Owners entitled to vote, the Owners on the day of the meeting who are otherwise eligible to vote are entitled to vote at the meeting.

Section 3.6 ADJOURNED MEETINGS

If any meeting of the Owners cannot be organized because a quorum is not present, a majority of the Owners who are represented at the proposed meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) days nor more than thirty (30) days from the time the original meeting was called, at which meeting the quorum requirement shall be the presence in person or by proxy of the Owners holding at least ten percent (10%) of the voting power of the Association. Such an adjourned meeting may be held without notice thereof as provided in this Article 3, provided that notice is given by announcement at the meeting at which such adjournment is taken.

Section 3.7 ORDER OF BUSINESS

The order of business at all meetings of the Owners shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes of the preceding meeting; (d) reports of officers; (e) reports of committees; (f) appointment of inspector of elections (at annual meetings or special meetings held for election purposes); (g) election of Directors by the counting of the votes cast by secret written ballot (at annual meetings or special meetings held for such purpose); (h) unfinished business; and (i) new business.

Section 3.8 ACTION BY WRITTEN CONSENT

Any action which may be taken by the vote of the Owners at a meeting may be taken without a meeting if authorized by the written consent of the Owners holding at least a majority of the voting power of the Association, except that if any greater proportion of voting power is required for such action at a meeting, then the greater proportion of the Owners authorizing the written consents is required.

Section 3.9 ACTION BY WRITTEN BALLOT

Any action, which may be taken at a meeting of the Owners (including the election of Directors) may be taken without a meeting by written ballot of the Owners; provided, however, that the election of Directors shall be conducted by secret written ballot. Ballots shall be solicited in the same manner as provided in Section 5.4 of these Bylaws for the giving of notice of meetings of Owners. Such solicitations shall specify (a) the number of responses needed to meet the quorum requirements, (b) the percentage of approvals necessary to approve the action, and (c) the time by which ballots must be received in order to be counted. The form of written ballot shall set forth each proposed action or candidate, shall afford an opportunity to specify a choice between approval and disapproval of each matter and shall provide that, where the Owner specifies a choice, the vote shall be cast in accordance therewith. Receipt within the time period specified in the solicitation of a number of ballots which equals or exceeds the quorum which would be required if the action were taken at a meeting and a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast shall constitute approval by written ballot.

Section 3.10 CONSENT OF ABSENTEES

The transactions at any meeting of the Owners, either annual or special, however called and noticed, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if, either before or after the meeting, each Owner entitled to vote and not represented in person or by proxy, signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 3.11 MINUTES, PRESUMPTION OF NOTICE

Not more than thirty (30) days after a meeting, the Secretary of the Association shall cause the minutes or a summary of the minutes of the meeting to be made available to the Owners and a copy or a summary of the minutes shall be provided to any Owner who pays the Association the cost of providing such copy or summary, if required by the Board. Minutes or a similar record of the proceedings of meetings of Owners, when signed by the President of the Association or Secretary of the Association, shall be presumed truthfully to evidence the matters set forth therein. A recitation in the minutes executed by the Secretary of the Association that notice of the meeting was properly given shall be prima facie evidence that such notice was given.

Section 3.12 WAIVER OF NOTICE

Whenever any notice is required to be given under this Article 5, a waiver thereof in writing, signed by the Owner(s) entitled to the notice, whether before or after the time stated herein, shall be deemed equivalent thereto.

**ARTICLE IV
THE BOARD**

Section 4.1 NUMBER

During the Declarant's period of Control, the Board shall be composed of no less than three (3) or more than five (5) Directors, as determined by the Declarant, and the Directors shall be appointed by the Declarant or elected by the Owners as set forth in the Declaration. After the Declarant's Period of Control has expired, the property, business and affairs of the Association shall be governed and managed by a Board composed of five (5) persons, at least three (3) of whom must be Owners other than Declarant; provided, however, the authorized number of Directors may be changed by a duly adopted amendment to these Bylaws.

Section 4.2 COMPENSATION

Directors shall not receive any salary or compensation for their services as Directors unless such compensation is first approved by the vote or written consent of the Owners representing at least a majority of the voting power of the Association; provided, however, that (i) nothing herein contained shall be construed to preclude any Director from serving the Association in some other capacity and receiving compensation therefor, and (ii) any Director may be reimbursed for his or her actual expenses incurred in the performance of his or her duties as a Director.

Section 4.3 QUALIFICATION

An Owner, an officer, employee, agent or director of a corporate Owner, a trustee or designated beneficiary of a trust that owns a Unit; a partner of a partnership that owns a Unit; and a fiduciary of an estate that owns a Unit may serve as Director. When a person serving as a Director is not the record Owner, he or she shall file proof with the Association that he or she is associated with the corporate Owner, trust, partnership or estate as required by this Section 6.3 and shall identify the Unit or Units owned by the corporate Owner, trust, partnership or estate.

Section 4.4 POWERS AND DUTIES

The Board has 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 law or by these Bylaws directed to be exercised and done exclusively by the Owners.

Section 4.5 SPECIAL POWERS AND DUTIES

Without limiting the generality of the powers and duties and such powers and duties as are set forth in the Declaration, the Board is vested with, and responsible for, the following

powers and duties, subject, in each case, to the rights of the Declarant during the Declarant's Period of Control:

(a) The power and duty to select, appoint, and remove all officers, agents and employees of the Association; to prescribe such powers and duties for them as may be consistent with law, the Articles, the Declaration and these Bylaws; and to fix their compensation and to require from them security for faithful service when deemed advisable by the Board.

(b) The power and duty to conduct, manage and control the affairs and business of the Association, and to make and enforce such rules and regulations therefor consistent with law, the Articles, the Declaration and these Bylaws, as the Board may deem necessary or advisable.

(c) The power but not the duty to change the principal office for the transaction of the business of the Association from one location to another within Clark County, Nevada, as provided in Article 2 of these Bylaws; to designate any place within said county for the holding of any annual or special meeting or meetings of the Owners consistent with the provisions of Article 5 of these Bylaws; and to adopt and use a corporate seal and to alter the form of such seal from time to time, as the Board, in its sole judgment, may deem best, provided that such seal shall at all times comply with the provisions of the law.

(d) With the approval of the Owners, representing at least two-thirds (2/3rds) of the voting power of the Association, the power, but not the duty, to borrow money and to incur indebtedness for the purposes of the Association, and to cause to be executed and delivered therefor, in the Association's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities therefore; provided, however, that the Common Elements may not be subjected to a mortgage unless the requirements set forth in the Declaration and the Act are first satisfied.

(e) The power and duty to fix and levy from time to time Assessments upon the Owners, as provided in the Declaration, to determine and fix the due date for the payment of the Assessments, and the date upon which the same shall become delinquent; provided, however, that the Assessments shall be fixed and levied only to provide for the payment of the Common Expenses of the Association and of taxes and assessments upon real or personal property owned, leased, controlled or occupied by the Association, or for the payment of expenses for labor rendered or materials or supplies used and consumed, or equipment and appliances furnished for the maintenance, improvement or development of the Condominium Project or for the payment of any and all obligations in relation thereto, or in performing or causing to be performed any of the purposes of the Association, in accordance with the provisions of the Declaration. Subject to any limitations imposed by the Declaration and these Bylaws, the Board shall have the power and duty to incur any and all such expenditures for any of the foregoing purposes and to provide, or cause to be provided, adequate reserves for replacements as it shall deem to be necessary or advisable in the interest of the Association or welfare of the Owners. The funds collected by the Board from the Owners, attributable to replacement reserves, for maintenance recurring less frequently than annually, and for capital improvements, shall at all times be held in trust for the Owners. Disbursements from such trust reserve fund shall be made only in accordance with the provisions of the Declaration. The Assessments shall be fixed in accordance with the provisions of the Declaration. Should any Owner fail to pay such assessments before delinquency, the

Board in its discretion is authorized to enforce the payment of such delinquent assessments as provided in the Declaration.

(f) The power and duty to enforce the provisions of the Declaration, these Bylaws or other agreements of the Association.

(g) The power and duty to contract for and pay for fire, casualty, blanket liability, malicious mischief, vandalism, errors and omissions, liquor liability and other insurance, insuring the Owners, the Association, the Board and other interested parties, in accordance with the provisions of the Declaration, covering and protecting against such damages or injuries as the Board deems advisable (which may include without limitation, medical expenses of persons injured on the Common Elements). The Board shall review, not less frequently than annually, all insurance policies and bonds obtained by the Board on behalf of the Association.

(h) The power and duty to contract for and pay for maintenance, gardening, and common utilities services, and for materials and supplies and other Common Expenses relating to the Common Elements, and relating to the Units only to the extent not separately metered or charged, and to employ personnel necessary for the operation of the Condominium Project, including legal (subject to Section 14.1 of these Bylaws) and accounting services, and to contract for and pay for Improvements on the Common Elements.

(i) The power but not the duty to delegate its powers according to law.

(j) The power but not the duty to grant or quitclaim easements, licenses or rights of way in, on, or over the Common Elements for purposes not inconsistent with the intended use of the Condominium Project as a residential project.

(k) The power and duty to adopt such Rules and Regulations as the Board may deem necessary for the management of the Condominium Project, which Rules and Regulations shall become effective and binding following the adoption of such Rules and Regulations by a majority of the Board at a meeting called for that purpose, and after such Rules and Regulations are distributed to the Owners. Such Rules and Regulations may concern, without limitation, use of the Common Elements, signs, parking restrictions, collection and disposal of refuse, minimum standards of property maintenance consistent with the Declaration, procedures for matters which come before the Board or any committee of the Board for review, and any other matter within the jurisdiction of the Association; provided, however, that such Rules and Regulations shall be enforceable only to the extent that they are consistent with the Declaration, the Articles and these Bylaws.

(l) The power and duty to keep, or cause to be kept, a complete record of all acts and corporate affairs of the Association and to present a statement thereof to the Owners at the annual meeting of the Owners and at any other time that such statement is requested by at least ten percent (10%) of the Owners who are entitled to vote.

(m) The power but not the duty to appoint a membership committee composed of at least one (1) Director and at least one (1) Owner. The membership committee shall be responsible for contacting all purchasers of Units in the Condominium Project as soon as any transfer of title to a Unit is discovered.

(n) The power but not the duty to sell or lease any of the property which makes up the Common Elements; provided, however, that the prior affirmative vote or written consent of the Owners entitled to cast at least a majority of the voting power of the Association must be obtained to sell any such property.

Section 4.6 ELECTION AND TERM OF OFFICE

(a) Subject to the right of the Declarant to appoint the Directors as described in Section 2.7 of the Declaration, at each annual meeting of the Owners held in accordance with Section 5.2 of these Bylaws, new Directors shall be elected by secret written ballot by the Owners as provided in these Bylaws. All positions on the Board shall be filled at the first meeting following the expiration of Declarant's Period of Control. If an annual meeting is not held, or the Board is not elected thereat, the Board may be elected at any special meeting of the Owners held for that purpose. Each Director shall hold office until his or her successor has been elected or until his or her death, resignation, removal or judicial adjudication of mental incompetence. The term of office for the three (3) Directors receiving the highest number of votes at the first meeting at which Directors are elected shall be two (2) years and the term of office of the two (2) Directors receiving the next highest number of votes at such meeting shall be one (1) year. At each annual meeting thereafter, new Directors shall be elected to fill vacancies created by the death, resignation, removal, judicial adjudication of mental incompetence or expiration of the terms of past Directors. The term of office of each Director elected to fill a vacancy created by the expiration of the term of office of the respective past Director shall be two (2) years. The term of office of each Director elected or appointed to fill a vacancy created by the resignation, death or removal of his or her predecessor shall be the balance of the unserved term of his or her predecessor. Any person serving as a Director may be reelected, and there shall be no limitation on the number of terms during which he or she may serve.

(b) Not less than thirty (30) days prior to the preparation of a Ballot for the election of the Directors, the Secretary of the Association shall cause notice to be given to each Owner of such Owner's eligibility to serve as a Director. Upon receipt by the Secretary of the Association of a declaration of candidacy signed by any person or Owner eligible for the election of the Director at any time prior to the election, such person shall have his or her name placed on the Ballot along with the names of the nominees selected by the Board or a nominating committee established by the Association.

(c) Subject to the right of the Declarant to appoint the Directors as described in Section 2.7 of the Declaration, election of Directors shall be by secret written ballot. The Secretary of the Association shall cause to be sent, prepaid by United States mail, to the address specified in the Membership Register or, if none is specified, to the mailing address of such Owner's Unit, a secret ballot and a return envelope, postage prepaid. The date by which the ballots must be returned to the Association shall be no less than fifteen (15) days after the date the secret ballot is mailed to the Unit Owner. Votes cast for the election of Directors must be counted in public. No incumbent Director or anyone named on the ballot as a candidate for Director shall be permitted to possess, have access to, or participate in the initial opening or counting of the ballots. The person receiving the greatest number of votes cast by the Owners shall be elected a Director in a coequal capacity with all other Directors.

(d) Each Director, within thirty (30) days after his or her appointment or election, shall certify in writing that he or she has read and understands the Association Governing Documents and the provisions of the Act to the best of his or her knowledge.

Section 4.7 BUDGET

The Board shall distribute to the Owners the proposed Budget it adopts in accordance with Article 5 of the Declaration.

Section 4.8 TRANSFER OF THE ASSOCIATION

Within thirty (30) days after Owners other than the Declarant may elect a majority of the Board, the Declarant shall deliver to the Association all property of the Owners and of the Association held or controlled by the Declarant, including:

(a) the original or a certified copy of the Recorded Declaration, as amended, the Articles, Bylaws, minute books and other books and records of the Association and any Rules or Regulations that may have been adopted;

(b) an accounting for all monies of the Association and financial statements from the date the Association was formed to the date the Declarant is no longer entitled to appoint a majority of the Board, which financial statements must fairly and accurately report the Association's financial condition prepared in accordance with generally accepted accounting principles;

(c) a complete study of the reserves of the Association, conducted by a person qualified by training and experience to conduct such a study, a reserve account that contains the Declarant's share of the amounts then due and control of the account and a written disclosure of the amounts by which the Declarant has subsidized the Association's dues on a per Unit basis;

(d) all cash and cash equivalents of the Association or control thereof;

(e) all of the Declarant's tangible personal property that was represented by the Declarant as property of the Association or, all of the Declarant's tangible personal property that is necessary for, and has been used exclusively in, the operation and enjoyment of the Common Elements, and inventories of these properties;

(f) a copy of any plans and specifications used in the construction of the Condominium Project which were completed within two (2) years before the Declaration was Recorded;

(g) all insurance policies then in force in which the Owners, the Association, or its officers and Directors are named as insured persons;

(h) copies of any certificates of occupancy that may have been issued with respect to any Improvements comprising the Condominium Project;

(i) any renewable permits and approvals issued by governmental bodies applicable to the Condominium Project which are in force and any other permits and approvals so issued and applicable which are required by law to be kept on the premises of the Condominium Project;

(j) written warranties of the contactor, subcontractors, suppliers and manufacturers that are still effective;

(k) a roster of the Owners and Mortgagees of Units and their addresses and telephone numbers, if known, as shown on the Declarant's records;

(l) contracts of employment in which the Association is a contracting party; and

(m) any contract for service in which the Association is a contracting party or in which the Association or the Owners have any obligation to pay a fee to the persons performing the services.

Section 4.9 VACANCIES

Any vacancy in the Board shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; provided, however, that any vacancy of a Director appointed by the Declarant shall be filled by the Declarant. A Director may resign at any time by giving written notice to the President of the Association, the Secretary of the Association or the Board. Except for Declarant-appointed Directors, any Director who was originally an Owner and subsequently ceases to be an Owner shall be deemed to have resigned from the Board. A vacancy or vacancies shall be deemed to exist in case of death, resignation, removal or judicial adjudication of mental incompetence of any Director, or in case the Owners fail to elect the full number of authorized Directors at any meeting at which such election is to take place. Any vacancy not filled by the Directors may be filled by vote of the Owners at the next annual meeting of the Owners or at a special meeting of the Owners called for such purpose.

Section 4.10 REMOVAL OF DIRECTORS

At any regular or special meeting of the Owners duly called at which a quorum is present, any one individual Director or the entire Board (other than Directors appointed by Declarant) may be removed prior to the expiration of their terms of office with or without cause by the Owners holding two thirds (2/3rds) of the voting power of the entire Association.

Section 4.11 ORGANIZATIONAL MEETING OF THE BOARD

The first regular meeting of a newly elected Board shall be held within thirty (30) days of election of the Board, at such place and time as shall be fixed and announced by the Directors at the meeting at which such Directors were elected. The purpose of the meeting shall be for the organization, election of officers and the transaction of other business. No notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, provided, however, that (i) a majority of the whole Board shall be present when the time and place are announced at the annual meeting, and (ii) the meeting is held on the same day and at the same place as the annual meeting of the Owners at which the newly constituted Board was elected.

Section 4.12 REGULAR MEETINGS OF THE BOARD

Regular meetings of the Board shall be open to all Owners. Owners may attend and speak at such meetings by addressing the Board during the section of the agenda when Owners are given time to comment (the "Owner Comment Section"); provided, however, that the Board may establish reasonable limitations on the time an Owner may speak at such meeting. Regular meetings may be held at such time and place within the Condominium Project as shall be determined, from time to time, by a resolution adopted by a majority of a quorum of the Directors; provided; however, that such meetings shall be held at least once every ninety (90) days. Notice and an agenda of regular meetings of the Board shall be given to each Director and Owner as set forth in Section 5.4 of these Bylaws; provided, however, that in lieu of mailing or hand delivery of individual notices and agenda, the notice and agenda may be published in a newsletter or other similar publication that is circulated to each Owner.

Section 4.13 SPECIAL MEETINGS OF THE BOARD

Special meetings of the Board shall be open to all Owners. Owners may attend and speak at such meetings by addressing the Board during the Owner Comment Section of the agenda; provided, however, that the Board may establish reasonable limitations on the time an Owner may speak at such meeting. Special meetings may be called by the President of the Association or by any two (2) Directors and notice of such meeting shall be given to each Director and Owner as set forth in Section 6.12 of these Bylaws. The notice shall state the time, place and the purpose of the meeting.

Section 4.14 WAIVER OF NOTICE

Before or at any meeting of the Board, any Director may, in writing, waive personal notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice to such Director. Unless attendance is for the express purpose of objecting to the transaction of business thereat because the meeting was not properly called or convened, attendance by a Director at any meeting of the Board shall be a waiver by him or her of personal notice of the time and place thereof. All such waivers, consents and approvals shall be filed with the records of the Association or made a part of the minutes of the meeting.

Section 4.15 EMERGENCY ACTION

In an emergency, the Secretary, if practicable, shall cause notice of such meeting to be sent prepaid by United States mail to the address specified on the Membership Register or, if none is specified, to the mailing address of such Owner's Unit; provided, however, that if delivery of notice in such manner is impracticable, the notice must be hand-delivered to each Unit or posted in a prominent place within the Common Elements. In an emergency, the Board may take action on an item which is not listed on the agenda as an item on which action may be taken. As used in this Section 6.15, "emergency" means any occurrence or combination of occurrences that (i) could not be reasonably foreseen; (ii) affects the health, welfare and safety of the Owner, (iii) requires the immediate attention of, and possible action by, the Board; and (iv) makes it impossible to comply with the notice provisions set forth in Section 6.12 of these Bylaws.

Section 4.16 ACTION WITHOUT MEETING

Any action required or permitted to be taken by the Board may be taken without a meeting, if before or after the action a majority of the Directors individually or collectively consent in writing to such action; provided, however, that if a different proportion of the Directors is required for an action, then the written consents of the different proportion of the Directors is required. Such written consent or consents should be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as a vote of such Directors.

Section 4.17 QUORUM AND ADJOURNMENT

Except as otherwise expressly provided herein, at all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board. If at any meeting of the Board there is less than a quorum present, the majority of those present may adjourn the meeting to another time. At any such reconvened meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice if a quorum is present.

Section 4.18 EXECUTIVE SESSIONS

The Board may meet in executive session to (i) discuss personnel matters; (ii) consult with an attorney for the Association concerning litigation in which the Association is or may become involved if the content of the discussion would otherwise be privileged; (iii) discuss a violation of the Association Governing Documents alleged to have been committed by an Owner, including, without limitation, the failure to pay an Assessment; or (v) any other reason consistent with and permitted by Nevada Law. The Board shall meet in executive session to hold a hearing on a violation of the Association Governing Documents alleged to have been committed by an Owner unless such Owner requests in writing that the hearing be conducted by the Board at an open meeting. Any matter discussed in executive session shall be generally noted in the minutes of the meeting of the Board. The Board shall maintain minutes of any decision made concerning an alleged violation of the Association Governing Documents by an Owner and upon request shall provide a copy of the decision to the Owner who is the subject of the hearing or to the Owner's designated representative. No Owner may attend or speak at a meeting of the Board held in executive session; provided, however, that an Owner alleged to have committed a violation of the Association Governing Documents may attend the hearing and testify concerning the alleged violation in writing, but may be excluded from any other portion of the hearing, including, without limitation, the deliberations of the Board.

Section 4.19 COMMITTEES

The Board, by resolution or written consent, may from time to time designate such advisory and other committees as it shall desire, and may establish the purposes and powers of each such committee created. The resolution or written consent designating and establishing the committee shall provide for the appointment of its members (at least one of whom must be a Director), as well as a chairman, shall state the purposes of the committee, and shall provide for

reports, termination, and other administrative matters as deemed appropriate by the Board. No such committee may (i) amend, alter or repeal these Bylaws; (ii) elect, appoint or remove any member of any such committee or any Director or officer of the Association; (iii) amend or repeal the Articles, adopt a plan of merger or a plan of consolidation with another corporation; (iv) authorize the sale, lease or exchange of all of the property and assets of the Association; (v) authorize the voluntary dissolution of the Association or revoke proceedings therefor; (vi) adopt a plan for the distribution of the assets of the Association; or (vii) amend, alter or repeal any resolution of the Board unless it provides by its terms that it may be amended, altered or repealed by a committee.

Section 4.20 REVIEW OF ACCOUNTS, LITIGATION AND RESERVES

At least once every ninety (90) days, the Board shall review at one of its meetings: (i) a current reconciliation of the Operating Fund; (ii) a current reconciliation of the Reserve Fund; (iii) the actual revenues and expenses for the Reserve Fund compared to the budget for the Reserve Fund for the current year; (iv) the latest account statements prepared by the financial institutions in which the Association Maintenance Funds are maintained; (v) an income and expense statement, prepared on at least a quarterly basis, for the Association Maintenance Funds; and (vi) the current status of any civil action or claim submitted to arbitration or mediation in which the Association is a party. The Board shall also cause to be conducted at least once every five (5) years, a study of the reserves required to repair, replace and restore the major components of the Common Elements; review the results of that study at least annually to determine if the reserves are sufficient; and make any adjustments it deems necessary to maintain the required reserves. The Board shall review the results of the study annually to determine if the reserves are sufficient and make any adjustments it deems necessary to maintain the required reserves.

Section 4.21 MANAGEMENT AGENT

The Board may engage a professional Manager for the Association at a compensation established by the Board to perform such duties and services as the Board shall authorize. Except as otherwise provided in the Act, any Manager must hold either a permit to engage in property management pursuant to NRS Chapter 645 or a certificate issued by the Commission for Common Interest Communities. The maximum term of any management contract ("Management Contract") shall be one (1) year, unless a longer term is approved either by vote or written consent of a majority of the voting power of the Association or by VA or HUD, in which case the maximum term of the Management Contract shall be three (3) years. The maximum term of any contract providing for Declarant's services to the Association or the Condominium Project shall also be three (3) years. Each such contract for Declarant's services and each Management Contract shall provide for its termination by either party thereto with cause upon no more than thirty (30) days written notice to the other party, and without cause and without payment of a termination fee upon no more than ninety (90) days written notice to the other party.

ARTICLE V OFFICERS

Section 5.1 DESIGNATION

The principal officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the Board. The Board may appoint one (1) or more Vice Presidents, an Assistant Treasurer, and an Assistant Secretary, and such other officers as in its judgment may be necessary. Officers other than the President need not be Directors. Any Person may hold more than one office. An officer, employee, agent, director, trustee, designated beneficiary, partner, member or other representative of an Owner, including a fiduciary of an estate that owns a Unit, may be an officer. In all events where the person serving as an officer is not the record Owner, he or she shall file proof in the records of the Association that (a) states that he or she is associated with the Owner and (b) identifies the Unit(s) owned by such Owner.

Section 5.2 ELECTION OF OFFICERS

Subject to the right of the Declarant to appoint the officers of the Association as provided in Section 2.7 of the Declaration, the officers of the Association shall be elected annually by the Board at the organizational meeting of each new Board, and each officer shall hold his or her office at the pleasure of the Board, until he or she shall resign or be removed or otherwise be disqualified to serve or his or her successor shall be elected and qualified to serve.

Section 5.3 REMOVAL OF OFFICERS

Subject to the right of the Declarant to appoint the officers of the Association as provided in Section 2.7 of the Declaration, upon an affirmative vote of a majority of the entire Board, any officer may be removed, either with or without cause, and his or her successor elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose. Any officer may resign at any time by giving written notice to the Board or to the President of the Association or the Secretary of the Association. Any such resignation shall take effect at the date of receipt of such notice or at any later time specified therein; and unless otherwise specified in said notice, acceptance of such resignation by the Board shall not be necessary to make it effective.

Section 5.4 COMPENSATION

Officers, agents and employees shall receive such reasonable compensation for their services as may be authorized or ratified by the Board; provided, however, that no officer shall receive any compensation for services performed in the conduct of the Association's business unless such compensation is approved by the vote or written consent of Owners representing at least a majority of the voting power of the Association; and, provided further, that (i) nothing herein contained shall be construed to preclude any officer from serving the Association in some other capacity and receiving compensation therefor, and (ii) any officer may be reimbursed for his or her actual expenses incurred in the performance of his or her duties. Appointment of any officer, agent, or employee shall not of itself create contractual rights of compensation for services performed by such officer, agent, or employee. Notwithstanding the foregoing, no

officer, employee or director of Declarant or any affiliate of Declarant may receive any compensation for services performed in the conduct of the Association's business.

Section 5.5 PRESIDENT

The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Association and of the Board and shall have all of the general powers and duties which are usually vested in the office of the President of a corporation. The President shall, subject to the control of the Board, have general supervision, direction and control of the business of the Association. The President shall sign all leases, mortgages, deeds and other instruments, and shall co-sign all promissory notes; provided, however, that the President need not do so if persons other than the President are authorized by the Board to do so in accordance with Sections 13.1 or 13.2 of these Bylaws. The President shall be an ex officio member of all standing committees, and he or she shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 5.6 VICE PRESIDENT

The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or disabled or whenever the President refuses or is unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him or her by the Board or these Bylaws.

Section 5.7 SECRETARY

The Secretary shall keep the minutes of all meetings of the Board and the minutes of all meetings of the Association at the principal office of the Association or at such other place as the Board may order. The Secretary shall keep the seal of the Association in safe custody and shall have charge of such books and papers as the Board may direct; and the Secretary shall, in general, perform all of the duties incident to the office of Secretary. The Secretary shall give, or cause to be given, notices of meetings of the Owners and of the Board required by these Bylaws or by law to be given. The Secretary shall maintain a record book of the Owners, listing the names, mailing addresses and telephone numbers of the Owners, as furnished to the Association (the "Membership Register"). Termination or transfer of ownership by any Owner shall be recorded in the Membership Register by the Secretary, together with the date of the transfer, in accordance with the provisions of the Declaration. The Secretary shall perform such other duties as may be prescribed by the Board or these Bylaws.

Section 5.8 TREASURER

The Treasurer shall be the chief financial officer of the Association and shall have responsibility for Association funds and securities and shall be responsible for keeping, or causing to be kept, full and accurate accounts, tax records and business transactions of the Association, including accounts of all assets, liabilities, receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board. The Treasurer shall disburse the funds of

the Association as may be ordered by the Board, in accordance with the Declaration, shall render to the President and Directors, upon request, an account of all of his transactions as Treasurer and of the financial conditions of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board or these Bylaws. The Treasurer shall sign all checks and promissory notes; provided, however, that the Treasurer need not do so if persons other than the Treasurer are authorized by the Board to do so in accordance with Sections 13.1 or 13.2 of these Bylaws.

ARTICLE VI OBLIGATIONS OF THE OWNERS

Section 6.1 ASSESSMENTS

(a) All Owners are obligated to pay, in accordance with the provisions of the Declaration, all Assessments imposed by the Association, and to meet all expenses of the Association.

(b) All delinquent Assessments shall be enforced, collected or foreclosed in the manner provided in Article 6 of the Declaration.

Section 6.2 MAINTENANCE AND REPAIR

(a) Every Owner must perform promptly, at his or her sole cost and expense, such maintenance and repair work within his or her own Unit, as required under the Declaration. As further provided in the Declaration, all plans for alterations of Units must receive the prior written consent of the Board or a committee to which the Board delegates such responsibility. The Board shall establish reasonable procedures for the granting of such approval, in accordance with the Declaration.

(b) As further provided in the Declaration, each Owner shall reimburse the Association for any expenditures incurred in repairing or replacing any portion of the Common Elements, which is damaged through the fault of such Owner or such Owner's family, guests, tenants or invitees. Such expenditures shall include all court costs and reasonable attorneys' fees incurred in enforcing any provision of these Bylaws or the Declaration.

ARTICLE VII AMENDMENTS

Section 7.1 AMENDMENTS TO THESE BYLAWS

The Association may amend these Bylaws by the vote or written consent of Owners representing at least sixty-seven percent (67%) of the voting power of the Association; provided, however, that the specified percentage of the Owners necessary to amend a specific Section or provision of these Bylaws shall not be less than the percentage of affirmative votes prescribed for action to be taken under that Section or provision. In no event shall any amendment be made to these Bylaws which would adversely affect the Declarant's rights during the Declarant's Period of Control. Notwithstanding the foregoing, these Bylaws may be amended by a majority of the entire Board at any time prior to the Close of Escrow for the sale of the first Unit. So long

as Declarant is entitled to cast votes representing a majority of the voting power of the Association, any amendment to these Bylaws shall require the approval of VA and HUD. A draft of the proposed amendment shall be submitted to VA and HUD for approval prior to its approval by the Owners.

Section 7.2 APPROVAL BY ELIGIBLE MORTGAGEES

Any amendment to these Bylaws which materially affects the matters delineated in Article II of the Declaration must be approved by that percentage of Eligible Mortgagees and Eligible Insurers specified in the applicable provisions of Article II. In the event any Eligible Mortgagee or Eligible Insurer is notified at the address designated by such Eligible Mortgagee or Eligible Insurer to the Association of any proposed amendment for which such Eligible Mortgagee or Eligible Insurer would be entitled to vote and such Eligible Mortgagee or Eligible Insurer fails to submit a written response within thirty (30) days after notice of such proposed amendment, then such Eligible Mortgagee or Eligible Insurer shall be deemed to have given its approval as to such amendment and such implied approval shall be conclusive as to all persons relying thereon in good faith. A certificate signed by the Secretary of the Association as to any Eligible Mortgagee's or Eligible Insurer's failure to so respond shall be deemed to be sufficient evidence of such approval.

Section 7.3 AMENDMENT TO THE DECLARATION

Any two (2) officers of the Association may prepare, execute, certify and record amendments to the Declaration on behalf of the Association, as such procedure is more fully described in the Declaration.

Section 7.4 PROVISION OF AMENDMENTS TO OWNERS

If any change is made to the Association Governing Documents, the Secretary of the Association shall, within thirty (30) days after the change is made, prepare and cause to be hand-delivered or sent prepaid United States mail to the address specified in the Membership Register or, if none is specified, to the mailing address of such Owner's Unit, a copy of the change that was made.

ARTICLE VIII MORTGAGEES

Section 8.1 NOTICE TO THE ASSOCIATION

Upon request by the Association, an Owner shall notify the Association through the Manager, or through the Secretary of the Association in the event there is no Manager, of the name and address of each Owner's Mortgagee; and the Association shall maintain such information in a book entitled "Mortgagees of Units." Upon request, any such Owner shall likewise notify the Association as to the release or discharge of any such Mortgagee.

Section 8.2 NOTICE OF UNPAID ASSESSMENTS

The Board shall at the request of a Mortgagee of a Unit, report any unpaid assessments due from the Owner of such Unit in accordance with the provisions of the Declaration.

**ARTICLE IX
INDEMNIFICATION OF DIRECTORS AND OFFICERS**

Section 9.1 INDEMNIFICATION

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 by reason of the fact that he or she is or was a director, officer, employee, servant or agent of the Association against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by it in connection with such action, suit or proceeding until and unless it is proved that he or she acted with willful or wanton misfeasance or with gross negligence and provided he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that the Person did not act in good faith or in a manner he or she reasonably believed to be in or not opposed to the best interests of the Association, or with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful. Directors are not liable to the victims of crimes that may occur on the Condominium Project. Punitive damages may not be recovered against the Association but may be recovered only from Persons whose intentional activities are proved to have resulted in damages.

Section 9.2 DETERMINATION

Any indemnification that the Association has elected to provide under this Article IX (unless ordered by a court) shall be made by the Association only as authorized in the specific case by a determination that indemnification of the officer, director, employee, servant or agent is proper in the circumstances because it has met the applicable standard of conduct set forth in Section 9.1. Such determination shall be made: (a) by the Board by a majority vote of quorum consisting of all Directors who were not parties to such action, suit or proceeding; or (b) if such a quorum is not obtainable, or even if obtainable and a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion; provided, however, that if a Director, officer, employee, servant or agent of the Association has been successful on the merits or otherwise in the defense of any action, suit or proceeding referred to in Section 9.1, or in defense of any claim, issue or matter therein, then to the extent that the Association has elected to provide indemnification, he or she shall automatically be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith without the necessity of any such determination that he or she has met the applicable standard of conduct set forth in Section 9.1

Section 9.3 PAYMENT IN ADVANCE

Expenses incurred in defending a civil or criminal action, suit or proceeding may, upon action by the Board in accordance with Section 9.2, be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the director, officer, employee, servant or agent to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the Association as authorized in this Article IX.

Section 9.4 INSURANCE

The Board shall purchase and maintain insurance on behalf of any Person who is or was a Director, officer, employee, servant or agent of the Association against any liability asserted against him or her or incurred by him or her in any capacity or arising out of its status as such, whether or not the Association would have the power to indemnify him or her against such liability hereunder or otherwise.

Section 9.5 OTHER COVERAGE

The indemnification provided by this Article IX shall not be deemed exclusive of any other rights to which anyone seeking indemnification may be entitled under the Declaration, any agreement, vote of the Owners, vote of disinterested Directors, Nevada law, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and may continue as to a Person who has ceased to be a Director, officer, employee, servant or agent and may inure to the benefit of the heirs and personal representatives of such a Person.

ARTICLE X NOTICE AND HEARING PROCEDURE

Section 10.1 SUSPENSION OF PRIVILEGES

In the event of an alleged violation of the Declaration, these Bylaws or the Rules and Regulations, and after written notice of such alleged failure is delivered personally or mailed to the Owner or any agent of the Owner (“Respondent”) alleged to be in default in the manner herein provided, by first-class mail or by certified mail return receipt requested, or both, the Board shall have the right, to take any one (1) or more of the following actions: (a) levy a fine or a Special Assessment as provided in the Declaration; (b) suspend said Owner’s voting privileges as an Owner, as further provided in the Declaration; (c) enter upon a Unit to make necessary repairs or to perform maintenance which, according to the Declaration, is the responsibility of the Owner of such Unit; (d) record a notice of noncompliance encumbering the Unit of the Respondent; or (e) suspend or condition the right of said Owner to use any recreational facilities in the Condominium Project.

Section 10.2 WRITTEN NOTICE

Prior to the imposition of a fine or other sanction against Respondent: (a) Respondent must have been provided with thirty (30) days written notice of the applicable provisions of the

Declaration, these Bylaws or the Rules and Regulations of the Association that form the basis of the violation; and (b) within a reasonable time after discovery of the violation, Respondent must be provided with: (i) written notice specifying the details of the violation, the amount of the fine, and the date, time and location for a hearing on the violation; and (ii) a reasonable opportunity to contest the violation at the hearing.

Section 10.3 HEARING

The Board or a committee formed by the Board to conduct hearings on violations and to impose fines or other sanctions must schedule the date, time and location for the hearing on the violation so that the person against whom the fine will be imposed is provide with a reasonable opportunity to prepare for the hearing and to be present at the hearing. A hearing must be held prior to the imposition of a fine or other sanction unless Respondent: (a) pays the fine; (b) executes a written waiver of the right to the hearing; or (c) fails to appear at the hearing after being provided with proper notice of the hearing.

Section 10.4 REMEDIES

Any suspension of rights shall be for a period of not more than thirty (30) days for any noncontinuing infraction, but in the case of a continuing infraction (including nonpayment of any Assessment after the same becomes delinquent) may be imposed for so long as the violation continues. The failure of the Board to enforce the Rules and Regulations, these Bylaws or the Declaration shall not constitute a waiver of the right to enforce the same thereafter. The remedies set forth above and otherwise provided by these Bylaws shall be cumulative and none shall be exclusive. However, any individual Owner must exhaust all available internal remedies of the Association prescribed by these Bylaws, or by the Rules and Regulations, before that Owner may resort to a court of law for relief with respect to any alleged violation of the Declaration these Bylaws or the Rules and Regulations by another Owner; provided, however, that the foregoing limitation pertaining to exhausting administrative remedies shall not apply to the Board or to any Owner where the alleged violation is for nonpayment of any Assessments.

ARTICLE XI MISCELLANEOUS

Section 11.1 CHECKS, DRAFTS AND DOCUMENTS

All checks, drafts, orders for payment of money, notes and other evidences of indebtedness issued in the name of or payable to the Association shall be signed or endorsed in the manner and by the person or persons as the Board shall determine by resolution; provided, however, that money in the Reserve Fund may not be withdrawn without the signature of at least two (2) Directors or the signatures of at least one (1) Director and one (1) officer of the Association who is not a Director.

Section 11.2 EXECUTION OF DOCUMENTS

The Board may authorize any officer(s) or agent(s) of the Association, to enter into any contract or execute any instrument in the name and on behalf of the Association, and such authority may be general or confined to specific instances; and unless so authorized by the

Board, no officer, agent, committee member or employee shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount.

Section 11.3 AVAILABILITY OF ASSOCIATION DOCUMENTS

In addition to the rights afforded by the Declaration to the Eligible Mortgagees and Eligible Insurers with regard to inspection of the Association's management documents, the Board shall, upon request of a Member, make available for review at the business office of the Association or other suitable location during the regular working hours of the Association, the books, records, Rules and other papers of the Association, including, without limitation: (a) the financial statement of the Association; (b) the budgets of the Association; and (c) the study of the reserves of the Association required to be conducted pursuant to the Declaration. The Board shall provide a copy of any of the foregoing records to a Member within fourteen (14) days after receiving a written request therefore. The Board may charge a fee to cover the actual costs of preparing a copy, but not to exceed twenty-five cents (\$.25) per page or such higher amount as may be provided by applicable statute. The provisions of this Section do not apply to the personnel records of the employees of the Association and the records of the Association relating to another Owner.

Section 11.4 FISCAL YEAR

The Fiscal Year of the Association shall be determined by the Board, and having been so determined, is subject to change from time to time as the Board shall determine.

Section 11.5 PARLIAMENTARY RULES

Except when specifically or impliedly waived by the chairperson of a meeting (either of the Owners or the Board), Robert's Rules of Order (latest edition) shall govern the conduct of the Association's meetings when not in conflict with applicable laws or the Association Governing Documents; provided, however, that a strict or technical reading of such rules shall not be made so as to frustrate the will of the persons properly participating in said meeting.

Section 11.6 CONTROLLING DOCUMENTS

In case of any conflict between the Articles, these Bylaws, and the Declaration, the Declaration shall control over the Articles and these Bylaws, and the Articles shall control over these Bylaws.

Section 11.7 SEVERABILITY

The provisions of these Bylaws shall be deemed independent and severable and a determination of invalidity or partial invalidity or the enforceability of any one provision or portion hereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof.

Section 11.8 CAPTIONS

The Article and Section captions contained in these Bylaws are inserted for convenience only and shall not affect in any way the meaning or interpretation of these Bylaws.

Section 11.9 NUMBER AND GENDER

As used herein, the singular shall include the plural and the plural the singular; and the masculine, feminine and neuter shall each include the other, unless the context dictates otherwise.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify that:

1. I am the duly elected and acting Secretary of THE LAS VEGAS CAY CLUB HOMEOWNERS' ASSOCIATION, a Nevada nonprofit corporation (the "Association"); and

2. The foregoing Bylaws comprising ____ pages, excluding the table of contents, constitute the Bylaws of the Association duly adopted by the Board of the Association on _____ 2005.

IN WITNESS WHEREOF, I have hereunto subscribed my hand and affixed the seal of the Association this ____ day of _____, 2005.

(SEAL)