

ARTICLES OF INCORPORATION
OF
BOYD LAKE HOME OWNERS ASSOCIATION

The undersigned natural person of the age of twenty-one (21) years or more, acting as incorporator of a nonprofit corporation (hereinafter referred to as "The Corporation"), pursuant to the provisions of Chapter 7 of the Colorado Revised Statutes, adopts the following Articles of Incorporation.

ARTICLE I
Name

The name of the Corporation shall be BOYD LAKE HOME OWNERS ASSOCIATION.

ARTICLE II
Duration

The period of duration of this Corporation shall be perpetual.

ARTICLE III
Purposes

The business objectives and purposes for which the Corporation is formed are as follows:

A. To acquire certain recreational rights in Boyd Lake and to further acquire a fee simple interest in a portion of the land adjoining the high water line of Boyd Lake located in the County of Larimer, State of Colorado, and to make designated areas and/or lots located on said property available to certain members of this Corporation for residential and/or community purposes, as well as providing an entity for the furtherance of the common interests of the members of the Corporation.

B. Additional purposes for which the Corporation is formed are to acquire ownership of any and all personal property of whatsoever kind and nature located on the property; to hold, operate, manage, improve, alter, remodel, demolish, and reconstruct in any manner the aforementioned property and the appurtenances thereto; to borrow money, mortgage, and create or assume liens on the aforementioned property, appurtenances and personal property; to sell, exchange, lease, and sub-lease property; and to do all other lawful acts incident to or necessary, suitable, or advisable for or in any way connected with said property.

ARTICLE IV
Powers

In furtherance of its purposes, but not otherwise, the

Corporation shall have the following powers:

A. All of the powers conferred upon nonprofit corporations by the common law and the statutes of the State of Colorado then in effect from time to time.

B. All of the powers necessary or desirable to perform the obligations and duties and exercise the rights and powers of the Corporation including, without limitation, the following powers:

1. To make and collect assessments against members for the purpose of defraying the costs, expenses and any losses of the Corporation, or of exercising its powers or of performing its functions.

2. To manage, control, operate, maintain, repair and improve common elements, defined as land or interest therein on which may exist installations existing for common use or normally in common use or so declared to be so by the Corporation.

3. To enforce covenants, restrictions or conditions affecting any property to the extent this Corporation may be authorized under any such covenants, restrictions or conditions, and to make and enforce rules and regulations for use of association property or recreation rights.

4. To engage in activities which will actively promote, foster, and advance the common ownership interests of members.

5. To buy or otherwise acquire, sell or otherwise dispose of, mortgage or otherwise encumber, exchange, lease, hold, use, operate, operate and otherwise deal with and in, real, personal and mixed property of all kinds, and any right or interest therein for any purpose of this Corporation.

6. Corporate property may be conveyed or encumbered by authority of the Board of Directors or such person or persons to whom such authority may be delegated by resolution of the Board. Conveyances or encumbrances shall be by instrument executed by the president or a vice president and by the secretary or the treasurer or an assistant secretary or assistant treasurer, or executed by such other person or persons to whom such authority may be delegated by the Board.

7. To borrow money for any purpose of this Corporation, limited in amount or in other respect as may be provided in the Bylaws of this Corporation.

8. To act as agent, trustee, or other representative of other corporations, firms and individuals, and, as such, to advance the business or ownership interests of such corporations, firms or individuals.

9. The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers which may now or hereafter be allowed or permitted by law; and the powers specified in each of the paragraphs of this Article IV are independent powers, not to be restricted by reference to or inference from the terms of any other paragraph or provisions of this Article IV.

ARTICLE V
Membership

This Corporation shall be a membership corporation with certificates. There shall be two classes of memberships, and the purchase of a membership in either class shall be restricted to residents of Boyd Lake Shores, a subdivision of a part of the East one-half of Section 5, Township 5 North, Range 68 West of the 6th P.M. in Larimer County, Colorado, exclusive of Lot 10, Block 2, the community lot, the owners of Lots 1 through 6 in Block 2, Boyd Lake Shores Second Filing. An owner is defined as that individual who owns or has contracted to purchase a lot qualifying him for membership. The total number of memberships shall be limited to 43, of which 19 shall be Class A memberships and 24 shall be Class B memberships, which Class B memberships shall be restricted to the owners of Lots 1 through 24 in Block 1, Boyd Lake Shores, a subdivision of a part of the East half of Section 5, Township 5 North, Range 68 West of the 6th P.M. in Larimer County, Colorado. The rights of members in either class shall be identical, with the sole exception that the owners of Class A memberships shall have the exclusive right and option to acquire by warranty deed, upon terms established by the Corporation, the land lying immediately adjacent to their west boundary lines west to the high water line of Boyd Lake, and the exclusive control of the land west from the high water line to the water line of Boyd Lake.

A. A transfer of membership in good standing shall occur automatically upon the transfer of title to the lot to which the membership pertains; provided, however, that the Bylaws of the Corporation may contain reasonable provisions and requirements with respect to recording such transfers on the books and records of the Corporation.

B. The Corporation may suspend the voting rights of a member for failure to comply with rules and regulations or the Bylaws of the Corporation or with any other obligations of the owners of a membership.

C. All memberships shall have equal voting rights and privileges.

D. The Corporation shall at all times have a lien upon the memberships owned by each member to secure payment by each member of all charges to become payable to the Corporation and to secure the performance by the members of all the covenants and conditions of membership.

E. No membership shall be sold or transferred except to a person who acquires a lot which qualifies the purchaser for membership.

ARTICLE VI
Provisions for Regulation of the
Internal Affairs of the Corporation

A. Executive Committee. The Board of Directors may, by resolution, appoint an Executive Committee to consist of three (3) or more directors of this Corporation. Such committee, to the extent provided in the Bylaws of this Corporation, may exercise all of the powers of the Board of Directors in the management of the business affairs of the Corporation during the intervals between meetings of the Board of Directors insofar as may be permitted by law, except that such committee shall not have the power to determine the cash requirements of the Corporation.

B. Board of Directors. The Board of Directors shall consist of no less than five (5) members, the specific number to be set forth from time to time in the Bylaws of the Corporation. In the absence of any provision in the Bylaws, the Board shall consist of five members.

C. Election of Directors. Members of the Board of Directors shall be elected at the annual meeting of the members in the manner determined by the Bylaws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner to be provided in the Bylaws. The names and addresses of the Board of Directors who shall serve until the next election of Directors by the membership, or until their successors are duly elected and qualified, are:

<u>Name</u>	<u>Address</u>
Doni Huyler	3805 Yellow Pine Place Loveland, CO 80538
Robert C. Lee	3434 Valley Oak Drive Loveland, CO 80538
Donald C. Stinson	3323 Valley Oak Drive Loveland, CO 80538
Derek Chorlton	3727 Valley Oak Drive Loveland, CO 80538
Howard Rathbun	3745 Valley Oak Drive Loveland, CO 80538

D. Bylaws. The initial code of Bylaws of the Corporation shall be adopted by its Board of Directors. The power to alter, amend or repeal the Bylaws, or to adopt a new code of Bylaws, shall exist with the Board of Directors; however, the members,

by the affirmative vote of not less than two-thirds (2/3) of the total number of memberships issued and outstanding, may alter, repeal or amend any Bylaw.

E. Officers. The Board of Directors may appoint a president, one or more vice presidents, a secretary, a treasurer, and such other officers as the Board believes will be in the best interests of the Corporation. The officers shall have duties as may be prescribed in the Bylaws of the Corporation and shall serve at the pleasure of the Board of Directors.

F. Interest of Directors in Contracts. Any contract or other transaction between the Corporation and one or more of its members, or between the Corporation and any firm of which they are interested, or between the Corporation and any corporation or association of which one or more of its members are shareholders, members, directors, officers, or employees, or in which they are interested, shall be valid for all purposes, notwithstanding the presence of such member or members at the meeting of the Board of Directors or stockholders of the Corporation, which acts upon or in reference to such contract or transaction, and notwithstanding his or their participation in such action, if the fact of such interest shall be disclosed or known to the Board of Directors or stockholders and the Board of Directors or stockholders shall, nevertheless, ratify, authorize or approve such contract or transaction without the vote of the interested member or director being counted by a vote of a majority of directors or stockholders present. This paragraph shall not be construed to invalidate any contract or other transaction which would otherwise be valid under the common and statutory law applicable thereto.

G. Vote of Members. Members of the Corporation may vote either in person or by proxy at any meeting of the members.

H. Dissolution. In the event of the dissolution of this Corporation either voluntarily by the members hereof, by operation of law, or otherwise, then the assets of this Corporation shall be deemed to be owned equally by the members.

ARTICLE VII Amendment of Articles

These Articles of Incorporation may be amended at any meeting of members of the Corporation. The notice of such meeting shall set forth or have attached thereto, the proposed amendment. At such meeting, the proposed amendment may be altered, changed or modified by majority vote of the members present or represented, and the proposed amendment as modified, changed, or altered at such meeting, may be approved by an affirmative vote of 2/3 the total number of memberships issued and outstanding.

ARTICLE VIII
Address of Initial Registered Office
and Name of Initial Registered Agent

A. Registered Office. The address of the registered office of the Corporation is Suite 418, 200 East 7th Street, Loveland, CO 80537.

B. Registered Agent. The name of the registered agent at such address is LYNN A. HAMMOND.

ARTICLE IX
Data Respecting Incorporator

As originally filed

ARTICLE X
Assessments for Improvements and Maintenance

A. Procedure for Establishing Maintenance Assessment. Each member shall pay to the Association:

1. Annual assessments or charges, and
2. Special assessments for capital improvements,

such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorney fees incurred in collecting the same, shall be a continuing lien upon the membership of the member who owes the same. Each such assessment, together with interest, costs and reasonable attorney fees incurred in collecting the same, shall also be the personal obligation of the individual(s) who owned the subject membership at the time the assessment fell due. The amount of such assessment shall be sufficient to create a reasonable reserve for contingencies.

B. Purpose of Assessments. In addition to the purposes for such assessments which may be set forth elsewhere in these Articles, such assessments may be made for the purpose of building, maintaining, repairing or improving any structures, property, installations, improvements or facilities whatsoever which are located (or are to be located) on property owned by or under the control of the Association, or other such structures, property, installations, improvements or facilities, wherever located, which are determined by the Board to be of common benefit to the members.

C. Annual Assessment Procedure. Within thirty (30) days after the beginning of each calendar year, the Board shall meet to determine the amount of the annual assessment for that year.

Notice of the amount of such assessment shall be mailed by regular mail to each member at the address of such member as the same may appear on the records of the Association from time to time.

D. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy in any assessment year, a special assessment applicable to that year only for the purpose of paying the cost of any construction, reconstruction, repair or replacement of a capital improvement, as described in paragraph B., above, including fixtures and personal property related thereto. Such special assessments shall be made by majority vote of the Board unless the capital improvements for any one year exceed One Thousand Dollars (\$1,000.00) in cost. In the event proposed capital improvements in one year will exceed \$1,000.00 in cost, the question of an assessment to make such improvements shall be submitted to a vote of the members. Such assessments shall require the assent of two-thirds (2/3) of the votes of the members who are voting in person or by proxy at a meeting duly called for this purpose. If such assessment is approved, notice of such assessment shall be mailed as provided in paragraph C., above, and said assessment shall be payable within thirty (30) days of the date such notice is mailed. In all other respects, the payment of such assessment and the remedies available in the event such assessment is not paid and the consequences of such failure to pay shall be the same as for annual assessments.

E. Delinquent Assessments. Each such assessment shall be paid in full within thirty (30) days from the date such notice is mailed. In the event said assessment is not paid when due, it shall be considered delinquent and shall bear defaulting interest at the rate of twenty percent (20%) per year. The Association shall send notice by certified mail to the member(s) whose assessment payment is delinquent and if said payment is not made in full, all the following remedies and sanctions shall apply.

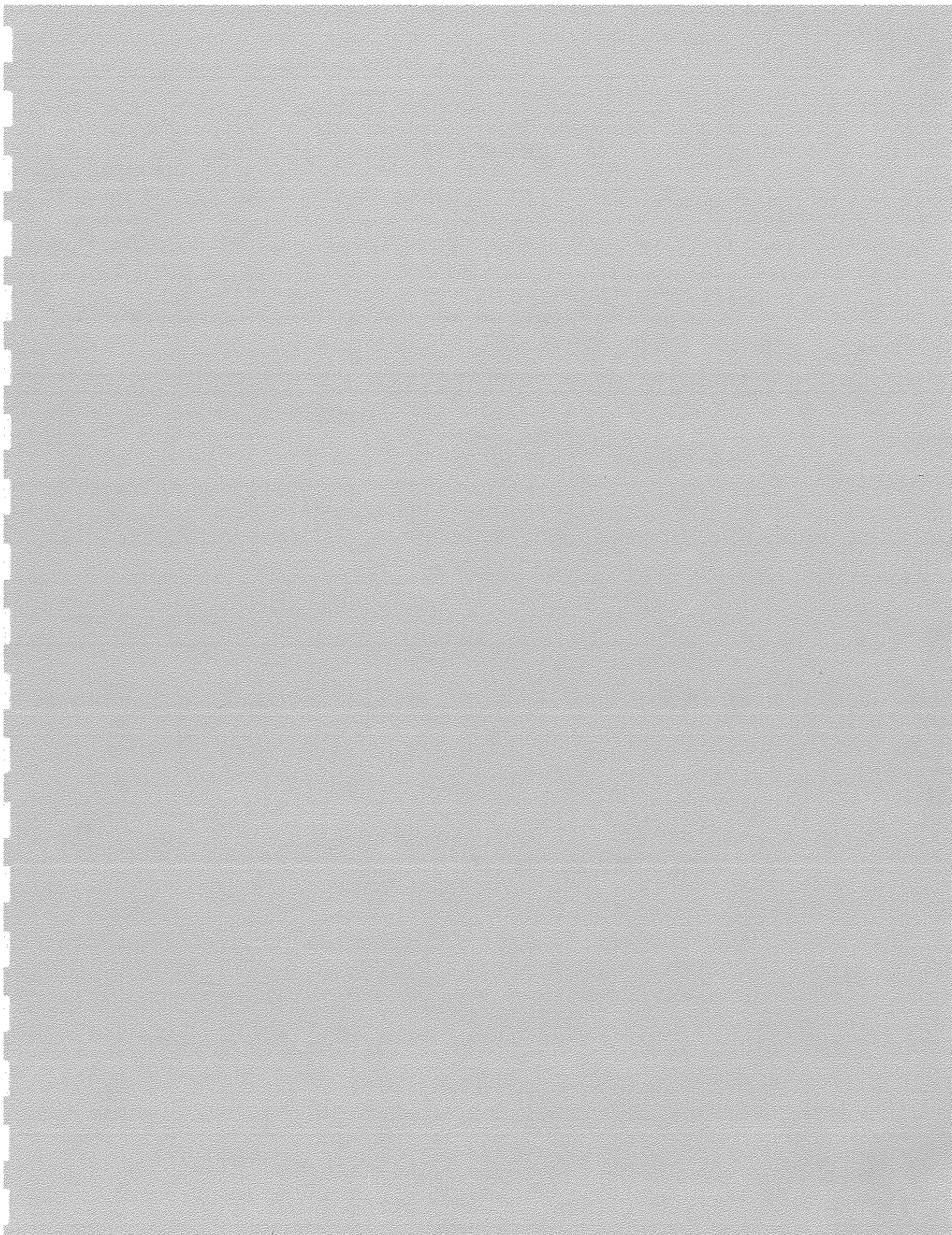
1. Said delinquent assessment shall continue to bear defaulting interest at the rate of twenty percent (20%) per year until paid in full;

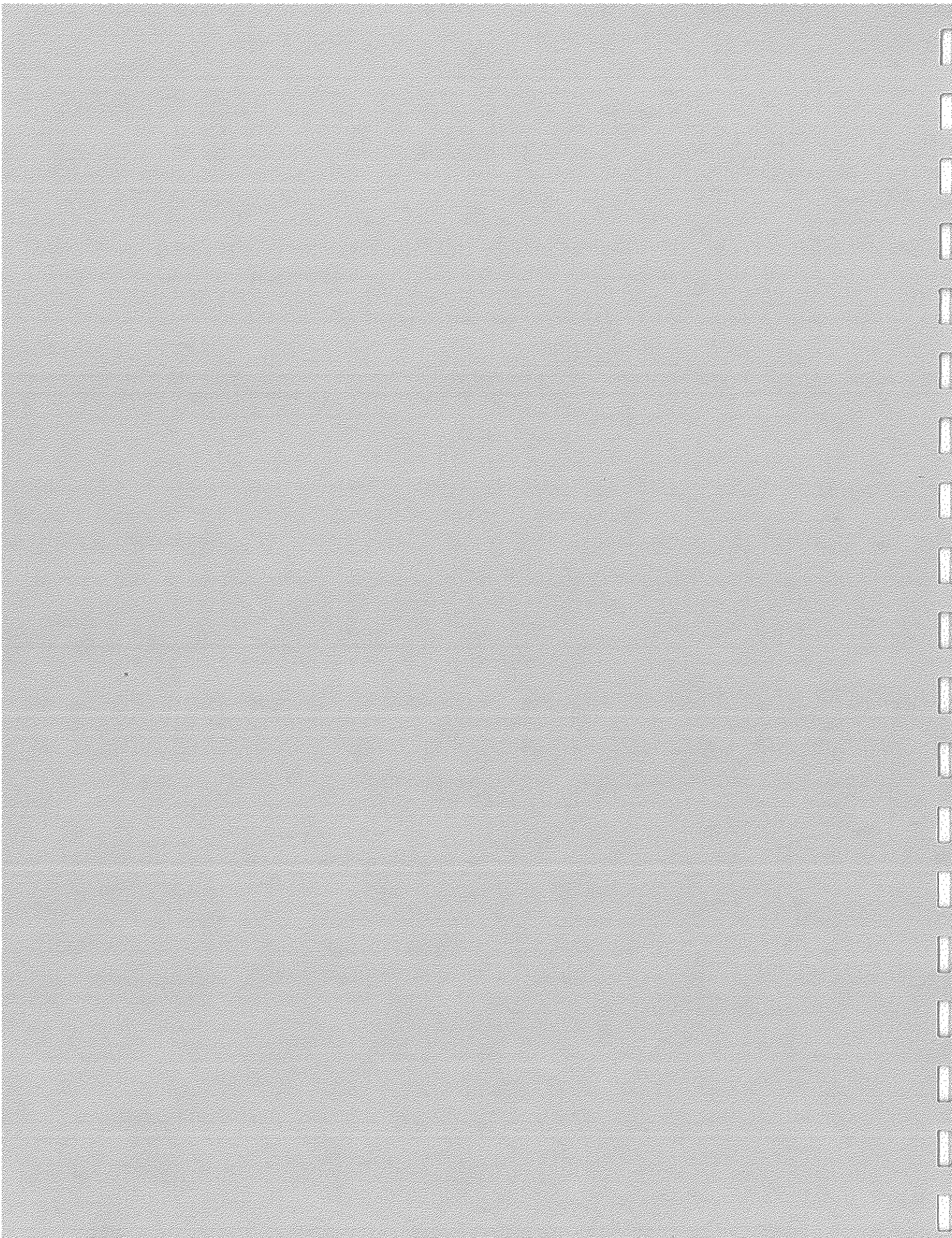
2. The delinquent member(s) shall forfeit without further notice, all right to use any facilities, common areas, property or improvements of the Association until the delinquent assessment is paid in full. In the event that the delinquent member(s) shall thereafter attempt to use or go upon the facilities, common areas, property or improvements of the Association, such member(s) shall be liable in trespass. Should the Association bring an action to enjoin such trespass, such member(s) shall be liable for all costs incurred in connection therewith, including reasonable attorney fees; and

3. The Association may bring suit against the delinquent member(s) to collect the amount due. In such event, such member(s) shall be liable for the amount due, with interest and all costs of collection, including reasonable attorney fees.

The remedies and sanctions provided for above shall be in addition to all other remedies provided for by these Articles, the Bylaws of the Association, or otherwise provided by law. Any provisions of the Bylaws inconsistent herewith are hereby repealed.

F. Uniform Assessment. Both annual and special assessments must be fixed at a uniform rate for all memberships of the same class.





BY-LAWS
OF
BOYD LAKE HOME OWNERS ASSOCIATION

ARTICLE I
Place of Business

1. PLACE OF BUSINESS. The principal office and place of business of the corporation shall be in the County of Larimer, State of Colorado.

ARTICLE II
Meetings of Members

1. ANNUAL MEETING. The annual meeting of the members of the corporation, for the election of directors and for such other business as may properly come before such meeting, shall be held at the First National Bank Building in Loveland, Colorado or at such other place as may be designated by the Board of Directors upon proper notice, at 7:00 P.M. on the third Monday of January of each year commencing with the year 1972, unless a legal holiday, in which event such meeting shall be held on the first day thereafter not a legal holiday. The notice of the meeting shall be in writing and signed by the president or a vice-president or the secretary or an assistant secretary. Such notice shall state the purpose or purposes for which the meeting is called and the time when and the place within the state where it is to be held, and a copy thereof shall be served, either personally or by mail, upon each member of record entitled to vote at such meeting, not less than 10 or more than 50 days before the meeting.

2. SPECIAL MEETINGS. Special meetings of members, other than those regulated by statute, may be called at any time by the president or secretary or by a majority of the board of directors, and it shall also be the duty of the secretary to call

such a meeting whenever requested in writing so to do by members of record of at least twenty-five (25%) percent of the outstanding memberships. A notice of each special meeting, stating the time, place and purpose thereof and the office or other person or persons by whom the meeting is called, shall be served, either personally or by mail, on each member of record, at least seven days before such meeting. No business other than that stated in the notice shall be transacted at any special meeting unless all members of the corporation are present thereat in person or by proxy.

3. WAIVER OF MAILING OF NOTICE. The notice provided for in the two foregoing sections is not indispensable, but any members' meeting whatever shall be valid for all purposes if all members of the corporation are present thereat in person or by proxy, or if a quorum is present as provided in the next succeeding section and notice of the time, place, and purpose of such meeting has been duly waived in writing by all members not so present. Any notice to be served upon a member by mail shall be directed to the member at his address as it appears on the membership book unless the members shall have filed with the secretary of the corporation a written request that notices intended for him be mailed to some other address, in which case it shall be mailed to the address designated in such request.

4. QUORUM. At all meetings of members in order to constitute a quorum and to permit the transaction of any business, except to adjourn a meeting, there shall be present, either in person or by proxy, a majority of the members of the corporation.

5. VOTING. Each member of record shall be entitled at each members' meeting to one vote, in person or by proxy, for each membership standing in his name on the membership book at the time of the meeting. All proxies shall be in writing and shall be filed with the secretary at or previous to the time of the meeting. All voting shall be viva voice, except that any qualified member may demand a ballot vote, in which case the voting shall be by ballot, and each ballot shall state the name

of the member voting and the memberships owned by him, and in addition the name of the proxy, if such ballot is cast by a proxy.

6. ORDER OF BUSINESS. The regular order of business for the annual meeting of members, and for each special meeting to the extent such order is applicable, shall be as follows:

1. Roll Call.
2. Presentation of notice of the meeting and proof of service, or waiver of notice.
3. Reading of minutes of preceding members' meeting.
4. Reports of officers.
5. Reports of committees.
6. Election of directors for ensuing year.
7. Miscellaneous business.

ARTICLE III

Directors

1. ELECTION AND TERM. Directors shall be elected at the annual meeting of members, or at a special meeting called for that purpose as provided by law, by a plurality of the votes cast at such election. Directors shall serve until the date herein fixed for the next annual meeting of members and until the election of the respective successors. Directors shall be members of the corporation or stockholders of a corporation which is a member of the corporation.

2. VACANCIES. Vacancies in the board of directors resulting from death, resignation, or removal may be filled without notice to any of the members by a vote of a majority of the remaining directors present at the meeting at which such election is held even though no quorum is present, which may be at any regular meeting of the board of directors or any special meeting thereof called for such purpose. Vacancies in the board of directors shall be filled in the manner provided in the resolution increasing the size of the board of directors. If all the directors die or resign, any member may call a special

meeting of the members as provided herein and directors for the unexpired term may be elected at such special meeting in the manner provided for their election at annual meetings.

3. REMOVAL. Any director may be removed from office without cause by the members of the Corporation at a meeting duly called for that purpose.

4. MEETINGS. The board of directors shall hold its annual meeting immediately after the annual meeting of members, without notice, and shall hold a special meeting whenever called together by the president or by a vice president, or, after written request of any two directors then holding office, by any other officer, upon two days' written notice to each director served in person or by mailing the same to him at the last address furnished by him to the corporation. Any meeting of the board at which all the directors are present, or of which notice has been duly waived by all absentees, shall be valid for all purposes provided a quorum is present. A majority of the directors shall constitute a quorum. At meetings of the board, each director shall be entitled to one vote.

5. ANNUAL BUDGET. The board of directors shall determine the cash requirements of the corporation and shall likewise fix the terms and times of payment of the assessment due from members to meet such cash requirements. The board of directors shall have discretionary power to prescribe the manner of maintaining and operating the community of the corporation, and any other premises acquired by the corporation by purchase or otherwise, and to determine the foregoing cash requirements. Every such determination by the board shall be final and conclusive as to all members and any expenditures made by the corporation's officers or agents under the direction or with the approval of the board shall, as against such members be deemed necessarily and properly made for such purposes. The operating year of the corporation shall be the calendar year.

6. DISTRIBUTIONS. The members shall not be entitled, either conditionally or unconditionally, except upon a complete

or partial liquidation of the corporation, to receive any distribution from the corporation.

7. COMMUNITY RULES. The board of directors shall have power to change the community rules applicable to the interests of the corporation whenever the board deems it advisable to do so. Subject to the approval of The Greeley and Loveland Irrigation Company where such rules affect the interests of the Irrigation Company, the initial rules shall be as follows:

a. No member shall permit any party to use the recreational rights of the Association other than members of his immediate family and invited guests.

b. Members shall have the right to enter upon Boyd Lake and adjoining ground from their own premises, should they own lots bordering said lake or such other locations as may be designated by the board of directors, and members specifically agree not to trespass on private land in order to secure access to said lake.

c. No social parties will be granted permission for access to use Boyd Lake through Association property or to use the community area for private parties without the consent of the board of directors.

d. No member shall cause litter or trash to be deposited upon land owned by the Association, The Greeley and Loveland Irrigation Company, or upon the water of Boyd Lake.

e. Any improvements which might extend onto the lake, including but not limited to, leading ramps, docks and mooring lines shall not be permitted to be built, constructed or placed thereon by any member without his first submitting plans for the same and obtaining the written consent of the board of directors to construct the same.

f. Members covenant and agree not to use or occupy that portion of the shore lying between Boyd Lake boundary lot lines and existing water levels without the permission of the owners of said lot or lots lying adjacent to said lake shore.

g. Each member, on behalf of his family and invited guests, shall release, save harmless, and indemnify the Association and The Greeley and Loveland Irrigation Company harmless from and against any and all liability and claims for damages to property or personal injury arising from the use of the various recreational features and rights on Boyd Lake or abutting shore areas or rip rap surfaces including reasonable attorney's fees occasioned by claims for damages to property or personal injury brought against the Association or The Greeley and Loveland Irrigation Company.

h. All members shall be responsible for any violations by themselves, members of their families, and guests. Any breach or violation of these rules and regulations by a member or a member of his family or a guest of the member shall result, in the option of the board of directors of the Association, in the immediate loss of his privilege of membership.

i. By accepting membership, each member acknowledges the receipt of these rules and promises to abide by them.

All Community rules shall be binding upon all members, guests and invitees of members.

8. EXECUTIVE COMMITTEE. The board of directors may by resolution appoint an Executive Committee to consist of three or more directors of the corporation. Such committee shall have and may exercise all of the powers of the board in the management of

the business and affairs of the corporation during the intervals between the meetings of the board, so far as may be permitted by law, except that the Executive Committee shall not have power to determine the cash requirements or to fix the assessment to be paid by the members.

ARTICLE IV Officers

1. ELECTION AND REMOVAL. The board of directors at its first meeting and at each annual meeting shall elect by a majority vote, a president and one or more vice-president, a secretary, and a treasurer, and may also at any time appoint one or more assistant secretaries or assistant treasurers and accord to such assistant officers such powers as the board deem proper. Any person otherwise qualified may hold any two offices. Each of the officers shall serve until the next annual meeting of the board and until the election or appointment of his respective successor; but any officer may be removed from office at any time, and a successor chosen, at the pleasure of the board, upon affirmative vote, taken at any meeting, by a majority of the then total authorized number of directors.

2. PRESIDENT AND VICE-PRESIDENT. The president shall preside at meetings of members and of the board of directors. He shall, subject to the control of the board, have general management of the affairs of the corporation and shall perform all the duties incidental to his office or prescribed for him by these By-Laws or by the board and shall make and sign in the name of the corporation all contracts, leases, and other instruments which are authorized from time to time by the board. In the absence or inability of the president, any vice-president shall have the powers and perform the duties of the president. A vice-president shall at all times have power to make and sign proprietary leases in the name of the corporation.

3. SECRETARY. The secretary shall keep and record, in proper books provided for the purpose, the minutes of meetings of

the board of directors and of the members, he shall record all transfers of memberships and cancel and preserve certificates of membership transferred, and he shall keep such other records as the board shall require. He shall attend to the giving and serving of notices of the corporation, he shall have custody of the corporate seal, and shall affix the same to certificates of membership and to written instruments required by law or by these By-Laws, or authorized by the board. He shall also perform all other duties incidental to his office. He shall keep a book, to be known as the membership book, containing the names, alphabetically arranged, of all persons who are members of the corporation, showing their places of residence, the certificates of membership held by them respectively, the time when they respectively became the owners thereof, of any lien and the name and address of any lienholder, and such book shall be open for inspection by any judgment creditor of the corporation, or by any person who shall have been a member of record for at least two months immediately preceding his demand or by any person in writing authorized by said member. Persons so entitled to inspect the membership book may make extractions therefrom. In the absence or inability of the secretary, the assistant secretary shall have all the powers and perform all of the duties of the secretary.

4. TREASURER. The treasurer shall, subject to the control of the board, have the care and custody of, and be responsible for all funds and securities of the corporation and shall keep the same in its name in such banks, trust companies, or safe deposit companies as the board shall designate, and shall perform all other duties incidental to this office, or prescribed for him by these By-Laws or by the board. If so required by the board, he shall, before receiving any such funds or securities, furnish to the corporation a bond with a surety company as surety, in such form and amount as the board from time to time shall determine. The premium upon such bond shall be paid by the corporation. Within a reasonable time after the close of each year ending December 31st, the treasurer shall furnish to each

member a statement of the income, expenses, and paid-in surplus of the corporation during such year, on which statement there shall be indicated the portions paid by such member during such year which have been used by the corporation for the payment of taxes on real estate and interest on its mortgage or other indebtedness, if any. In the absence or inability of the treasurer, the assistant treasurer shall have all powers and perform all of the duties of the treasurer.

5. SALARIES. No salary or other compensation for services shall be paid to any director or officer of the corporation for services rendered as such director or officer unless and until the same shall have been authorized in writing or by affirmative vote, taken at a duly held members' meeting, by the record holders of at least two-thirds of the then outstanding memberships of the corporation.

ARTICLE V

Contracts of Sale

1. FORM. The board of directors shall adopt a form of sale contract to be used by the corporation for the sale of all lake front property to be sold to Class A members. Such contracts shall be for such terms, and shall contain such restrictions, limitations, and provisions as the board deems advisable. After a contract in the form so adopted by the board of directors shall have been executed and delivered by the corporation, all contracts subsequently executed and delivered shall be in the same form unless the variation is approved by contract purchasers owning at least two-thirds of the memberships of the corporation then owned by all contract purchasers then in force.

2. ASSIGNMENT. Contracts shall be assigned or transferred only in compliance with, and shall never be assigned or transferred in violation of the terms, conditions and provisions of such contracts. A duplicate, original of each contract shall always be kept on file in the office of the corporation.

3. ACCOMPANYING CERTIFICATE OF MEMBERSHIP. The board of directors shall allocate to each lot to be sold under contract a certificate of membership of the corporation which must be purchased by the contract purchaser of the lot.

4. FEES ON ASSIGNMENT. The board of directors shall have authority to fix by resolution and to collect, before any assignment of a contract or any re-allocation of membership certificate takes effect as against the corporation, reasonable fees to cover the corporation's expenses and attorney's fees in connection with such proposed assignment or re-allocation, or both, as the case may be.

ARTICLE VI

Membership Certificates

1. ISSUANCE OF CERTIFICATES OF MEMBERSHIP. Certificates of membership of the corporation shall be issued only upon payment for the same, and the ownership of the certificate of membership so issued shall entitle the holder thereof to use and enjoy the property and recreation rights of the corporation in accordance with such rules and regulations as may be adopted by the board of directors.

2. CERTIFICATES OF MEMBERSHIP. Certificates of membership of the corporation shall be in the form prescribed by the board of directors, and shall be signed by the president or a vice president and the secretary or an assistant secretary or the treasurer or an assistant treasurer, and sealed with the seal of the corporation, and shall be numbered in the order in which issued. Certificates shall be bound in a book and issued in consecutive order therefrom, and in the margin or stub thereof shall be entered the name of the person holding the membership therein represented, the number of memberships, and the date of issue. Each membership certificate exchanged or returned to the corporation shall be cancelled, and the date of cancellation shall be indicated thereon, by the secretary and such certificate

shall be immediately pasted in the membership book opposite the memorandum of its issue.

3. TRANSFER Transfers of memberships shall be made only upon the record books of the corporation by the holder in person or by power of attorney, duly executed and witnessed and filed with the secretary, and on the surrender of the membership certificate, except that memberships sold by the corporation to satisfy any lien which it holds thereon may be transferred without the surrender of such certificate. No transfer of the membership certificate shall be valid as against the corporation, its members, and creditors for any purpose until it shall have been entered in the membership book by an entry showing from whom and to whom transferred. A membership shall not be sold or transferred except to the corporation or to a person who has acquired a lot in one of the Boyd Lake Shores subdivisions which qualifies the purchaser thereof for membership or a new one in place thereof.

4. FEES ON TRANSFER. The board of directors shall have authority to fix by resolution and to collect, before the transfer of membership, reasonable fees to cover the corporation's expenses and attorney's fees in connection with such proposed transfer.

5. CORPORATION LIEN. The corporation shall at all times have a lien upon the membership certificate owned by each member to secure the payment by such member of all assessments to become payable by such member to the corporation and for all other indebtedness from such member to the corporation and to secure the performance by the member of all the covenants and conditions to be performed or complied with by the member. Unless and until such member or lessee makes default in the payment of any of such assessment or other indebtedness or in the performance of any of such covenants, or conditions, such share shall continue to stand in the name of the member upon the record books of the corporation and the member shall be entitled to exercise the right to vote thereon. The corporation shall have the right to issue to any purchaser of such membership upon the enforcement by

the corporation of such lien, or to the nominee of such purchaser, a membership certificate substantially of the tenor of the certificate issued to such defaulting member, and thereupon the membership certificate issued to such defaulting member shall become void and such defaulting member shall surrender the same to the corporation on demand, but the failure of such defaulting member so to surrender such membership certificate shall not affect the validity of the membership certificate issued in replacement thereof.

6. LOST CERTIFICATES. In the event that any membership certificate is lost, stolen, destroyed, or mutilated, the board of directors may authorize the issuance of a new membership certificate of the same tenor in lieu thereof. The board may in its discretion, before the issuance of such new membership certificate, require the owner of the lost, stolen, destroyed or mutilated certificate, or the legal representative of the owner, to make an affidavit or affirmation setting forth such facts as to the loss, destruction, or mutilation as it deems necessary, and to give the corporation a bond in such reasonable sum as it directs, to indemnify the corporation.

ARTICLE VII

Seal

The seal of the corporation shall be circular in the form and shall bear the name of the corporation as is shown by the imprint thereof made hereon.

ARTICLE VIII

Checks, Notes, Etc.

1. SIGNATURES ON CHECKS. Checks drawn against the corporation's deposit accounts with banks or trust companies shall be signed by such officer or officers, or employee or employees as the board of directors may from time to time prescribe.

2. SIGNATURES ON NOTES AND BONDS. Promissory notes and bonds of corporation shall be signed by any two officers, who, from time to time, shall be designated by the board of directors for that purpose.

3. SAFE DEPOSIT BOXES. Any officer or officers who, from time to time, shall be designated by the board of directors for that purpose shall have access to any safe deposit box of the corporation in the vault of any safe deposit company.

4. SECURITIES. Any officer or officers who, from time to time, shall be designated by the board of directors for the purpose shall have power to control and direct the disposition of any bonds or other securities or property of the corporation deposited in the custody of any bank, trust company, or other custodian.

ARTICLE IX Amendments

The By-Laws may be amended at any membership meeting provided that the proposed amendment has been inserted in the notice of meeting or that all of the members are present in person or by proxy, by an affirmative vote of two-thirds of the total memberships issued and outstanding.

Retyped June 3, 1994, for the purpose of reproduction only, No changes have been made to these By-Laws.