

**AMENDED AND RESTATED BYLAWS
Of
LOMA ENCANTADA HOMEOWNERS' ASSOCIATION, INC.
(a Non-Profit Corporation)**

Table of Contents

	Page No.
Article I – Definitions	
1. Association	1
2. Articles	1
3. Declaration	1
4. Board	1
5. Member	1
6. Owner	1
7. Subdivision	2
8. Common Property	2
9. City	2
Article II – Office	2
Article III – Members	
1. Place of Meetings	2
2. Annual Meetings	2
3. Special Meetings	2
4. Notice of Meeting	2
5. Voting Rights	3
6. Proxy and Absentee Ballot Voting	3
7. Quorum	3
8. Counting of Ballots	4
Article IV – Board	
1. General Powers	4
2. Number, Tenure, and Qualifications	4
3. Regular Meetings	4
4. Special Meetings	4
5. Executive Sessions	4
6. Notice of Special Meeting; Waiver	5
7. Quorum	5
8. Manner of Acting	5
9. Committees	6
10. Vacancies	6
11. Removal	6
Article V – Officers	
1. Number and Term	6
2. President; Duties	7
3. Vice President; Duties	7

4. Secretary; Duties	7
5. Treasurer; Duties	7
6. Books and Accounting	7
7. Removal and Vacancies	7
8. Resignation	8
Article VI – Books and Records	8
Article VII – Capital Reserve Fund and Operating Reserve Fund	
1. Capital Reserve Fund	8
2. Operating Reserve Fund	8
Article VIII – Standards of Conduct, Liability and Indemnification	
1. Standards for Directors and Officers	9
2. Liability	9
3. Indemnification	10
4. Advancement of Expenses	11
Article IX – Amendments	11

AMENDED AND RESTATED
BYLAWS
Of
LOMA ENCANTADA HOMEOWNERS' ASSOCIATION, INC.
(a Non-Profit Corporation)

Recitals

- A. The Bylaws of Loma Encantada Homeowners' Association, Inc. ("Bylaws") were adopted by the Association in 1977 and have been amended multiple times.
- B. The Loma Encantada Homeowners' Association, Inc. wishes to amend and restate the Bylaws in their entirety.
- C. Now, therefore, the Bylaws are hereby amended and restated in their entirety. These Amended and Restated Bylaws supersede and replace the prior Bylaws and all amendments thereto.

Article I

Definitions

All capitalized terms that are not defined below shall have the meaning set forth in the Declaration.

1. "Association" means the Loma Encantada Homeowners' Association, Inc., a non-profit corporation organized and existing under the laws of the State of New Mexico.
2. "Articles" means the Articles of Incorporation of the Association.
3. "Declaration" means and refers to the Declaration of Covenants, Conditions and Restrictions for Loma Encantada Subdivision in Santa Fe, New Mexico, declared by Loma Encantada Corporation, a New Mexico corporation, on November 15, 1977, as well as to any amendment, modification or termination thereof promulgated pursuant thereto.
4. "Board" means and refers to the Board of Directors of the Association.
5. "Member" means and refers to every Owner of an existing Unit.
6. "Owner" means and refers to every person who owns a fee title, or an equitable title pursuant to a purchase contract to a Unit.

7. “Subdivision” means and refers to the Loma Encantada Subdivision described in Article I, Section 9 of the Declaration.

8. “Common Property” means and refers to the lands described in Article I, Section 8 of the Declaration.

9. “City” means and refers to the City of Santa Fe, New Mexico.

Article II

Office

The principal office of the Association shall be located at 360-B Calle Colina, Santa Fe, NM 87501, and the mailing address shall be P.O. Box 1782, Santa Fe, NM 87504-1782.

Article III

Members

1. Place of Meetings. Each meeting of the Members shall be held at the hour, date and place as may be specified in the notice of such meeting.

2. Annual Meetings. The Annual Meetings of the Members, for the purposes of electing directors and of transacting such business as may come before the meeting, shall be conducted on the last Saturday in January of each year except as otherwise specified by the Board of Directors.

3. Special Meetings. Special meetings of the Members, for any purpose, may be called at any time by the President or the majority of the Board of Directors, and shall be called by the Secretary of the Association upon the written request of the Members entitled to cast at least one-fourth (1/4) of all the votes of the entire membership.

4. Notice of Meeting. Written notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) or more than fifty (50) days before the date of the meeting, either by mail or electronic mail (e-mail), by the direction of the President through the Secretary of the Association to each Member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Member at such Member’s address as it appears on the books of the Association, with postage thereon prepaid.

5. Voting Rights. Members shall be entitled to one vote for each Unit owned by such Member as of the date the vote is cast. When more than one person owns a Unit, the vote therefor shall be exercised as they may determine among themselves, but in no event shall more than one vote be cast with respect to any such Unit.

6. Proxy and Absentee Ballot Voting. Owners may vote in person, by proxy or by absentee ballot, subject to the limitations of New Mexico law and subject to any specific provisions to the contrary in the Declaration or these Bylaws.

A. Every proxy shall be in writing, shall identify the Unit for which it is given, shall be signed by the Member or the Member's duly authorized attorney-in-fact, and shall be dated and filed with the Association's Secretary at or prior to the meeting for which it is to be effective.

B. Unless the proxy specifically provides otherwise, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast. In the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid.

C. A proxy is effective only for the specific meeting for which it was originally given, including such meeting lawfully adjourned and reconvened, and automatically expires 90 days after the date of the meeting for which it was originally given. Every proxy is revocable at any time at the pleasure of the Member who executes the proxy. No Member or other person shall pay a company or person to collect proxy votes.

D. Absentee ballots must be delivered to the Association at the mailing address of record by the United States mail no later than fourteen (14) days before the date of the Annual Meeting.

7. Quorum. The presence, in person, by proxy, or by absentee ballot of the Members entitled to cast not less than fifty percent (50%) of the total membership votes of the Members at any meeting shall constitute a quorum and, except in the case of the election of directors (as set forth in Article IV, Section 2), the vote of Owners representing a majority of the total votes cast shall constitute the action of the Owners.

8. Counting of Ballots. Ballots, if used, shall be counted by a neutral third party or by a committee of volunteers. The volunteers shall be selected or appointed at an open meeting of the Board of Directors by the President of the Board or another person presiding during that portion of the meeting. The volunteers shall not be Board members and, in the case of a contested election for a Board position, shall not be candidates.

Article IV

Board

1. General Powers. The affairs, business and property of the Association shall be controlled and managed, and the powers of the Association specified in Article V of the Articles and in the Declaration, shall be exercised by the Board or by others to whom the Board has duly delegated, and is authorized to delegate such authority.

2. Number, Tenure and Qualifications. The Board shall consist of not less than five (5) nor more than seven (7) directors. Except as otherwise set forth herein, Directors shall be elected to serve staggered two-year terms, and shall hold office until their successors have been elected and qualified. The Board may cause some Directors to be elected for one-year terms to preserve the staggered terms of the Directors. Directors shall be elected by plurality vote. Directors must be Members of the Association, which is restricted to Owners or co-owners of residential units in LEHOA. Only one Owner of a Unit may serve on the Board at any one time.

3. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of the time and place of the meeting shall be communicated to directors not less than four (4) days prior to the meeting. Notice of the open portion of regular meetings of the Board shall be sent to Members via e-mail or United States mail at least seven (7) days before each meeting. All Members of the Association shall be allowed to attend the open portion of Board meetings and hear the deliberations and proceedings. However, Members shall only be allowed to participate in such open portions of Board meetings to the extent determined by the Board.

4. Special Meetings. Special meetings of the Board may be called by or at the request of the President or any two directors.

5. Executive Sessions. The Board may hold closed portions of its regular and special Board meetings (called “executive sessions”), which are not open to the Members. Such

executive sessions may be held to discuss and vote upon personnel matters, legal advice from counsel, pending or contemplated litigation, violations of the Association's governing documents, personal, health or financial information of any Member or any employee of the Association, governance issues, appointment or removal of officers or committee members, delinquencies, and other similar matters as determined by the Board. The Board shall keep separate minutes for executive sessions, which are not available to the Members.

6. Notice of Special Meeting; Waiver. Notice of any special meeting shall be given to each director personally by oral communication, telephone, electronic mail (e-mail), or other written notice at least twenty-four (24) hours before such meeting or by mailed written notice at least three (3) days before such meeting. If notice is given by mailed written notice, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the director at his or her address of record. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the directors need be specified in the notice or waiver of notice of such meeting. Any director may waive notice of any meeting, and the attendance of any director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

7. Quorum. A majority of the number of directors duly elected and acting shall constitute a quorum for transaction of business at any meeting of the Board, but if less than such majority is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without notice as required herein.

8. Manner of Acting.

A. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board. The Board may allow directors to participate in a Board meeting by conference telephone or similar communications equipment through which all directors participating in the meeting can hear each other. Participation in a meeting pursuant to this Section shall constitute being present at such meeting.

B. Any action that may be taken by the Board at a meeting may be taken without a meeting if the consent in writing, setting forth the action to be taken, shall be

signed by all of directors before such action is taken. Such written consent may be obtained by electronic mail (e-mail).

9. Committees.

A. By resolution duly adopted by a majority of its full membership, the Board may designate one or more committees, each to consist of at least one (1) director and such Members as the Board may appoint, and, to the extent provided by the resolution, each of such committees shall have and may exercise any authority delegated by the Board; provided, however, that no such committee shall have or may exercise the authority of the Board in reference to amending the Articles or these Bylaws, promulgating regulations pursuant to Article III, Section 2.b.1 of the Declaration, or to the determination of assessments under Article III, Section 2.b.8 and Section 3 of the Declaration.

B. Meetings, notices and actions of such committee or committees shall be governed by these Bylaws in the same fashion as provided for the Board.

10. Vacancies. Any vacancy occurring on the Board or any committee or committees may be filled by the affirmative vote of a majority of all remaining directors though less than a quorum of the Board. A director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office. Any directorship to be filled by reason of an increase in the number of directors may be filled by election by the Board for a term of office continuing only until the next election of directors by the Members.

11. Removal. Any member of the Board may be removed with or without cause at a meeting duly called for that purpose by the affirmative vote of two-thirds (2/3) of the Board of directors entitled to vote at such a meeting.

Article V

Officers

1. Number and Term. The officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, who shall be elected annually at the regular meeting of the Board held after the annual meeting of the Members, and shall hold office only so long as they are satisfactory to the Board. The office of the Second Vice President shall be optional and established at the pleasure of the Board of Directors.

2. President; Duties. The President shall be the chief executive officer of the Association and as such shall have general supervision of the affairs and property of the Association and over its several officers, subject to the direction of the Board. The President shall, if present, preside over all meetings of the Board and Members, and shall generally do and perform all acts incident to the office of President. He or she may sign in the name and on behalf of the Association all written instruments authorized by the Board, except where the Board shall delegate the execution thereof to some other officer or agent of the Association.

3. Vice President; Duties. The Vice President shall perform all of the duties of the President in the event of his or her absence or disability, and when so acting shall have all of the powers and be subject to all restrictions placed upon the President.

4. Secretary; Duties. The Secretary shall act as Secretary of the Board and at meetings of the Members, and shall record the votes and keep the minutes of all proceedings in a book to be kept for that purpose. He or she shall keep the records of the Association, record the names and addresses of all Members, and shall see that all notices are duly given as required by the Bylaws or applicable law.

5. Treasurer; Duties. The Treasurer shall receive and deposit in bank accounts approved by the Board all monies of the Association and shall disburse such funds as directed by resolution of the Board; provided, however, that a resolution of the Board shall not be necessary for the disbursement made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The Treasurer or his or her authorized agent, along with another director, shall sign all checks required to pay the expenses and other cash outlays of the Association.

6. Books and Accounting. The Treasurer shall keep proper books of account and cause monthly financial records of the Association's books to be made available to Members and annual financial records to be made available to a certified public accountant at the completion of each fiscal year for the completion of an annual audit, review, or compilation, as determined by the Board. The Treasurer shall prepare an annual budget and an annual balance sheet statement and the budget and balance sheet statement shall be available to the Members.

7. Removal and Vacancies. A majority of the Board may remove any officer, with or without cause, whenever in its judgment the Association's best interests will be served, and

may fill any vacancy in any office arising because of death, resignation, removal, or otherwise, for the unexpired portion of the term.

8. Resignation. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at a later time specified therein. Unless the resignation specifies, acceptance of such resignation shall not be necessary to make it effective.

Article VI

Books and Records

Books, records and papers of the Association shall be available for inspection by any Member or his or her agent or attorney upon reasonable notice to the Secretary at any reasonable time.

Article VII

Capital Reserve Fund and Operating Reserve Fund

1. Capital Reserve Fund. The Board of Directors shall establish a Capital Reserve Fund to be set aside, and annually there shall be added thereto such amounts as will be adequate, in the discretion of the Board of Directors, to make major repairs or improvements of a capital nature, or replace the depreciable assets of the Association at the end of the useful life of each asset.

2. Operating Reserve Fund. The Board of Directors shall establish the Operating Reserve Fund in order to minimize the frequency of adjustments of annual assessments assessed to Unit Owners. This fund would be available to make up the difference when actual expenditures exceed budgeted amounts. This fund shall be maintained at a minimum level of forty percent (40%) of the average of the Association's annual operating expenses during the preceding three years. The balance in this fund shall be maintained first from surplus operating cash, and then if needed, from adjustments to annual assessments.

3. The Board of Directors may, at its sole discretion, transfer funds from one fund to the other fund provided the Operating Reserve Fund does not fall below forty percent (40%) of the average of the Association's annual operating expenses during the preceding three years.

Article VIII

Standards of Conduct, Liability and Indemnification

1. Standards for Directors and Officers. The Board shall exercise its powers in a reasonable, fair, nondiscriminatory manner and shall adhere to the procedures established in the Bylaws, Articles, and the Declaration.

In performing their duties, directors and officers shall exercise ordinary and reasonable care. All directors and officers shall be insulated from liability as provided for directors of corporations under New Mexico law and as otherwise provided by the Bylaws, Articles, and the Declaration. Directors and officers shall discharge their duties as directors or officers, and as members of any committee to which they are appointed, in a manner that the director or officer believes in good faith to be in the best interest of the corporation and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances. A director is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, prepared or presented by others to the extent authorized under New Mexico law.

2. Liability.

A. A director or officer shall not be personally liable to the Association, any Member, or any other Person for any action taken or not taken as a director or officer if he or she has acted in accordance with Article VIII, Section 1.

B. Pursuant to the business judgment rule, a director also shall not be personally liable for any action taken or not taken as a director if the director:

(i) acts within the expressed or implied scope of the Governing Documents and his or her actions are not beyond the powers of his or her authority (*ultra vires*);

(ii) affirmatively undertakes to make decisions which the director reasonably believes are necessary for the Association's continued and successful operation and, when decisions are made, makes them on an informed basis;

(iii) acts on a disinterested basis, promptly disclosing any real or potential conflict of interests (pecuniary or other), and avoiding participation in decisions

and actions on matters as to which he or she has a conflict of interest (beyond that which all directors have by virtue of their ownership or occupancy of a Unit); and
(iv) acts in a non-fraudulent manner and without reckless indifference to the Association's affairs.

C. The Association's officers, directors, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on the Association's behalf (except to the extent that such officers or directors may also be Members).

3. Indemnification. Subject to the limitations of New Mexico law, the Association shall indemnify every officer, director, and committee member against all damages and expenses, including counsel fees and expenses, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board) to which he or she may be a party by reason of being or having been an officer, director, or committee member, except that the Association shall have no obligation to indemnify any individual against liability or expenses incurred in connection with a proceeding:

A. Brought by or in the right of the Association, although it may reimburse the individual for reasonable expenses incurred in connection with the proceeding if it is determined, by the court or in the manner provided above, that the individual met the relevant standard of conduct under New Mexico law; or

B. To the extent that the individual is adjudged liable for conduct that constitutes:

(i) embezzlement; or

(ii) intentional misconduct or knowing violation of the law; or

(iii) an unlawful distribution to members, directors or officers; or

(iv) receipt of an improper personal benefit; or

(v) appropriation, in violation of his or her duties, of any business opportunity of the Association.

This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The

Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

4. Advancement of Expenses. In accordance with the procedures and subject to the conditions and limitations set forth in New Mexico law, the Board may authorize the Association to advance funds to pay for or reimburse the reasonable expenses incurred by a present or former officer, director or committee member in any proceeding to which he or she may be a party by reason of being or having been an officer, director, or committee member of the Association.

Article IX

Amendments

These Bylaws may be amended only by a vote of two-thirds (2/3) or more of all the Unit Owners, each having a single vote.

Certification

The President and Secretary of the Association hereby certify that these Amended and Restated Bylaws of Loma Encantada Homeowners' Association, Inc. were duly adopted by the Members in accordance with the requirements of the Bylaws. DATED this 23rd day of November, 2018.

Loma Encantada Homeowners' Association, Inc.

By: Billie Blair

Its: PRESIDENT

By: Cynthia Pratt

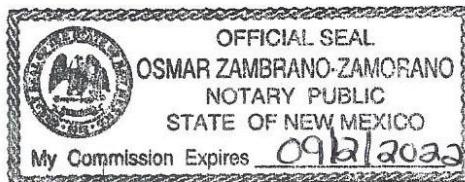
Its: Secretary

STATE OF NEW MEXICO

COUNTY OF SANTA FE

The foregoing document was acknowledged before me by BILLIE BLAIR, President of Loma Encantada Homeowners' Association, Inc. on behalf of that corporation this 23rd day of November, 2018.

Osman Zambrano, Notary Public
My Commission Expires: 09/12/2022



STATE OF NEW MEXICO

COUNTY OF SANTA FE

The foregoing document was acknowledged before me by Cynthia Pratt, Secretary of Loma Encantada Homeowners' Association, Inc., on behalf of that corporation that 23rd day of November, 2018.

Osman Zambrano, Notary Public
My Commission Expires: 09/12/2022

