

BY-LAWS OF
ELK RUN HOMES ASSOCIATION

ARTICLE I
NAME AND LOCATION

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

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

ARTICLE II
DEFINITIONS

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

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS

Membership and voting rights are provided in the Declaration.

ARTICLE IV
MEETING OF MEMBERS

Section 1. Annual and Special Meetings. The annual meeting of the members of the Association shall take place in Teton County, Wyoming each year commencing in 1993, at a time and place to be designated by the Board of Directors in the applicable notice of meeting. Special meetings of the members of the Association may be called at any time by the Board of Directors or by at least 25% in interest of the members of the Association.

Section 2. Notice. Written notice of any meeting shall be mailed or delivered to members not less than 10 nor more than 90 days before the date of any meeting. The notice shall specify the place, day and hour of the meeting. Notice of a special meeting shall also specify the business to be undertaken.

Section 3. Consent to Waiver of Notice. The transactions of any meeting of the members, however called or noticed, shall be as valid as though made at a meeting duly held after regular call and notice if a quorum be present, in person or by proxy, if either before or after the meeting, each member entitled to vote but not present thereat signs a written waiver of notice, or a consent to the holding of such meeting, or approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made a part of the minutes of the meeting.

ARTICLE V
BOARD OF DIRECTORS

Section 1. Board of Directors. The affairs of the Association shall be managed and controlled by a Board of Directors, and the members of the Board of Directors shall be elected and appointed pursuant to Article VI below.

Section 2. Compensation. No Board member shall receive compensation for any service he or she may render to the Association. However, any Board member may be reimbursed for actual expenses incurred in the performance of his or her duties.

Section 3. Action Taken Without a Meeting. The Board members shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Board members. Any action so

approved shall have the same effect as though taken at a meeting of the Board members. Meetings may be held by conference telephone call.

Section 4. Meetings. (a) A regular annual meeting of the Board of Directors shall be held immediately following the annual meeting of the members, at the place of such annual meeting of the members. The Board of Directors, from time to time, may provide by resolution for the holding of other regular meetings of the Board of Directors, and may fix the time and place thereof. Special meetings of the Board of Directors shall be held whenever called by the President or by one of the directors, at such time and place as may be specified in the respective notices or waivers of notice thereof.

(b) Notice of meetings shall be communicated to the Board members not less than ten (10) days prior to the meeting. Notice of a meeting need not be given to any Board member who has signed a waiver of notice or a written consent to holding of the meeting. Notice of any regular meeting shall not be required to be given but, if given, need not specify the purpose of the meeting. The place of meetings shall be in Teton County or as directed by the Board. Notice of special meetings shall specify the date, time and place of the meeting and the matters to be considered thereat.

(c) At all meetings of the Board of Directors, the presence of a majority of the entire Board shall be necessary and sufficient to constitute a quorum for the transaction of business, and a majority of a quorum of the Board members present at a meeting may approve actions taken at the meeting, except as otherwise provided by law, by the Declaration, the Articles of Incorporation, or by these By-laws. A majority of the directors present at the time and place of any regular or special meeting, although less than a quorum, may adjourn the same from time to time, until a quorum shall be present.

Section 5. Resignation. Any director may resign at any time by giving written notice to the Board of Directors, the President or the Secretary of the Association. Unless otherwise specified in such written notice, such resignation shall take effect upon receipt thereof by the Board of Directors or such officer, and the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Contracts. No contract or other transaction between this Association and any other entity shall be impaired, affected or invalidated, nor shall any director be liable in any way by reason of the fact that any one or more of the directors of this Association is or are interest in, or is a director or officer, or are affiliates of such other entity, provided that such facts are disclosed or made known to the Board of Directors. Any director may be a party to or may be interested in any contract or transaction with this Association, and no director shall be liable in any way by reason of such interest, provided that the fact of such interest is disclosed or made known to the Board of Directors, and provided that the Board of Directors shall authorize, approve or ratify such contract or transaction by the vote of a majority of a quorum, notwithstanding the presence of any such director at the meeting at which such action in take. Such director or directors may be counted in determining the presence of a quorum at such meeting. This Section shall not be construed to impair or invalidate or in any way affect any contract or other transaction which would otherwise be valid under the law (common, statutory or otherwise) applicable thereto.

ARTICLE VI
NOMINATION AND ELECTION OF DIRECTORS

Section 1. Number of Directors. The number of Board members shall be three (3), unless and until at least 75% in interest of the members of the Association shall increase such number. A Board member need not be a member of the Association or a resident of Teton County, Wyoming.

Section 2. Term and Removal. Members of the Board shall serve for a term of one (1) year and until the respective successors are elected, or until their death, resignation or removal, whichever is earlier. Any Board member may resign at any time by giving written notice to the President or Secretary. Any person may be removed from office with or without cause by a two-thirds majority by interest vote of members.

Section 3. Nomination. Nomination for election to the Board of Directors may be made either by a member or a nominating committee, and nominations may be made from the floor at the annual meeting of the members. The remaining members of the Board may fill any vacancy for the balance of the applicable term.

Section 4. Election. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. Except as otherwise provided in the Declaration, the persons receiving the largest number of votes shall be elected. Cumulative voting is permitted, to the extent provided in the Declaration.

ARTICLE VII OFFICERS

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

Section 2. Appointment of Officers. The appointment of officers (after the initial appointments) shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of the Association shall be appointed annually by the Board of Directors and each shall hold office for one (1) year and until his or her successor is elected unless the officer shall sooner resign, or shall be removed or replaced.

Section 4. Special Appointments. The Board of Directors may appoint such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board of Directors may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time giving written notice to the Board of Directors, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer

appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No single person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The president shall preside at all meetings of the Board of Directors; shall see that orders and resolution of the Board of Directors are carried out; and shall sign all leases, mortgages, deeds and other similar written instruments.

(b) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the members; service notice of meetings of the Board of Directors and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board of Directors.

(c) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by the Board of Directors or the President; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant as of the end of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting, and deliver a copy of each to the members.

ARTICLE VIII COMMITTEE

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

ARTICLE IX INDEMNIFICATION

The Association shall indemnify each director and officer,

and former director and officer, of the Association, and his or her legal representative, against liabilities, expenses, counsel fees and costs arising out of any action, suit, proceeding or claim in which he or she is involved by reason of being, or having been, such director or officer. The Association likewise shall indemnify any person who, at the request of the Association, served as director or officer of another corporation in which this association owned corporate stock, and his or her legal representatives. In neither case shall the Association indemnify such director or officer or representative with respect to any matters as to which such person shall be finally adjudged in any such action, suit or proceeding to have been liable for gross negligence or willful misconduct in the performance of duties to the Association. Nevertheless, such indemnity shall apply also in respect of any amount paid in compromise of any such action, suit, proceeding or claim asserted against such director or officer or representative (including reasonable expenses, counsel fees and costs incurred in connection therewith), if the Board of Directors approves such proposed compromise or settlement and determines that the person involved was not guilty of gross negligence or willful misconduct. In taking such action any director involved shall not be qualified to vote thereon. If for this reason, a quorum of the Board cannot be obtained to vote on such matter, members holding a majority of the lots and entitled to vote shall determine such matters at a duly called special meeting or at a regular meeting. In determining whether or not a person was guilty of gross negligence or willful misconduct in relation to any such matter, the Board of Directors or members, as the case shall be, may rely conclusively upon an opinion of independent legal counsel selected by such Board or such shareholders. The right indemnification herein provided shall not be exclusive of any other rights to which such director or officer may be lawfully entitled.

ARTICLE X BOOKS AND RECORDS

The books and records of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI
CORPORATE SEAL

The Association shall not have a seal.

ARTICLE XII
AMENDMENTS

These By-laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy. In the case of any conflict between the Articles of Incorporation and these By-laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-laws, the Declaration shall control.

ARTICLE XIII
MISCELLANEOUS

Section 1. Method for Giving Notice. Any notice permitted or required to be delivered as provided herein may be delivered either personally or by mail. If delivery is by mail, it shall be deemed to have been delivered and received forty-eight (48) hours after a copy of same has been deposited in the United States mail, postage and fees prepaid, addressed each such person at the address given by such person to the Board, as provided in the Declaration. If no address has been given to the Secretary, then notice shall be deemed to have been delivered and received upon mailing of notice to the last known address of the ownership of the Lot.

Section 2. Fiscal Year. The fiscal year of the Corporation shall begin on the first day of January and end on the 31st day of December of every year, or as otherwise determined by the Board of Directors.

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

DATED as of December____, 1992.

Secretary