

**BYLAWS
OF
THE SAN MARCOS ASSOCIATION**

As Updated 4/20/00

Article I. Office

The principal office of the Association in the State of New Mexico shall be located in the County of Santa Fe. The Association shall have and continuously maintain in the state of New Mexico a registered office and a registered agent whose office is identical with such registered office.

Article II. Members

Section 1. Class and Qualifications. The Association shall have one class of membership: Individual. Any adult residing or owning property in the San Marcos Land Grant and adjacent area, who desires to support the purposes of the Association may become a member of the Association by applying for membership and paying the prescribed dues.

Section 2. Voting Rights. Each individual member whose dues for the current fiscal year have been paid shall be entitled to one vote on each matter submitted to a vote of the members of the Association.

Section 3. Transfer of Membership. Membership in the Association is not transferable or assignable.

Article III. Meetings of Members

Section 1. Annual Meeting. The annual meeting of the members of the members of the Association shall be held at such time and place in the month of February, as the Board of Directors shall designate for the purpose of electing directors and for the transaction of such other business as may come before the meeting.

Section 2. Special Meetings. Special meetings of the members may be called by the President, a majority of the Board of Directors, or not less than one quarter of the members in good standing.

Section 3. Place of Meeting. The Board of Directors may designate any place within Santa Fe County, New Mexico, as place for the annual or special meeting. Places and times for meetings should be convenient for most members.

Section 4. Notice of Meeting. Each member shall be notified of the place, day and hour of any meeting of members not less than ten days before the date of such meeting.

Section 5. Quorum. A quorum shall consist of ten voting members represented in person.

Section 6. Proxies. A member entitled to vote at any meeting of members may vote by written proxy, such proxies to be registered with the Secretary prior to the opening of the meeting.

Section 7. Manner of Acting. A majority of the votes entitled to be cast on a matter to be voted upon by members present or represented by proxy at a meeting at which a quorum is present shall be necessary for the adoption thereof unless a greater portion is required by law or these bylaws.

Article IV. Board of Directors

Section 1. General Powers. The affairs of the Association shall be managed by its Board of Directors.

Section 2. Number and Tenure. The number of directors shall be eight until the first annual meeting of members. Thereafter, the number of Directors shall be not less than eight nor more than sixteen as determined by resolution of the Board of Directors from time to time. Each director elected by the membership shall serve a two year term of office (except as provided initially in section 3 of this article IV) and until his or her successor shall have been elected and qualified.

Section 3. Regular Meetings. The board of directors shall hold regular meetings on the third Thursday of each month except in the months of August and December; The February meeting may coincide with the annual meeting. The place and time of such regular meetings shall be set by the President.

Section 4. Special Meetings. Special meetings of the Board of Directors may be called by the President or and two directors. The place and time of such special meetings may be set by the person or persons who called the meeting. Notice of any special meeting of the Board of Directors shall be given at least one day prior to the meeting date.

Section 5. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board.

Section 6. Manner of Action. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater membership is required by law or by these bylaws.

Section 7. Removal. Any director who, without notice of excuse to the President or Secretary, fails to attend three consecutive, properly called meetings of the Board of Directors shall be deemed to have resigned.

Section 8. Vacancies. Any vacancy occurring in the Board of Directors and any directorship to be filled by reason of the increase in the number of directors may be filled by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

Article V. Officers

Section 1. Officers. The officers of the Association shall be a President, one or more Vice-presidents (there number thereof to be determined by the Board of Directors), a Secretary, a Treasurer and such other officers as may be elected in accordance with the provisions of this Article V. The Board of Directors may elect or appoint such other officers as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. Election and Term of Office. The officers of the Association shall be elected from the directors annually by the general membership, and shall serve from the end of the meeting at which they are elected until the end of the meeting at which they are replaced.

Section 3. Removal. Any officer may be removed by a two-thirds vote of the general membership.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, shall be filled by the Board of Directors for the unexpired portion of the term.

Section 5. President. The President shall be the principal executive officer of the Association and shall in general supervise all of the business and affairs of the Association. He or she shall preside at all meetings of the members and of the Board of Directors and in general he or she shall perform all duties incident to the office of the President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice-President. In the absence of the President or in the event of his or her inability or refusal to act, the Vice-President (or in the event there be more than one Vice-President, the Vice-Presidents in the order of their election) shall perform the duties of the President. Any Vice-President shall perform such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Section 7. Treasurer. The Treasurer shall have charge and have custody of and be responsible for all funds of the Association; receive and give receipts for the monies due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks or other depositories as shall be selected in

accordance with these bylaws; keep a register of the post office addresses of each member which shall be furnished to the Treasurer by such member; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Section 8. Secretary. The Secretary shall keep the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; by custodial of the corporate records; and in general perform duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Article VI. Committees

Section 1. General. Committees shall be formed as deemed necessary by the Board of Directors.

Section 2. Nominating Committee. The Officers shall constitute a nominating committee to present for approval to the Board of Directors each January a slate of new Officers for nomination at the annual meeting.

Article VII. Checks, Drafts, Etc.

In the absence of an authorization by the Board of Directors, all checks, drafts or orders for payment of money, notes or other evidence of indebtedness issues in the name of the Association shall be signed by any officer of the Association and in such manner as from time to time shall be determined by resolution of the Board of Directors.

Article VIII. Books and Records

The Association shall keep correct and complete books and records of accounts and shall also keep minutes of the proceedings of its members, Board of Directors and committees and shall keep at its registered or principal office a record giving the names and addresses of the members entitled to vote, All books and records of the Association may be inspected by any member, or his agent or attorney, for any proper purpose at any time.

Article IX. Fiscal Year

The fiscal year of the Association shall be the calendar year.

Article X. Dues

Section 1. Annual Dues. The Board of Directors may determine from time to time the amount of annual dues payable to the Association by members.

Section 2. Payment of Dues. Dues for any fiscal year shall be payable by the first day of February in each fiscal year.

Section 3. Default and Termination of Membership. When any member shall be in default in the payment of dues his or her membership may thereafter be declared terminated by the Board of Directors.

Article XI. Indemnity

The Association shall indemnify each director and officer of the Association, and their heirs, legal representatives and assigns, against expenses and liabilities reasonably incurred in connection with any action, suit or proceeding in which the director or officer is involved or made a party by reason of being or having been such, except in relation to matters as to which the indemnitee shall be adjudged to be liable for negligence or misconduct in the performance of duty to the Association. The foregoing right of indemnification shall not be exclusive of other rights of which any director or officer may be entitled as a matter of law and shall include reimbursement of any amount and expenses paid or incurred in setting any such action, suit or proceeding when such settlement has been approved by the Board of Directors.

Article XII. Amendments to Bylaws

These bylaws may be altered, amended or repealed and new bylaws may be adopted by a majority of the directors present at any regular Board of Directors meeting, the majority of the membership concurring at the next annual meeting at which there is a quorum. Any such changes shall be appropriately published as per these bylaws.