

BYLAWS
OF
MOUNTAIN RIVER #2 CORPORATION

ARTICLE I.

OFFICES

Section 1.1 Business Offices. The initial principal office of the corporation shall be as stated in the articles of incorporation. The corporation may at any time and from time to time change the location of its principal office. The corporation may have such other offices, either within or outside Colorado, as the board of directors may designate or as the affairs of the corporation may require from time to time.

Section 1.2 Registered Office. The registered office required by the Colorado Revised Nonprofit Corporation Act (the Act) to be maintained in Colorado may be changed from time to time by the board of directors or by the officers of the corporation, or to the extent permitted by the Act by the registered agent of the corporation, provided in all cases that the street addresses of the registered office and of the business office or home of the registered agent of the corporation are identical.

ARTICLE II.

DEFINITIONS

Section 2.1 Lot. Lot shall be defined as: (i) a platted lot on which there may be constructed only a single family dwelling unit, or upon which one mobile home or modular home may be placed; or (ii) a lot upon which no more than two (2) recreational vehicles may be placed either by one owner of the entire lot or one vehicle each by the owners of an undivided interest in and to such lot as tenants-in-common.

Section 2.2 Member(s). Member(s) shall be defined as a qualified member and be a property owner(s) within Mountain River #2 Subdivision. Each lot shall be entitled to one membership as specified in section 3.1 below.

ARTICLE III.

MEMBERS

Section 3.1 Classification, Qualification, Privileges and Election of Members. The corporation shall have one class of members which members shall be property owner(s) within Mountain River Subdivision #2. Each member shall be entitled to vote in an election of directors and on any other matter requiring membership approval under the Act, the articles of incorporation or these bylaws. Voting members shall also be entitled to vote on any other matter

submitted to a vote of the voting membership by resolution of the board of directors. Any person may be a voting member, provided such voting member is a property owner.

Section 3.2 Dues. The board of directors may establish such periodic dues and other assessments and such rules and procedures for the manner and method of payment, the collection of delinquent dues and assessments and the proration or refund of dues and assessments in appropriate cases, as the board of directors shall deem necessary or appropriate. Dues may be increased at the discretion of the board by no more than 10% per annum.

Section 3.3 Suspension and Termination of Membership. A member, who fails to pay any dues or other assessment within thirty (30) days after written notice of such failure to pay is delivered to such member, shall be automatically suspended from membership until all such dues and assessments are fully paid, at which time such member shall be automatically reinstated. The voting members, by the vote of fifty one percent (51%) of all members entitled to vote thereon, may suspend or expel any member for cause. Any member who is suspended by a vote of the members shall remain so until reinstated by the vote of fifty one percent (51%) of all members entitled to vote thereon. During any period of suspension a member shall not be entitled to exercise the rights and privileges of membership, including without limitation the right to vote. A member who has been expelled or suspended shall be liable to the corporation for dues, assessments, or fees as a result of obligations incurred or commitments made prior to expulsion or suspension.

Section 3.4 Transfer of Membership. Membership in the corporation is transferable only upon the sale of title of property within Mountain River #2 Subdivision.

Section 3.5 Annual Meetings of Members. An annual meeting of the voting members shall be held the 2nd Saturday of June at the time and place, as determined by the board of directors, for the purpose of electing directors and for the transaction of such other business as may come before the board. If the election of directors shall not be held on the day designated herein for the annual meeting of the voting members, or at any adjournment thereof, the board of directors shall cause the election to be held at a meeting of the members as soon thereafter as conveniently may be. Failure to hold an annual meeting as required by these bylaws shall not work a forfeiture or dissolution of the corporation or invalidate any action taken by the board of directors or officers of the corporation.

Section 3.6 Special Meetings. A special meeting of the voting members, for any purpose or purposes may be called by the president and shall be called by the president upon the written request of voting members having at least fifty one percent (51%) of the votes entitled to be cast at such meetings. The president may present business for consideration at a special meeting regardless of whether the business pertains to a purpose described in the notice of such meeting.

Section 3.7 Place of Meeting. Each meeting of the members shall be held at such place, as may be designated in the notice of meeting, or, if no place is designated in the notice, at the principal office of the corporation in Colorado. Any or all members may participate in any

meeting through the use of any means of communication by which all persons participating in the meeting may hear each other during the meeting.

Section 3.8 Notice of Meeting. Except as otherwise prescribed by statute, written notice of each meeting of the members stating the place, date and time of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered no fewer than thirty (30) days nor more than sixty (60) days before the date of the meeting, either personally, by mail or private carrier, or by facsimile, electronic transmission or any other form of wire or wireless communication, by or at the direction of the president, or the secretary, or the other officer or person calling the meeting, to each member entitled to attend such meeting. If mailed, such notice shall be deemed delivered when deposited in the United States mail, addressed to each member at such member's address as it appears in the records of the corporation, with postage thereon prepaid. If delivered by private carrier, such notice is deemed delivered upon deposit with the carrier. If transmitted by facsimile, electronic transmission or by any other form of wire or wireless communication, such notice shall be deemed to be given when the transmission is complete. If the foregoing methods of personal notice are impracticable, notice may be communicated by a newspaper of general circulation in the area where published. Any member may waive notice of any meeting before, at or after such meeting. The attendance in person or by proxy of a member at a meeting shall constitute a waiver of notice of such meeting, unless the member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice. A member's attendance at a meeting also waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the member objects to considering the matter when it is presented.

Section 3.9 Quorum and Action of the Members. Except as otherwise required by the Act or the articles of incorporation, ten percent (10%) of the voting members entitled to vote on a matter shall constitute a quorum of the members with respect to such matter. With respect to all matters other than the election of directors, action is approved if a quorum exists and if the votes cast in favor of the action exceed the votes cast in opposition to the action, unless otherwise required by the Act. In an election of multiple directors, that number of candidates equaling the number of directors to be elected, having the highest number of votes cast in favor of their election, is elected to the board of directors. When only one director is being voted upon, the affirmative vote of a majority of the members represented at a meeting at which a quorum is present shall be required for election to the board of directors. If less than a quorum of the members is represented at a meeting, a majority of the members so represented may adjourn the meeting from time to time for a period not to exceed sixty (60) days at any one adjournment without further notice other than an announcement at the meeting. At such adjourned meeting, at which a quorum shall be represented, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 3.10 Voting Rights, Proxies.

(a) Each voting member is entitled to one vote on each matter submitted to a vote of the voting members. Cumulative voting shall not be allowed, except that voting

members may cumulate votes for directors as provided in C.R.S. Section 7-127-208.

(b) At each meeting of the voting members, a member entitled to vote thereat may vote by proxy executed in writing by the member or by such member's duly authorized attorney in fact. Such proxy shall be delivered to the corporation before or at the time of the meeting in any manner permitted by C.R.S. Section 7-127-203. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

(c) The secretary of the board is required to prepare a members' list in connection with any meeting of the members.

(d) Members may vote pursuant to a voting agreement only if such agreement is filed with the secretary of the corporation prior to such vote.

(e) **Voting Rights.** A voting member(s) shall be a member(s) as specified in section 3.1. When more than one person holds an ownership interest in any lot, all such owners shall constitute one membership and the vote provided for herein shall be exercised as they amongst themselves determine. In no event shall more than one vote be cast with respect to any lot; provided, however, when a voting member holding an ownership interest or an undivided one-half interest in a lot as tenant-in-common is not current in the Corporation dues and assessments, the other party holding an ownership interest or an undivided one-half interest in said lot as tenant-in-common shall be entitled to submit one vote for the entire lot, provided, however, that the other party submitting the vote is current in the Corporation dues and assessments.

Section 3.11 Committees. The board of directors or the voting members at any time and from time to time may establish one or more committees of members for any appropriate purposes and may dissolve any such committee. The members of the committee shall elect a chair who shall preside at all meetings of the committee and generally supervise the conduct of the committee's affairs. Rules governing procedures for meetings of any such committee and for the conduct of such committee's affairs shall be the same as those set forth in these bylaws or the Act for the board of directors unless the voting members or the committee itself determines otherwise.

Section 3.12 Action Without a Meeting. Any action required or permitted to be taken at a meeting of the members or any committee thereof may be taken without a meeting either by unanimous written consent or by written ballot. Action by unanimous written consent is taken when a consent in writing, setting forth the action to be taken, is signed by all of the voting members entitled to vote with respect to the subject matter thereof. Such consent (which may be signed in counterparts) shall have the same force and effect as a unanimous vote of the members entitled to vote thereon. Action by written ballot may be taken as provided under the Act, a written ballot may not be revoked.

ARTICLE IV.

BOARD OF DIRECTORS

Section 4.1 General Powers. Except as otherwise provided in the Act, the articles of incorporation or these bylaws, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation shall be managed by its board of directors.

Section 4.2 Qualifications, Number, Election and Tenure.

(a) **Qualifications.** Each director must be a natural person who is eighteen years of age or older. A director need not be a resident of Colorado.

(b) **Number.** The number of directors of the corporation shall be five (5). Any action of the members or board of directors to change the number of directors, whether expressly by resolution or by implication through the election of additional directors, shall constitute an amendment of these bylaws changing the number of directors, provided such action otherwise satisfies the requirements for amending these bylaws as provided in the Act, the articles of incorporation or these bylaws.

(c) **Election and Tenure.** Directors shall be elected to a three (3) year term by the voting members at an annual meeting of the members. Terms of board members shall be staggered. Each director so elected shall hold office until such director's term expires and thereafter until such director's successor shall have been elected and qualified, or until such director's earlier death, resignation or removal.

Section 4.3 Resignation, Removal, Vacancies. Any director may resign at any time in accordance with Section 5.4. A director's resignation shall take effect at the time specified in such notice, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. A director shall be deemed to have resigned in the event of such director's incapacity as determined by a court of competent jurisdiction. Any director may be removed at any time, with or without cause, by the affirmative vote of a majority of the other directors then in office.

Section 4.4 Regular Meetings. A regular annual meeting of the board of directors shall be held immediately after and at the same place as the annual meeting of the members, or as soon as practicable thereafter at the time and place, determined by the board, for the purpose of electing officers and for the transaction of such other business as may come before the board. The board of directors may provide by resolution the time and place, either within or outside Colorado, for the holding of additional regular meetings.

Section 4.5 Special Meetings. Special meetings of the board of directors may be called by or at the request of the president or any three (3) directors. The person or persons authorized

to call special meetings of the board of directors may fix the time and place, for holding any special meeting of the board called by them.

Section 4.6 Notice of Meetings.

(a) **Requirements.** Notice of each meeting of the board of directors stating the date, time and place of the meeting shall be given to each director at such director's business or residential address at least five (5) days prior thereto by the mailing of written notice by first class, certified or registered mail, or at least two (2) days prior thereto by personal delivery or private carrier of written notice or by telephone, facsimile, electronic transmission or any other form of wire or wireless communication and the method of notice need not be the same as to each director. Written notice, if in a comprehensible form, is effective at the earliest of: (i) the date received; (ii) five days after its deposit in the United States mail, as evidenced by the postmark, if mailed correctly addressed and with first class postage affixed; and (iii) the date shown on the return receipt, if mailed by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee. Oral notice is effective when communicated in a comprehensible manner. If transmitted by facsimile, electronic transmission or other form of wire or wireless communication, notice shall be deemed to be given when the transmission is complete.

(b) **Waiver of Notice.** A director may waive notice of any meeting before or after the time and date of the meeting stated in the notice. Except as otherwise provided in this Section 4.6(b), the waiver shall be in writing and signed by the director entitled to the notice. Such waiver shall be delivered to the corporation for filing with the corporate records, but such delivery and filing shall not be conditions of the effectiveness of the waiver. A director's attendance at or participation in a meeting waives any required notice to that director of the meeting unless: (i) at the beginning of the meeting or promptly upon the director's later arrival, the director objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice and does not thereafter vote for or assent to action taken at the meeting; or (ii) if special notice was required of a particular purpose pursuant to the Act or these bylaws, the director objects to transacting business with respect to the purpose for which such special notice was required and does not thereafter vote for or assent to action taken at the meeting with respect to such purpose.

Section 4.7 Deemed Assent. A director of the corporation who is present at a meeting of the board of directors when corporate action is taken is deemed to have assented to all action taken at the meeting unless: (i) the director objects at the beginning of the meeting, or promptly upon the director's arrival, to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to any action taken at the meeting; or (ii) the director contemporaneously requests the director's dissent or abstention as to any specific action taken be entered in the minutes of the meeting; or (iii) the director causes written notice of the director's

dissent or abstention as to any specific action to be received by the presiding officer of the meeting before the adjournment thereof or by the corporation promptly after the adjournment of the meeting. Such right of dissension or abstention is not available to a director who votes in favor of the action taken.

Section 4.8 Quorum and Voting. A majority of the directors in office immediately before a meeting begins shall constitute a quorum for the transaction of business at any meeting of the board of directors, and the vote of a majority of the directors present in person at a meeting at which a quorum is present shall be the act of the board of directors, unless otherwise required by the Act, the articles of incorporation or these bylaws. If less than a quorum is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice other than an announcement at the meeting, until a quorum shall be present.

Section 4.9 Voting by Proxy. For purposes of determining a quorum with respect to a particular proposal, and for purposes of casting a vote for or against a particular proposal, a director may be deemed to be present at a meeting and to vote if the director has granted a signed written proxy to another director who is present at the meeting, authorizing the other director to cast the vote that is directed to be cast by the written proxy with respect to the particular proposal that is described with reasonable specificity, in the proxy. Except as provided in this Section 4.9 and as permitted by Section 4.14, directors may not vote or otherwise act by proxy.

Section 4.10 Compensation. Directors may not receive compensation for their services as such.

Section 4.11 Committees. By one or more resolutions adopted by the vote of a majority of the directors present in person at a meeting at which a quorum is present, the board of directors may designate from among its members one or more other committees, each of which, to the extent provided in the resolution establishing such committee, shall have and may exercise all of the authority of the board of directors, except as prohibited by the Act. The delegation of authority to any committee shall not operate to relieve the board of directors or any member of the board from any responsibility or standard of conduct imposed by law or these bylaws. Rules governing procedures for meetings of any committee shall be the same as those set forth in these bylaws or the Act for the board of directors unless the board or the committee itself determines otherwise.

(a) **Nominating Committee.** The Nominating Committee shall consist of from one (1) to two (2) directors designated by the board of directors. Each year the Nominating Committee shall nominate candidates to fill the vacancies on the board of directors which arise as a result of the expiration of terms or otherwise. The list of nominated candidates shall be presented to the voting members not less than thirty (30) days prior to the date of election of the directors. The voting members may elect directors who are not included on the list submitted by the Nominating Committee.

Section 4.12 Advisory Boards. The board of directors may from time to time form one or more advisory boards, committees, auxiliaries or other bodies composed of such members, having such rules of procedure, and having such chair, as the board of directors shall designate. The name, objectives and responsibilities of each such advisory board, and the rules and procedures for the conduct of its activities shall be determined by the board of directors. An advisory board may provide such advice, service, and assistance to the corporation, and carry out such duties and responsibilities for the corporation as may be specified by the board of directors; except that, if any such committee or advisory board has one or more members thereof who are entitled to vote on committee matters and who are not then also directors, such committee or advisory board may not exercise any power or authority reserved to the board of directors by the Act, the articles of incorporation or these bylaws. Further, no advisory board shall have authority to incur any corporate expense or make any representation or commitment on behalf of the corporation without the express approval of the board of directors or the President of the corporation.

Section 4.13 Meetings by Telephone. Members of the board of directors or any committee thereof may participate in a regular or special meeting by, or conduct the meeting through the use of any means of communication by which all directors participating may hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

Section 4.14 Action Without a Meeting.

(a) Any action required or permitted to be taken at a meeting of the board of directors or any committee thereof may be taken without a meeting if each and every member of the board or committee in writing either: (i) votes for such action; (ii) votes against such action; or (iii) abstains from voting. Each director or committee member who delivers a writing described in this Section 4.14(a) to the corporation shall be deemed to have waived the right to demand that action not be taken without a meeting.

(b) Action is taken under this Section 4.14 only if the affirmative vote for such action equals or exceeds the minimum number of votes that would be necessary to take such action at a meeting at which all of the directors then in office were present and voted.

(c) No action taken pursuant to this Section 4.14 shall be effective unless writings describing the action taken and otherwise satisfying the requirements of Section 4.14(a), signed by all directors and not revoked pursuant to Section 4.14(d) are received by the corporation. Any such writing may be received by the corporation by electronically transmitted facsimile or other form of wire or wireless communication providing the corporation with a complete copy of the document, including a copy of the signature on the document. Action taken pursuant to this Section 4.14 shall be effective when the last writing necessary to effect the action is received by the corporation unless the writings describing the action taken set forth a different effective date.

(d) Any director who has signed a writing pursuant to this Section 4.14 may revoke such writing by a writing signed and dated by the director describing the action and stating that the director's prior vote with respect thereto is revoked, if such writing is received by the corporation before the last writing necessary to effect the action is received by the corporation.

(e) Action taken pursuant to this Section 4.14 has the same effect as action taken at a meeting of directors and may be described as such in any document.

(f) All signed written instruments necessary for any action taken pursuant to this Section 4.14 shall be filed with the minutes of the meetings of the board of directors.

ARTICLE V.

OFFICERS AND AGENTS

Section 5.1 Designation and Qualifications. The elected officers of the corporation shall be a President, one or more Vice-Presidents, a Secretary and a Treasurer. The board of directors may also appoint, designate or authorize such other officers, assistant officers and agents, including executive director, a chief financial officer, a controller, assistant secretaries and assistant treasurers, as it may consider necessary or useful. One person may hold more than one office at a time. Officers need not be directors of the corporation. All officers must be natural persons who are eighteen years of age or older.

Section 5.2 Election and Term of Office. The board of directors, or an officer or committee to which such authority has been delegated by the board of directors, shall elect or appoint the officers at or in conjunction with each annual meeting of the board of directors. If the election and appointment of officers shall not be held at or in conjunction with such meeting, such election or appointment shall be held as soon as convenient thereafter. Each officer shall hold office from the end of the meeting at or in conjunction with which such officer was elected or appointed until such officer's successor shall have been duly elected or appointed and shall have qualified, or until such officer's earlier death, resignation or removal.

Section 5.3 Removal. Any officer or agent may be removed by the board of directors at any time, with or without cause, but removal shall not affect the contract rights, if any, of the person so removed. Election, appointment or designation of an officer or agent shall not itself create contract rights.

Section 5.4 Vacancies. Any officer may resign at any time, subject to any rights or obligations under any existing contracts between the officer and the corporation, by giving written notice to the president or to the board of directors. An officer's resignation shall take effect upon receipt by the corporation unless the notice specifies a later effective date, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

An officer shall be deemed to have resigned in the event of such officer's incapacity as determined by a court of competent jurisdiction. A vacancy in any office, however occurring, may be filled by the board of directors, or by any officer or committee to which such authority has been delegated by the board of directors, for the unexpired portion of the term. If a resignation is made effective at a later date, the board of directors may permit the officer to remain in office until the effective date and may fill the pending vacancy before the effective date with the provision that the successor does not take office until the effective date, or the board of directors may remove the officer at any time before the effective date and may fill the resulting vacancy.

Section 5.5 Authority and Duties of Officers. The officers of the corporation shall have the authority and shall exercise the powers and perform the duties specified below and as may be additionally specified by the President, the board of directors or these bylaws, except that in any event each officer shall exercise such powers and perform such duties as may be required by law.

(a) President. The president shall, subject to the direction and supervision of the board of directors: (i) be the chief executive officer of the corporation and have general and active control of its affairs and business and general supervision of its officers, agents and employees; (ii) preside at all meetings of the members and of the board of directors; (iii) see that all resolutions of the board of directors are carried into effect; and (iv) perform all other duties incident to the office of president and as from time to time may be assigned to such office by the board of directors.

(b) Vice-President. The vice-president or vice-presidents shall assist the president and shall perform such duties as may be assigned to them by the president or by the board of directors. The vice-president (or if there is more than one, then the vice-president designated by the board of directors, or if there be no such designation, then the vice-presidents in order of their election) shall, at the request of the president, or in the president's absence or inability or refusal to act, perform the duties of the president and when so acting shall have all the powers of and be subject to all the restrictions on the president.

(c) Secretary. The secretary shall: (i) keep the minutes of the proceedings of the members, the board of directors and any committees of the members or the board; (ii) see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; (iii) be custodian of the corporate records and of the seal of the corporation; (iv) keep at the corporation's registered office or principal place of business within or outside Colorado a record containing the names and addresses of all members; and (v) in general, perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to such office by the president or by the board of directors. Assistant secretaries, if any, shall have the same duties and powers, subject to supervision by the secretary.

(d) Treasurer. The treasurer shall: (i) be the chief financial officer of the corporation and have the care and custody of all its funds, securities, evidences of

indebtedness and other personal property and deposit the same in accordance with the instructions of the board of directors; (ii) receive and give receipts and acquittances for moneys paid in on account of the corporation, and pay out of the funds on hand all bills, payrolls and other just debts of the corporation of whatever nature upon maturity; (iii) unless there is a controller, be the principal accounting officer of the corporation and as such prescribe and maintain the methods and systems of accounting to be followed, keep complete books and records of account, prepare and file all local, state and federal tax returns and related documents, prescribe and maintain an adequate system of internal audit, and prepare and furnish to the president and the board of directors statements of account showing the financial position of the corporation and the results of its operations; (iv) monitor compliance with all requirements imposed on the corporation as an organization described in the Internal Revenue Code.

Section 5.6 Surety Bonds. The board of directors may require any officer or agent of the corporation to execute to the corporation a bond in such sums and with such sureties as shall be satisfactory to the board, conditioned upon the faithful performance of such person's duties and for the restoration to the corporation of all books, papers, vouchers, money and other property of whatever kind in such person's possession or under such person's control belonging to the corporation.

ARTICLE VI.

FIDUCIARY MATTERS

Section 6.1 Indemnification.

(a) Scope of Indemnification. The corporation shall indemnify each director, officer, employee and volunteer of the corporation to the fullest extent permissible under the laws of the State of Colorado, and may in its discretion purchase insurance insuring its obligations hereunder or otherwise protecting the persons intended to be protected by this Section 6.1. The corporation shall have the right, but shall not be obligated, to indemnify any agent of the corporation not otherwise covered by this Section 6.1 to the fullest extent permissible under the laws of the State of Colorado.

(b) Savings Clause, Limitation. If any provision of the Act or these bylaws dealing with indemnification shall be invalidated by any court on any ground, then the corporation shall nevertheless indemnify each party otherwise entitled to indemnification hereunder to the fullest extent permitted by law or any applicable provision of the Act or these bylaws that shall not have been invalidated. Notwithstanding any other provision of these bylaws, the corporation shall neither indemnify any person nor purchase any insurance in any manner or to any extent that would jeopardize or be inconsistent with the qualification of the corporation as an organization described in the Internal Revenue Code.

Section 6.2 General Standards of Conduct for Directors and Officers.

(a) Discharge of Duties. Each director shall discharge the director's duties as a director, including the director's duties as a member of a committee of the board, and each officer with discretionary authority shall discharge the officer's duties under that authority: (i) in good faith; (ii) with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and (iii) in a manner the director or officer reasonably believes to be in the best interests of the corporation.

(b) Reliance on Information, Reports, Etc. In discharging duties, a director or officer is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by: (i) one or more officers or employees of the corporation whom the director or officer reasonably believes to be reliable and competent in the matters presented; (ii) legal counsel, a public accountant or another person as to matters the director or officer reasonably believes are within such person's professional or expert competence; or (iii) in the case of a director, a committee of the board of directors of which the director is not a member if the director reasonably believes the committee merits confidence. A director or officer is not acting in good faith if the director or officer has knowledge concerning the matter in question that makes reliance otherwise permitted by this Section 6.2(b) unwarranted.

(c) Liability to Corporation or Its Members. A director or officer shall not be liable as such to the corporation or its members for any action taken or omitted to be taken as a director or officer, as the case may be, if in connection with such action or omission, the director or officer performed the duties of the position in compliance with this Section 6.2.

(d) Director Not Deemed to be a "Trustee." A director, regardless of title, shall not be deemed to be a "trustee" within the meaning given that term by trust law with respect to the corporation or with respect to any property held or administered by the corporation including, without limitation, property that may be subject to restrictions imposed by the donor or transferor of such property.

Section 6.3 Conflicts of Interest

(a) Definition. A conflict of interest arises when any "responsible person" or any "party related to a responsible person" has an "interest adverse to the corporation." A "responsible person" is any individual in a position to exercise substantial influence over the affairs of the corporation, and specifically includes, without limitation, directors and officers of the corporation. A "party related to a responsible person" includes his or her extended family (including spouse, ancestors, descendants and siblings, and their respective spouses and descendants),

an estate or trust in which the responsible person or any member of his or her extended family has a beneficial interest or a fiduciary responsibility, or an entity in which the responsible person or any member of his or her extended family is a director, trustee or officer or has a financial interest. "An interest adverse to the corporation" includes any interest in any contract, transaction or other financial relationship with the corporation, and any interest in an entity whose best interests may be impaired by the best interests of the corporation including, without limitation, an entity providing any goods or services to or receiving any goods or services from the corporation, an entity in which the corporation has any business or financial interest, and an entity providing goods or services or performing activities similar to the goods or services or activities of the corporation.

(b) Disclosure. If a responsible person is aware that the corporation is about to enter into any transaction or make any decision involving a conflict of interest, (a "conflicting interest transaction"), such person shall: (i) immediately inform those charged with approving the conflicting interest transaction on behalf of the corporation of the interest or position of such person or any party related to such person; (ii) aid the persons charged with making the decision by disclosing any material facts within the responsible person's knowledge that bear on the advisability of the corporation entering into the conflicting interest transaction; and (iii) not be entitled to vote on the decision to enter into such transaction.

(c) Approval of Conflicting Interest Transactions. The corporation may enter into a conflicting interest transaction provided either:

(i) The material facts as to the responsible person's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the board of directors or to a committee of the board of directors that authorizes, approves or ratifies the conflicting interest transaction, and the board or committee in good faith authorizes, approves or ratifies the conflicting interest transaction by the affirmative vote of a majority of the disinterested directors on the board or committee, even though the disinterested directors are less than a quorum; or

(ii) The material facts as to the responsible person's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the members, and the conflicting interest transaction is specifically authorized, approved, or ratified in good faith by a vote of the members entitled to vote thereon; or

(iii) The conflicting interest transaction is fair as to the corporation.

Section 6.4 Liability of Directors for Unlawful Distributions.

(a) **Liability to Corporation.** A director who votes for or assents to a distribution made in violation of the Act or the articles of incorporation of the corporation shall be personally liable to the corporation for the amount of the distribution that exceeds what could have been distributed without violating the Act or the articles of incorporation if it is established that the director did not perform the director's duties in compliance with the general standards of conduct for directors set forth in Section 6.2.

(b) **Contribution.** A director who is liable under Section 6.4(a) for an unlawful distribution is entitled to contribution: (i) from every other director who could be liable under Section 6.4(a) for the unlawful distribution; and (ii) from each person who accepted the distribution knowing the distribution was made in violation of the Act or the articles of incorporation, to the extent the distribution to that person exceeds what could have been distributed to that person without violating the Act or the articles of incorporation.

Section 6.5 Loans to Directors and Officers Prohibited. No loans shall be made by the corporation to any of its directors or officers. Any director or officer who assents to or participates in the making of any such loan shall be liable to the corporation for the amount of such loan until the repayment thereof.

ARTICLE VII.

RECORDS OF THE CORPORATION

Section 7.1 Minutes, Etc. The corporation shall keep as permanent records minutes of all meetings of the members and board of directors, a record of all actions taken by the members or board of directors without a meeting, a record of all actions taken by a committee of the board of directors in place of the board of directors on behalf of the corporation, and a record of all waivers of notices of meetings of the members and of the board of directors or any committee of the board of directors.

Section 7.2 Accounting Records. The corporation shall maintain appropriate accounting records.

Section 7.3 Membership List. The corporation, or its agent, shall maintain a record of the members in a form that permits preparation of a list of the names and addresses of the members in alphabetical order, by class, showing the number of votes each member is entitled to vote.

Section 7.4 Records In Written Form. The corporation shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

Section 7.5 Records Maintained at Principal Office. The corporation shall keep a copy of each of the following records at its principal office:

- (a) The articles of incorporation;
- (b) These bylaws;
- (c) Resolutions adopted by the board of directors relating to the characteristics, qualifications, rights, limitations and obligations of the members;
- (d) The minutes of all meetings of the members, and records of all action taken by the members without a meeting, for the past three years;
- (e) All written communications within the past three years to the members generally as the members;
- (f) A list of the names and business or home addresses of the current directors and officers;
- (g) A copy of the most recent corporate report delivered to the Colorado Secretary of State;
- (h) All financial statements prepared for periods ending during the last three (3) years that a member of the corporation could have requested under Section 7.6(c);
- (i) The corporation's application for recognition of exemption and the tax-exemption determination letter issued by the Internal Revenue Service; and
- (j) All other documents or records required to be maintained by the corporation at its principal office under applicable law or regulation.

Section 7.6 Inspection of Records by Members.

- (a) **Records Maintained at Principal Office.** A member (including a beneficial owner whose membership interest is held in a voting trust and any other beneficial owner of a membership interest who establishes beneficial ownership) shall be entitled to inspect and copy, during regular business hours at the corporation's principal office, any of the records of the corporation described in Section 7.5, provided that the member gives the corporation written demand at least five (5) business days before the date on which the member wishes to inspect and copy such records.

(b) Other Records. A member is entitled to inspect and copy, during regular business hours at a reasonable location specified by the corporation, any other records of the corporation, provided that the member gives the corporation written demand at least five (5) business days before the date on which the member wishes to inspect and copy such records, and satisfies the following requirements:

(i) The member has been a member for at least three (3) months immediately preceding the demand to inspect or copy or is a member holding at least five percent (5%) of the voting power as of the date the demand is made;

(ii) The demand is made in good faith and for a proper purpose reasonably related to the demanding member's interest as a member;

(iii) The member describes with reasonable particularity the purpose and the records the member desires to inspect; and

(iv) The records are directly connected, with the described purpose. If the member demands to inspect the record of members pursuant to this Section 7.6(b), the corporation may comply with such demand by furnishing to the member a membership list that complies with Section 7.3 and that was compiled no earlier than the date of the member's demand.

(c) Financial Statements. Upon the written request of any member, the corporation shall mail to such member its most recent annual financial statements, if any, and its most recently published financial statements, if any, showing in reasonable detail its assets and liabilities and results of its operations.

(d) Membership List.

(i) Preparation of Membership List. After fixing a record date for a notice of a meeting or for determining the members entitled to take action by written ballot, the corporation shall prepare an alphabetical list of the names of all members who are entitled to notice of, and to vote at, the meeting or to participate in such action by written ballot. The list shall show the address of each member entitled to notice of, and to vote at, the meeting or to take such action by written ballot and the number of votes each member is entitled to vote at the meeting or by written ballot.

(ii) Right of Inspection. If prepared in connection with a meeting of the members, the membership list shall be available for

inspection by any member entitled to vote at the meeting, beginning the earlier of ten (10) days before the meeting for which the list was prepared or two (2) business days after notice of the meeting is given and continuing through the meeting, and any adjournment thereof, at the corporation's principal office or at a place identified in the notice of the meeting in the city where the meeting will be held. The corporation shall make the membership list available at the meeting, and any member entitled to vote at the meeting is entitled to inspect the list at any time during the meeting or any adjournment. If prepared in connection with action to be taken by the members by written ballot, the membership list shall be available for inspection by any member entitled to cast a vote by such written ballot, beginning on the date that the first written ballot is delivered to the members of the corporation, provided that the member gives the corporation written demand at least five (5) business days before the date on which the member wishes to inspect and copy such records, and satisfies the following requirements:

- (i) The member has been a member for at least three (3) months immediately preceding the demand to inspect or copy or is a member holding at least five percent (5%) of the voting power as of the date the demand is made;
- (ii) The demand is made in good faith and for a proper purpose reasonably related to the demanding member's interest as a member;
- (iii) The member describes with reasonable particularity the purpose and the records the member desires to inspect; and
- (iv) The records are directly connected with the described purpose.

(e) Scope of Members' Inspection Rights.

- (i) Agent or Attorney. The member's duly authorized agent or attorney has the same inspection and copying rights as the member.
- (ii) Right to Copy. The right to copy records under this Article VII includes, if reasonable, the right to receive copies made by photographic, xerographic, electronic or other means.
- (iii) Reasonable Charge for Copies. Except for requests for financial statements pursuant to Section 7.6(c), the corporation may impose a

reasonable charge, covering the costs of labor and material, for copies of any documents provided to a member. The charge may not exceed the estimated cost of production and reproduction of the records.

(iv) Litigation. Nothing in this Article VII shall limit the right of a member to inspect records to the same extent as any other litigant if the member is in litigation with the corporation, or the power of a court to compel the production of corporate records for examination.

ARTICLE VIII.

AMENDMENT OF BYLAWS

Section 8.1 Amendment of Bylaws by Board of Directors. Subject to the specific requirements for amendment of certain bylaws as set forth herein, the board of directors may amend the bylaws at any time to add, change, or delete a provision, unless:

- (a) The Act or the articles of incorporation reserve such power exclusively to the members in whole or part; or
- (b) A particular provision of these bylaws expressly prohibits the board of directors from doing so; or
- (c) Such addition, change or deletion would result in a change of the rights, privileges, preferences, restrictions or conditions of a membership class as to voting, dissolution, redemption or transfer or by changing the rights, privileges, preferences, restrictions or conditions of another class of members.

Section 8.2 Amendment of Bylaws by Members. Subject to the specific requirements for amendment of certain bylaws as set forth herein, the members may amend the bylaws even though the bylaws may also be amended by the board of directors. In such an instance, the amendment shall be adopted as follows:

- (a) Proposal. The board of directors may propose an amendment to the bylaws for submission to the members, or twenty-five percent (25%) of the members may propose an amendment on their own initiative.

Section 8.3 Procedure for Adoption.

- (a) Recommendation by Board of Directors. The board of directors shall recommend the amendment to the members unless the amendment is proposed by the members or unless the board of directors determines that, because of conflict of interest or other special circumstances, it should make no recommendation and communicates the basis for its determination to the members with the amendment.

(b) Approval by Members. Proposals recommended by the board of directors pursuant to Section 8.2(a) and proposals made by the members shall be submitted to the members for action. The members may approve, reject or take no action on the proposed amendment.

(c) Conditions. The proposing board of directors or the proposing members may condition the effectiveness of an amendment to the bylaws on any basis.

(d) Notice. The notice of the meeting of the members at which the amendment will be proposed shall state that the purpose, or one of the purposes, of the meeting is to consider the amendment, and the notice shall contain or be accompanied by a copy or a summary of the amendment.

Section 8.4 Changing Quorum or Voting Requirement for Members. An amendment to the bylaws to add, change or delete a lesser or greater quorum or a greater voting requirement for the members shall meet the same quorum requirement and be adopted by the same vote and voting groups required to take action under the quorum and voting requirements then in effect or proposed to be adopted, whichever are greater. A bylaw that fixes a lesser or greater quorum or a greater voting requirement for the members pursuant to this Section 8.4 shall not be amended by the board of directors.

Section 8.5 Changing Quorum or Voting Requirement for Directors. A bylaw that fixes a greater quorum or voting requirement for the board of directors may be amended only by the members, if adopted by the members, or either by the members or by the board of directors, if adopted by the board of directors. A bylaw adopted or amended by the members that fix a greater quorum or voting requirement for the board of directors may provide that it may be amended only by a specified vote of either the members or the board of directors. Action by the board of directors under this Section 8.5 to adopt or amend a bylaw that changes the quorum or voting requirement for the board of directors shall meet the same quorum requirement and be adopted by the same vote required to take action under the quorum and voting requirement then in effect or proposed to be adopted, whichever is greater.

ARTICLE IX.

MISCELLANEOUS

Section 9.1 Fiscal Year. The fiscal year of the corporation shall be as established by the board of directors.

Section 9.2 Conveyances and Encumbrances. Property of the corporation may be assigned, conveyed or encumbered by such officers of the corporation as may be authorized to do so by the board of directors, and such authorized persons shall have power to execute and deliver any and all instruments of assignment, conveyance and encumbrance; however, the sale, exchange, lease or other disposition of all or substantially all of the property and assets of the corporation shall be authorized by a simple majority vote of the members.

Section 9.3 Designated Contributions. The corporation may accept any contribution, gift, grant, bequest or devise that is designated, restricted or conditioned by the donor, provided that the designation, restriction or condition is consistent with the corporation's general tax purposes. Donor-designated contributions will be accepted for special funds, purposes or uses, and such designations generally will be honored. However, the corporation shall reserve all right, title and interest in and to and control over such contributions, and shall have authority to determine the ultimate expenditure or distribution thereof in connection with any such special fund, purpose or use. Further, the corporation shall acquire and retain sufficient control over all donated funds (including designated contributions) to assure that such funds will be used exclusively to carry out the corporation's tax purposes.

Section 9.4 References to Internal Revenue Code. All references in these bylaws to provisions of the Internal Revenue Code are to the provisions of the Internal Revenue Code of 1986, as amended, and to the corresponding provisions of any subsequent federal tax laws.

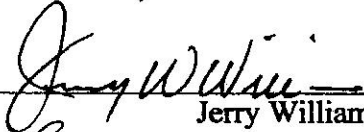
Section 9.5 Principles of Construction. Words in any gender shall be deemed to include the other gender; the singular shall be deemed to include the plural and vice versa; the words "pay" and "distribute" shall also mean assign, convey and deliver; and the table of contents, headings and underlined paragraph titles are for guidance only and shall have no significance in the interpretation of these bylaws.

Section 9.6 Severability. The invalidity of any provision of these bylaws shall not affect the other provisions hereof, and in such event these bylaws shall be construed in all respects as if such invalid provision were omitted.

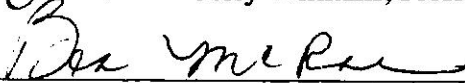
BYLAWS CERTIFICATE

The undersigned certify that we, the Directors of Mountain River #2 Corporation, a Colorado nonprofit corporation, and that, as such, the undersigned are authorized to execute this certificate on behalf of said corporation, and further certify that attached hereto is a complete and correct copy of the presently effective bylaws of said corporation.

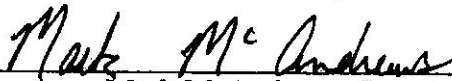
Dated: Sept. 12, 2009.



Jerry Williams, President



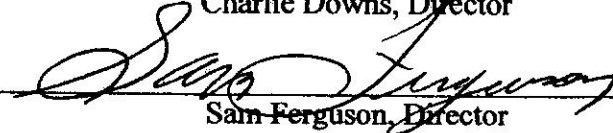
Bea McRae, Vice President



Mark McAndrews, Secretary/Treasurer



Charlie Downs, Director



Sam Ferguson, Director

Document must be filed electronically.
Paper documents will not be accepted.

Document processing fee
Fees & forms/cover sheets
are subject to change.

\$50.00

To access other information or print
copies of filed documents,
visit www.sos.state.co.us and
select Business Center.

ABOVE SPACE FOR OFFICE USE ONLY

Articles of Incorporation for a Nonprofit Corporation
filed pursuant to § 7-122-101 and § 7-122-102 of the Colorado Revised Statutes (C.R.S.)

1. The domestic entity name for the nonprofit corporation is

Mountain River #2 Corporation

(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)

2. The principal office address of the nonprofit corporation's initial principal office is

Street address

22 Mountain River Road

(Street number and name)

Bayfield

(City)

CO

(State)

81122

(ZIP/Postal Code)

United States

(Country)

(Province - if applicable)

Mailing address

(leave blank if same as street address)

(Street number and name or Post Office Box information)

(City)

(State)

(ZIP/Postal Code)

(Province - if applicable)

(Country)

3. The registered agent name and registered agent address of the nonprofit corporation's initial registered agent are

Name

(if an individual)

(Last)

(First)

(Middle)

(Suffix)

OR

(if an entity)

Mountain River #2 Corporation

(Caution: Do not provide both an individual and an entity name.)

Street address

22 Mountain River Road

(Street number and name)

Bayfield

(City)

CO

(State)

81122

(ZIP Code)

Mailing address
(leave blank if same as street address)

(Street number and name or Post Office Box information)

(City) CO _____
(State) (ZIP Code)

(The following statement is adopted by marking the box.)

The person appointed as registered agent above has consented to being so appointed.

4. The true name and mailing address of the incorporator are

Name
(if an individual) Williams Jerry
(Last) (First) (Middle) (Suffix)

OR

(if an entity)
(Caution: Do not provide both an individual and an entity name.)

Mailing address P.O. Box 775
(Street number and name or Post Office Box information)

Flora Vista NM 87410
(City) (State) (ZIP/Postal Code)

United States
(Province - if applicable) (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

The corporation has one or more additional incorporators and the name and mailing address of each additional incorporator are stated in an attachment.

5. (If the following statement applies, adopt the statement by marking the box.)

The nonprofit corporation will have voting members.

6. (The following statement is adopted by marking the box.)

Provisions regarding the distribution of assets on dissolution are included in an attachment.

7. (If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains additional information as provided by law.

8. (Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)

The delayed effective date and, if applicable, time of this document is/are _____
(mm/dd/yyyy hour:minute am/pm)

Notice:

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered.

9. The true name and mailing address of the individual causing the document to be delivered for filing are

<u>McAndrews</u>	<u>Mark</u>		
<small>(Last)</small>	<small>(First)</small>	<small>(Middle)</small>	<small>(Suffix)</small>
<u>3107 Northridge Dr.</u>			
<small>(Street number and name or Post Office Box information)</small>			
<u>Farmington</u>		<u>NM</u>	<u>87401</u>
<small>(City)</small>	<small>(State)</small>	<small>(ZIP/Postal Code)</small>	
<u>United States</u>			
<small>(Province - if applicable)</small>		<small>(Country)</small>	

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

- This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

Disclaimer:

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).