

AMENDED AND RESTATED
BYLAWS OF
TAHOE VILLAGE HOMEOWNERS ASSOCIATION
A NON-PROFIT CORPORATION

ARTICLE I

OFFICES:

Section 1: PRINCIPAL OFFICE. The principal office for the transaction of the businesses of the corporation will be at 321 Olympic Court , Stateline, Nevada, 89449, with mailing address of Post Office Box 5030, Stateline, Nevada, 89449-5030. The Board of Directors is hereby granted full power and authority to change said principal office from one location to another as they may designate.

Section 2: OTHER OFFICES. Branch or subordinate offices may be at any time established by the Board of Directors at any place or places where the corporation is qualified to do business.

ARTICLE II

MEETINGS OF MEMBERS:

Section 1: STOCKHOLDERS MEETINGS. All meetings of stockholders shall be held either at the principal place of business of the corporation or at any other place within or without the State of Nevada or the United States as the Board or any other person authorized to call such meeting or meetings may designate.

Section 2: ANNUAL MEETINGS. The annual meeting of the members of the Association shall be held at 9:00 a.m. on the morning of the first Saturday in the month of June of each year,

if not a legal holiday, and if a legal holiday, then at the same time on the next succeeding Saturday not a legal holiday. In the event that such annual meeting is omitted by oversight or otherwise on the date herein provided for, the Board of Directors shall cause a meeting in lieu thereof to be to be held as soon thereafter as conveniently may be held, and any business transacted or elections held at such meeting shall be as valid as if transacted or held at the annual meeting. Such subsequent meetings shall be called in the same manner as provided for the annual stockholders meetings.

Section 3: NOTICE. Written notice of each annual meeting signed by the president or vice-president, or the secretary, or an assistant secretary, or by such other person or persons as the directors shall designate, shall be given each member entitled to vote thereat, either personally or by mail or by other means of written communication, charges prepaid addressed to such member at his address appearing on the books of the Association or given by him to the Association for the purpose of notice. If a member gives no address, notice shall be deemed to have been given to him if sent by mail or other written means of communication addressed to the place where the principal office of the Association is situated, or is published at least once in some newspaper of general circulation in the county in which said office is located.

All such notices shall be sent to each member entitled thereto not less than thirty (30), nor more than ninety (90) days before each annual meeting, and shall specify the place, the day and the hour of such meeting. In the case of a special meeting, the general nature of the business to be transacted will be provided, or, in the case of the annual meeting, the notice shall state those matters which the Board, at the time of the mailing of the notice, intends to present for action by the members, but, any proper matter may be presented at the meeting for such action. The notice of any meeting at which Directors are to be elected shall include the names of the nominees intended, at the time of the notice to be presented for election.

Any meeting of a majority of members shall at any time have waived notice shall be legal notice for the transaction of business, notwithstanding that notice has not been given as hereinabove provided.

Section 4: SPECIAL MEETINGS. Except as otherwise provided by law, special meetings of the members of this Association may be held whenever called by the president or vice-president, or by the treasurer, or by a majority of the Board of Directors, or whenever one or more members who are entitled to vote, and who represent at least twenty-five percent (25%) of the membership shall make written application therefor to the secretary or to an assistant secretary stating the time, place and purposes for which the meeting is called.

Notice of such special meeting shall be given in the same manner as for the annual meetings of members. Notices of any special meetings shall specify in addition to the place, day and hour of such meetings, the purpose or purposes for which the meeting is called.

ARTICLE III

Section 1: WAIVER OF NOTICE. Whenever any notice whatsoever is required to be given by these Bylaws, or the Articles of Incorporation of this Association, or any of the corporation laws of the State of Nevada, or the Covenants, Conditions and Restrictions of the Association waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time state therein, shall be deemed equivalent thereto.

ARTICLE IV

Section 1: QUORUM OF MEMBERS: Except as hereinafter provided, and as otherwise provided by law, at any meeting of the members of the Tahoe Village Homeowners Association a majority of the members, either present in person or by proxy, shall constitute a quorum; but a

minority of the members may adjourn any meeting, and the meeting may be held as adjourned without further notice; provided, however, that directors shall not be elected at meeting so adjourned.

When a quorum is present at any meeting, a majority of the members constituting the quorum shall decide any question brought before such meeting, unless the question is one upon which by express provision of law or of the Articles of Incorporation or of these Bylaws a larger or different vote is required, in which case such express provision shall govern and control the decision of such question.

Notwithstanding the foregoing, the sale, transfer and other disposition of substantially all of the Association's assets, shall require the approval by affirmative vote of not less than eighty percent (80%) of the Association's members.

Section 2: Any membership meeting, whether or not a quorum is present, may be adjourned from time to time in the absence of a quorum, except as provided in Section 1 of this Article, no other business may be transacted at any such meeting. It shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted thereat, other than by announcement at the meeting at which such adjournment is taken; provided, however, when a membership meeting is adjourned for more than forty-five (45) days, notice of the adjourned meeting shall be given as in the case of an original meeting.

Section 3: VOTING/RECORD DATE: The members entitled to notice of any meeting, or to vote at any such meeting shall be only persons whose names stand on the membership records of the Association on the record date determined in accordance with these Bylaws.

For the purposes of these Bylaws, membership shall include any person owning an interest in real property within the boundaries of the Association, provided, however, that for each time

shared entity, the entity shall select one person to represent that entity pursuant to adopted rules and regulations within the entity. That representative shall represent all votes of the time share entity or association created within same. At any meeting of the members, the representative of the time shared entity shall establish to the satisfaction of the Board that he was duly selected by the time shared entity. Thereafter, that representative may vote the block of votes, said block equating to the number of votes as there are number of units within the time share entity. Each unit shall exercise one (1) vote, notwithstanding the number of time shared intervals which are owned within that unit.

The Board may fix, in advance, a record date for the determination of the members entitled to notice of a meeting, or to vote, or to any allotment of rights, or to exercise rights with respect to any other lawful action. The record date so fixed shall not be more than sixty (60) nor less than ten (10) days prior to the date of the meeting, nor more than sixty (60) days prior to any other action.

When a record date is so fixed, the members of record on that date are entitled to notice of and to vote at the meeting or to the exercise of any right, as the case may be. A determination of members of record entitled to notice of or to vote at a meeting of the members shall apply to any adjournment of the meeting unless the Board fixes a new record date for the adjourned meeting. The Board shall fix a new record date if the meeting is adjourned for more than forty-five (45) days.

If no record date is fixed by the Board, the record date for determining members entitled to notice of, or to vote at, a meeting of members shall be the close of business on the first business day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the business day next preceding the day on which the meeting is held. The record date for determining members for any purpose other than is set forth in other sections of the Bylaws shall

be at the close of business on the day on which the Board adopts the resolution relating thereto, or on the sixtieth day prior to the date of such action, which ever is later.

ARTICLE V

Section 1: PROXY AND VOTING. Members of record may vote at any meeting either in person or by proxy in writing, which shall be filed with the secretary of the meeting before being voted. Such proxy shall entitle the members thereof to vote at any meeting prior to the adjournment thereof. No proxy shall be valid after the expiration of eleven (11) months after the date of its execution unless the members executing it shall have specified therein the length of time it is to continue in force, which shall be for some limited period. Each member shall be entitled to one vote for each share of stock held by him.

ARTICLE VI

Section 1: ORDER OF BUSINESS. At all annual meetings of the members the order of business shall be: (a) Calling of Roll; (b) Proof of Notice of Meeting; (c) Approving of Minutes of Previous Meetings; (d) Report of Directors and Officers; (e) Election of Directors; (f) Old Business; (g) New Business; (h) Miscellaneous Business.

Section 2: CONDUCT OF MEETING. The president shall preside at all meetings of members unless another chairman is selected. The chairman shall conduct each such meeting in a businesslike manner, but shall not be obligated to follow any technical, formal or parliamentary rules or principles of procedure other than those guidelines set forth within these Bylaws. The chairman's ruling on procedural matters shall be conclusive and binding on all members, unless at the time of the ruling a request for a vote is made by the members entitled to vote and represented in person or by proxy at the meeting, in which case the decision of a majority vote of such members

shall be conclusive and binding on all members. Without limiting generality of the foregoing, the chairman shall have all of the powers usually vested in the chairman of a meeting of membership.

ARTICLE VII

BOARD OF DIRECTORS:

Section 1: ELECTION. The Board of Directors shall be chosen by ballot at the annual meeting of the members or at any meeting held in place thereof as provided by these Bylaws or by law. The number of directors of this Association shall be five (5). The Board of Directors may, by resolution adopted, increase or decrease the number of directors of this Association in accordance with the provisions of the Articles of Incorporation.

Section 2: TERM. Each director shall serve until the next annual meeting of the members and until a successor is duly elected and qualified. Directors need not be members or property owners within the Association boundaries. Each director shall be of full age and be a citizen of the United States.

Section 3: POWERS. Subject to the limitations of the Articles of Incorporation, of the Bylaws, the provisions of the Nevada General Corporation Law, and the provisions of the Nevada Revised Statutes, as amended, and the Covenants, Conditions and Restrictions of the Association, the Board of Directors shall have the entire management of the business of the Association. In the management and control of the property, business and affairs of the corporation, the Board of Directors is hereby vested with all the powers possessed by the Association itself, so far as this delegation of authority is not inconsistent with the laws of the State of Nevada, with the Articles of Incorporation of the corporation, with these Bylaws or with the Covenants, Conditions and Restrictions.

Section 4: SPECIFIC POWERS. The Board of Directors shall have specific powers, including, but not limited to the following:

1. To select and remove all officers, agents and employees of the Association, prescribe such powers and duties for them as may not be inconsistent with law, with the Articles of Incorporation, the Bylaws or the Covenants, Conditions and Restrictions, fix their compensation, and require from them security for faithful service.

2. To conduct, manage and control the affairs and business of the Association, and to make such rules and regulations therefore not inconsistent with law, with the Articles of Incorporation, the Bylaws or the Covenants, Conditions and Restrictions, as they may deem best, in their discretion.

3. To change the principal office for the transaction of the business or the Association from one location to another, to fix and locate from time to time one or more subsidiary offices of the Association within or without the State of Nevada for the holding of any meeting or meetings of the members, to adopt, make and use a corporate seal, as in their judgment they deem best, provided such seal shall at all times comply with the provisions of law.

4. To borrow money and incur indebtedness for the purpose of the Association, and to cause to be executed and delivered therefore, in the Association's name, promissory notes, bonds, debentures, deeds in trust, mortgages, pledges, hypothecations, or other evidence of debt and securities therefore.

5. To appoint an executive committee or other committee, and to delegate to said committees any of the powers and authority of the Board in the management of the business and affairs of the Association, except the power to adopt, amend or repeal Bylaws or the Covenants,

Conditions and Restrictions. If established, the executive committee shall be composed of one or more directors.

Section 5: MEETINGS. Regular meetings of the Board of Directors shall be held at such places, and at such times as the Board by vote may determine, and if so determined, no notice thereof need be given. The officers of the Association shall be elected by the Board of Directors after its election by the members, and a meeting may be held without notice for this purpose immediately after the annual meeting of the members and at the same place. Special meetings of the Board of Directors may be held at any time or place, whenever called by the president, a vice-president, the treasurer, the secretary, an assistant secretary or two directors.

Notice thereof shall be given to each director by the secretary, or assistant secretary, or an officer calling the meeting, or at any time without formal notice; provided, all the directors are present, or those not present shall at any time waive or have waived notice thereof. Notice of special meetings, stating the time and place thereof, shall be given by mailing the same to each director at his residence or business address at least two (2) days before the meeting, or by delivering the same to him personally or telephoning the same to him at his residence or business address not later than the day before the day on which the meeting is to be held, unless, in the case of emergency, the chairman of the Board of Directors or the president shall prescribe that shorter notice to be given personally or by telegraphing or telephoning each director at his residence or place of business. Such special meetings shall be held at such time and place as the notice thereof or waiver shall specify.

Section 6: QUORUM. A majority of the members of the Board, including shall constitute a quorum for the transaction of business, but a lesser number (not less than two (2)) may adjourn

any meeting and the meeting may be held as adjourned without further notice. When a quorum is present at any meeting, one hundred percent (100%) of the Directors thereat shall decide any question brought before such meeting except as otherwise provided by law or Bylaws or by the Covenants, Conditions and Restrictions.

Section 7: CHAIRMAN. At the regular meeting of the Board, the first order of business will be to select, from its members, a chairman of the Board whose duties will be to preside at all Board meetings until the next annual meeting and until a successor has been chosen.

Section 8: VACANCIES. Any director may resign effective upon giving written notice to the chairman of the Board, the president, secretary, or the Board, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be elected prior to the vacancy to take office when the resignation becomes effective.

Any vacancies in the Board, including those existing as a result of resignation or a removal of a director, shall be filled by the members at a special or annual meeting, or by a vote of one hundred percent (100%) of the remaining directors then in office. Each director so elected shall hold office for the remainder of the term for that position, and until such director's successor has been elected and qualified by a vote of the members at an annual meeting.

A vacancy on the Board shall be deemed to exist in the case of death, resignation or removal of any director, or if the authorized number of directors be increased, or if the members fail, at any annual or special meeting of the members at which directors are elected, to elect the full authorized number of directors.

The Board may declare vacant the office of a director who has been declared of unsound mind by Order of any Court, convicted of any felony, or for any cause. Said declaration must be by unanimous vote of the remaining directors.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of that director's term of office.

Section 9: TELEPHONE CONFERENCE. Members of the Board may participate in a meeting through the use of conference telephone or other similar communications equipment so long as all members participating in such meeting can hear one another.

Section 10: COMPENSATION. Directors and members of committees may receive such compensation, if any, for their services, and such reimbursement for expenses, as may be fixed or determined by the Board.

Section 11: ACTION WITHOUT MEETING. Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action. Such consent or consents shall have the same effect as a unanimous vote of the Board and shall be filed with the minutes of the proceedings of the Board.

Section 12: COMMITTEES: 1) The Board may appoint one or more committees, each consisting of two (2) or more directors, and delegate to such committees any of the authority of the Board except with respect to:

- a. The approval of any action which requires membership approval.
- b. The filling of vacancies on the Board or on any committee.
- c. The fixing of compensation of the directors for serving on the Board or on any committee.
- d. The amendment or repeal of the Bylaws, Articles of Incorporation, or the Covenants, Conditions and Restrictions, or adoption of new Bylaws, Articles of Incorporation or the Covenants, Conditions and Restrictions.

e. The amendment or repeal of any resolution of the Board which by its expressed terms is not so amendable or repealable by committee of the Board.

f. The appointment of other committees of the Board or members thereof.

2) Any such committee must be appointed by resolution adopted by a majority of the authorized members of directors and may be designated as an executive committee or by such other name as the Board shall specify. The Board shall have the power to prescribe the manner in which the proceedings of any such committee shall be conducted. Unless the Board or such committee shall otherwise provide, the regular or special meetings and other actions of any such committee shall be governed by the provisions of these Bylaws applicable to meetings and actions of the Board. Minutes shall be kept of each such meeting of each committee and included in the Association's records at the principal place of business.

ARTICLE X

OFFICERS:

Section 1: OFFICERS DESIGNATED. The officers of this Association shall be a president, a vice-president, a secretary and a treasurer. The Board of Directors, in its discretion, may elect a chairman of the Board of Directors, who, when present, shall preside at all meetings of the Board of Directors, and who shall have such other powers as the Board shall prescribe.

Section 2: ELIGIBILITY. The president and the chairman of the Board of Directors must be members of the Association. The vice-president, secretary treasurer, and such other officers as may be elected or appointed may be members of the Association. Any person may hold more than one (1) office, provided, the duties thereof can be consistently performed by the same person, and further provided, that no one person shall, at the same time, hold the three (3) offices of president or vice-president and secretary and treasurer.

Section 3: ADDITIONAL OFFICERS. The Board of Directors, in its discretion, may appoint a general manager, one or more assistant secretaries, and such other officers or agents as it may deem advisable, and prescribe the duties therefore together with their term of service to the Association.

Section 4: ELECT. The officers of the Association, officers as may be elected or appointed in accordance except such with other provisions of these Bylaws, shall be chosen annually by, and shall serve at the pleasure of, the Board, and shall hold their respective offices until the resignation, removal or other disqualification from service, or until their respective successor shall be elected.

Section 5: RESIGNATIONS AND REMOVALS. Any director or officer of the Association may resign at anytime by giving written notice to the Association, to the Board of Directors, or to the chairman of the Board, or to the president, or the secretary of the Association. Any such resignation shall take effect at the time specified therein, or if the time be not specified therein, upon its acceptance by the Board of Directors.

Section 6: REMOVAL. The members, at any meeting called for the purpose, by a vote of the majority of the members may remove from office any director or other officer elected or appointed by the members or by the Board of Directors, and elect or appoint his successor. The Board of Directors, by vote of not less than a majority of the entire Board may remove from office any officer or agent elected or appointed by it.

Section 7: VACANCIES. If the office of any director or officer or agent becomes vacant by reason of death, resignation, removal, disqualification, or otherwise, the directors may, by vote of the majority of a quorum, choose a successor or successors who shall hold office for the unexpired term. If there be less than a quorum of the directors, but at least two (2) directors at the time in

office, the directors may by a majority vote choose a successor or successors who shall hold office for the unexpired term. Vacancies in the Board of Directors may be filled for the unexpired term by the stockholders at a meeting called for that purpose, unless such vacancies shall have been filled by the Board of Directors. Vacancies resulting from an increase in the number of directors may be filled in the same manner.

Section 8: PRESIDENT. The president shall be the chief executive officer of the Association and, when present, shall preside at all meetings of the members and, unless a chairman of the Board of Directors has been elected and is present, shall preside at meetings of the Board of Directors. The president or vice-president, unless some other person is specifically authorized by vote of the Board of Directors, shall sign all bonds, deeds, mortgages, extension agreements, modification of mortgage agreements, leases and contracts of the corporation. He shall perform all of the duties commonly incident to his office and shall perform such other duties as the Board of Directors may designate.

Section 9: VICE-PRESIDENT. Except as specially limited by the vote of the Board of Directors, any vice- president shall perform the duties and have the powers of the president during the absence or disability of the president, and shall have the power to sign all bonds, deeds, and contracts of the corporation in the president's absence. He shall perform such other duties and have such other powers as the Board of Directors shall designate.

Section 10: SECRETARY. The secretary shall keep accurate minutes of all meetings of the members and the Board of Directors, and shall perform such other duties and have such other powers as the Board of Directors shall designate. In his absence at any meeting an assistant secretary or a secretary pro tempore shall perform his duties thereat. The secretary, any assistant secretary, and any secretary pro tempore shall be sworn to the faithful discharge of their duties.

Section 11: TREASURER. The treasurer, subject to the order of the Board of Directors, shall have the care and custody of the money, funds, valuable papers, and documents of the Association (other than his own bond, if any, which shall be in the custody of the president), and shall have and exercise under the supervision of the Board of Directors, all the powers and duties commonly incident to his office, and shall give bond in such form and with such sureties as shall be required by the Board of Directors.

He shall deposit all funds of the Association in such bank or banks, trust company or trust companies or with such other firm or firms doing a banking business, as the directors shall designate. He may endorse for deposit or collection all checks and notes payable to the Association or to its order, may accept drafts on behalf of the Association. He shall keep accurate books of account of the Association's transactions which shall be the property of the Association, and, together with all property in his possession, shall be subject at all times to the inspection and control of the Board of Directors.

Section 12: TREASURER'S REPORT. The treasurer shall submit his annual report at the annual meeting.

Section 13: CHECKS. All checks, drafts, notes, or other obligations for the payment of money shall be signed by the president and the treasurer, or by such officer or officers or agent or agents as the Board of Directors shall direct. The Board of Directors may also in its discretion require, by general or special resolution, that checks, drafts, notes or other obligations for the payment of money shall be countersigned or registered as a condition to their validity by such officer or officers or agent or agents as shall be directed in any such resolution of the Board of Directors. In no event shall a check be issued by the corporation unless it shall be subscribed and executed by two (2) signatures of officers who are not related within any degree of consanguinity.

Section 14: SECRETARY/TREASURER. The offices of secretary and treasurer may be combined in an office of secretary-treasurer.

Section 15: LEGAL COUNSEL. The counsel shall be the legal advisor of the Association and shall receive such compensation for his services as the Board of Directors may determine.

ARTICLE XI

INDEMNITY:

Section 1: INDEMNITY. Each director or officer, whether or not in an office, shall be indemnified by the Association against all costs and expenses reasonable incurred by or imposed upon him or her in connection or resulting from any action, suit or proceeding to which he may be made a party by reason of his being or having been a director or officer of the Association, except in relation to matters as to which a recovery shall be had against him by reason of his having been finally adjudged in such action, suit or proceeding to have been derelict or negligent in the performance of his duties as such director or officer. The Homeowners Association, by and through its Board of Directors, shall provide for the benefit of the Directors and Officers of the Association, a policy of liability insurance in amount deemed proper by the Board of Directors insuring the Officers and Board of Directors against any action which is taken within the course and scope of the authority vested in such Officer or Director.

Section 2: SETTLEMENT. The foregoing right to indemnity shall include reimbursement of the amounts and expenses paid in settling any action, suit or proceeding when settling appears to be in the interest of the Association, and shall not be exclusive of other rights which such officer or director may be entitled as a matter of law.

ARTICLE XII

MISCELLANEOUS PROVISIONS:

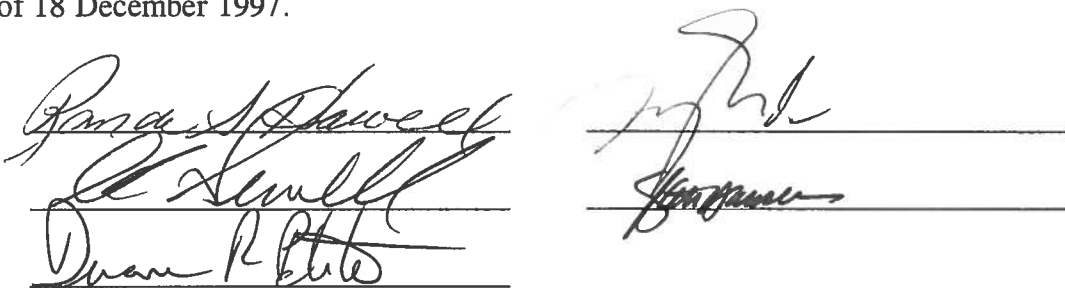
Section 1: TRANSFER BOOKS. The transfer books of the membership of the corporation may be closed for such period, not exceeding forty (40) days, in anticipation of a membership meeting as the Board of Directors in their discretion may determine. In lieu of closing the transfer books, the Board of Directors may fix a day not more than forty (40) days prior to the day of holding any meeting of members as the day of which members entitled to notice of and to vote as such meeting shall be determined. Only members of record on such day shall be entitled to such notice or to vote at such meeting.

Section 2: SEAL. The Association shall have a seal on which shall appear the Association's name and the year when incorporated, and such other designs as the Board of Directors may determine.

Section 3: AMENDMENTS. The Bylaws of the Association, may be amended, added to, or repealed by a vote of a majority of the members of the Association at any meeting of the members of the Association, providing notice of the proposed changes was given in the notice of meeting or notice thereof is waived in writing; or by one hundred percent (100%) of the Board of Directors at any regularly or specially called meeting.

Section 4: DECLARATION (CC&Rs). The provisions of the Declaration of Covenants, Conditions and Restrictions of Tahoe Village Units Nos. 1, 2 and 3, Douglas County, Nevada, recorded 26 July 1989 at Book 789 as Document Number 207446 in the Official Records of Douglas County, are hereby incorporated by this reference, and the provisions thereof shall control as to any conflict within these Bylaws, as existing or amended.

IN WITNESS WHEREOF, we, being the duly elected and acting Board of Directors of the TAHOE VILLAGE HOMEOWNERS ASSOCIATION, do hereby certify that the foregoing Bylaws constitute the Amended and Restated Bylaws of TAHOE VILLAGE HOMEOWNERS ASSOCIATION, as duly proposed and approved at the annual meeting of the Homeowners on 7 June 1997 by a majority vote and at a meeting of the Board of Directors on 18 December 1997 by a unanimous vote, and have hereunto subscribed our names and affixed the seal of said Association as of 18 December 1997.


Three handwritten signatures on the left, each with a horizontal line underneath. From top to bottom: a signature that appears to be "Dana Sweet", a signature that appears to be "D. Smith", and a signature that appears to be "Duan R. Bute".
Two handwritten signatures on the right, each with a horizontal line underneath. The top signature is a stylized signature, and the bottom signature is a signature that appears to be "D. Smith".