

BYLAWS

PARADISE MEADOWS HOMEOWNERS' ASSOCIATION, INC.

These Bylaws are intended to compliment and specify certain rights and obligations previously established for that neighborhood commonly referred to as "Paradise Meadows Homeowners' Association", as more specifically described in the following documents, all of which are incorporated herein by reference:

- *The recorded Final Plat for the seven lots of "Paradise Meadows", as more specifically described and shown on that Final Plat recorded on March 5, 2021, in Plat P, Page 120, Instrument No. 2021-766165 of the Sheridan County Clerk's office, Sheridan County, Wyoming (the "Plat"); and*
- *DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS – PARADISE MEADOWS, recorded on the date hereof – March 2, 2021, as Instrument No. 2021-_____ of the Sheridan County Clerk's office, Sheridan County, Wyoming (the "Covenants").*

The undersigned adopt these Bylaws to govern the initial period during which it intends to sell the Lots to buyers and with the expectation that as Lots are sold, assessments are collected, residences are constructed and Lot owners have a shared interest in the safeguarding and operation of Paradise Meadows Homeowners' Association, these Bylaws may be amended, clarified and confirmed by a majority of the Lot owners. Declarant anticipates these Bylaws will remain effective until amended and clarified by the vote of the Lot owners on or before a date during the same calendar year as when the last of the Lots are sold. In the interim, the following Bylaws are hereby adopted.

Article 1. Identity & Composition

1.1 Name and Identity. These are the initial Bylaws of "Paradise Meadows Homeowners' Association" (herein the "HOA"), which is Wyoming not-for-profit corporation vested with the architectural control, power of assessment of dues and similar functions as set forth in the Supplemental Covenants. For purposes of these Bylaws, terms specifically defined in the Supplemental Covenants, as may be hereafter amended from time to time, shall have the same meaning herein. Should any provision herein conflict with a provision within the Covenants, the terms in the Covenants shall control.

1.2 Board of the HOA. The HOA shall initially be administered by a Board. The Initial Board shall be the members who sign below.

1.3 Members. Each lot within the Paradise Meadows Homeowners' Association is entitled to one share of the HOA (herein commonly referred to as the "member" or "members"). Every person or entity who is a record owner of a fee interest in any Lot which is subject to the Covenants and to assessment by the HOA, shall be a member of the HOA, subject to the terms hereof and the bylaws and other governing documents of the HOA. Notwithstanding the foregoing, any such person or entity who merely holds record ownership as security for the performance of an obligation shall not be a Member of the HOA.

Article 2. Members' Meetings and Voting

2.1 Place. Meetings of the members shall be held at the office of the HOA, or such other place within Sheridan County, Wyoming as may be designated from time to time by the Board.

2.2 Annual Meeting. The members intend to meet at least once a year on the date stated in the notice of such meeting given by the Board. Except as otherwise provided in Article 3, at each annual meeting the members may elect officers and a Board of Directors (herein the "Board") and may transact any other business properly coming before them.

2.3 Special Meetings. Special meetings of the members may be called at any time by the President of the Board or otherwise by a majority of the members, and shall be called and held within thirty (30) days after written request therefore signed by said President or by members entitled to cast at least fifty-one percent (51%) of the total votes in the HOA is delivered to any director on the Board. No business shall be transacted at a special meeting except that which is stated in the notice thereof.

2.4 Notices. Notice of all meetings of the members, stating the time and place, and accompanied by a complete agenda thereof, shall be given by the Secretary to each member. Such notice shall be in writing, and shall be hand-delivered, sent by United States mail or emailed if the member confirms receipt of the email, to the members at their last known address any member may have designated to the Secretary, at least twenty-one (21) days in advance of any annual Meeting or regularly scheduled meeting and at least seven (7) days in advance of any other special meeting.

2.5 Quorum; Adjournment if no quorum. Any action taken by the HOA shall be done at a meeting at which a quorum is present. A quorum shall consist of members present, in person or by proxy, entitled to cast at least fifty one percent (51%) of the total votes in the HOA.

If a Quorum is not present, the meeting shall be adjourned from time to time until a quorum is present.

2.6 Voting. The total votes in the HOA are allocated to the Lots, as defined in the Covenants. The HOA shall have one class of voting Members and a Board of Directors. Members shall be the record owners of all Lots, including the Developer for those Lots it owns. Members shall be entitled to one vote for each Lot owned. When more than one person are Owners of any Lot, all such persons shall be Members, but the single vote for such Lot shall be exercised as they among themselves determine, subject however, to the limitation that in no event shall more than one (1) vote be cast with respect to any such Lot.

2.7 Manner of Casting Votes. Votes may be cast in person or by proxy. A proxy must be: in writing; be signed by all owners of the Lot the votes of which are subject to the proxy; be given only to another member or a security holder in that Lot; and be delivered to the Secretary before the meeting. A proxy shall be valid until a revocation in writing signed by the owners of such Lot is delivered to the Secretary.

2.8 Required Votes. All questions before the HOA membership shall be decided by a simple majority of the votes cast on the question (i.e., 51%), unless the provisions of applicable law, the Covenants or these Bylaws specifically require a greater vote.

2.9 Action by Members Without Meeting. Any action that may be taken at a meeting of the members may be taken without a meeting if such action is authorized in a writing setting forth the action taken, and is signed by all members, or if such action is taken in any other manner permitted by law.

2.10 Voting by Email. Voting By Email without being in-person is expressly authorized.

Article 3. Board of Directors.

The HOA shall have a Board of Directors (hereinafter the "Board"), which shall be subject to the terms and conditions set forth in the Covenants and these Bylaws, as may hereafter be amended from time to time by the HOA. The Board shall have the powers and duties set forth in the HOA's Articles and these Bylaws and the Covenants, shall be the controlling body of the HOA and, subject to the Architectural Control Committee (ACC) role set forth in the Covenants, shall specifically have the powers enumerated in the Covenants as the governing body for all requirements of each Lot and Paradise Meadows Homeowners' Association generally.

3.1 Initial Board. The Board is initially comprised of the undersigned Declarant/developer who participated in the development of Paradise Meadows Homeowners' Association.

3.2 First Successor Board. After Seventy-Five percent (75%) of seven (7) Lots are sold, conveyed and homes are approved to be constructed thereon, then the first Successor Board shall thereafter be made up of three (3) directors. The Board of Directors shall be the body referred to as the "Committee" in the Covenants. Each of the Directors shall be appointed and removed by Declarant until that time when all Lots have been sold and conveyed by Declarant and have an approved home constructed thereon.

3.3 Subsequent Board(s). Directors shall thereafter be elected by the Members at the next annual meeting of the Association. The Association may, at any time thereafter, call a special meeting and, by majority vote, remove and replace any member of the Committee. *Provided however,* Declarant shall have the option to retain its position as one of the three Members on the Committee for so long as Declarant owns any Lot or any adjacent lands which may still be added to Paradise Meadows Homeowners' Association and become subject to these Covenants. For the Boards subsequent to the first Board set forth in 3.2, above, the following shall apply:

- a. *Election of Director(s).* The HOA shall be entitled to elect not less than two Directors (if Declarant has not yet resigned) by a majority of the votes cast in the election.
- b. *Term.* The term of an elected Directors shall be for two years and shall extend to annual meeting of that Director's second year and until that Director's successor has thereafter been duly elected and has qualified.
- c. *Removal.* Any elected Director may be removed, with or without cause, by a vote of the members entitled to cast at least Two-Thirds (2/3rds) of the total votes in the HOA, at a special meeting called for such purpose, and a successor may then be elected by the members to serve for the balance of the removed Director's term.
- d. *Vacancies/Voluntary Resignation.* Any vacancy in the Board arising by death or resignation of a Director elected by the HOA shall be filled by re-election by the HOA. Any other vacancy shall be filled by act of the remaining Directors, whether or not constituting a quorum, and a Director so elected shall serve for the unexpired term of his predecessor in office.

Provided Further, Declarant shall have the right in its discretion, but not the requirement, to vacate its position on the Board at any time. If it does vacate, Declarant, or its successor or assign, shall have the right to assign its position on the Board to another Lot owner, in its sole discretion, to so serve until the next annual meeting of the HOA, at which time all three seats on the Board shall be elected by the HOA for that year and each year thereafter.

3.7 Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone, or telegraph, at least seventy-two (72) hours prior to the meeting.

3.8 Special Meeting. Special meetings of the Board may be called by the Chairman and shall be called by the Chairman or the Secretary and held within ten (10) days after written request thereof signed by two (2) Directors is delivered to the other Director or the Chairman or the Secretary. Not less than seventy-two (72) hours notice of such special meetings shall be given personally or by mail, telephone, or telegraph to each Director; provided that in case the Chairman determines that an emergency exists, a special meeting may be called by giving as much as possible under the circumstances. All notices of a special meeting shall state the time, place and purpose thereof. No business shall be transacted at a special meeting except that which is stated in the notice thereof.

3.9 Quorum; Adjournment if No Quorum. A majority of the Board shall constitute a quorum for the transaction of business at any meeting of the Board. If a quorum is not present, the meeting shall be adjourned from time to time until a quorum is present. The signing by a Director of the minutes of a meeting shall constitute the presence of such director at that meeting for the purpose of determining a quorum.

3.10 Manner of Acting. After the Board attains its three-member status, any action taken by the Board shall require an affirmative vote by at least 2/3rds of the Directors. Each Director shall be entitled to one (1) vote. The act of at least 2/3rds of the Directors present at a meeting shall constitute the act of the Board unless the act of a greater number is required by the provisions of applicable law, the Covenants or these Bylaws.

3.11 Board Action Without Meeting. Any action that may be taken at a meeting of the board may be taken without a meeting if such action is authorized in writing, setting forth the action taken, signed by all Directors.

For all purposes of these Bylaws, writing shall include email or other digital communications for which there is written evidence of the action.

3.12 Compensation of Directors Restricted. Directors shall receive no compensation for their services, but may be paid for out-of-pocket expenses incurred in the performance of their duties as Directors.

3.13 Powers and Duties of Board. All of the powers and duties of the HOA not otherwise reserved for the members or the HOA shall be exercised by the Board, including those existing under the common law, applicable statutes, the Covenants, the Articles, and these Bylaws, as any thereof may from time to time be amended. Such powers and duties shall be exercised in accordance with the provisions of applicable law, the Covenants, the Articles, and these Bylaws.

The initial Board may elect to not assess or collect dues from each Lot owner until such date as the common expenses of snow plowing and/or maintenance or repairs of the common area/pond requires contribution by the lots from such assessment.

After the first successor Board is designated, the Board shall prepare and provide to members annually on or before September 1st of each calendar year, a report containing at least the following:

- (a) A statement of any capital expenditures in excess of two (2%) percent of the then current budget or Five Thousand (\$5,000) Dollars, whichever is greater, anticipated by the HOA during the current year or succeeding two (2) fiscal years;
- (b) A statement of the status and amount of any reserve or replacement fund and any portion of the fund designated for any specific project by the Board. The Board shall maintain any assessments collected but not expended as reserves and shall maintain such reserves and account for the same to the members no less frequently than the HOA's annual meeting;
- (c) A statement of the financial condition of the HOA for the last fiscal year;
- (d) A statement of the status of any pending suits or judgments in which the HOA is a party;
- (e) A statement of the insurance coverage provided by the HOA, if any;
- (f) A statement of any unpaid assessments payable by each lot owner to the HOA which shall be an equal 1/20th, identifying the Lot and the amount of the unpaid assessment; and
- (g) A proposal for the amount of annual assessment to be charged to each Lot for the upcoming year, which shall be subject to vote and approval by the members.

Article 4. Officers.

4.1 Designation of Officers. The officers of the HOA, when and if elected, shall be a President, a Secretary, and a Treasurer. Each officer shall be a Lot Owner or the individual nominee of Lot Owner which is other than an individual. A person may hold one or more of such offices at one time, except that the President shall not at the same time hold another office in the HOA.

4.2 Election of Officers. Officers of the HOA shall be elected by the Board as soon hereafter as required for the efficient operation of the HOA. Election shall be held at an annual meeting of the HOA, except that the first Board may elect officers as soon as practicable after filing of the Covenants if it deems advisable in its discretion.

4.3 Term. Each officer shall serve until his successor has been duly elected and has qualified.

4.4 Removal. Any officer may be removed, with or without cause, and without notice, by the Board or by a majority vote of the HOA members at a special or annual meeting.

4.5 Vacancies. Any vacancy in any office shall be filled by the Board, and an officer elected to fill a vacancy shall serve for the unexpired term of his predecessor in office.

4.6 Powers and Duties of Officers.

(a) *President.* The President shall be the chief executive officer of the HOA; shall have all of the powers and duties incidental to the office of a president of a corporation, including but not limited, to the duty to preside at all meetings of the HOA and of the members, and the

general supervision of officers in the management of the business and affairs of the HOA; and shall see that all actions and resolutions of the HOA are carried into effect.

(b) *Secretary.* The Secretary shall keep the minutes of all meetings and actions of the HOA and the Board; shall give all required notices to the Directors and members; shall keep the records of the HOA and the Board except those kept by the Treasurer; shall perform all other duties incident to the office of a secretary of a corporation; and shall perform other such duties required by the Board or President of the HOA.

(c) *Treasurer.* The Treasurer shall have custody of all intangible property of the HOA, including funds, securities, and evidences of indebtedness; shall keep the books of the HOA in accordance with good accounting practices and principles, and upon request, shall submit them, together with all vouchers, receipts, records and other papers to the Board for examination and approval; shall deposit all moneys and other valuable effects in depositories designated by the Board; shall disburse funds of the HOA as directed by the Board; and shall perform all other duties incident to the office of a treasurer of a corporation.

4.7 Execution of Agreements, etc. All agreements, deeds, mortgages, or other instruments shall be executed by any two (2) officers and by no less than one (1) Director, or by such other person or persons as may be designated the Board.

4.8 Compensation of Officers Restricted. No officer shall be compensated for his services in such capacity, but may be reimbursed for out-of-pocket expenses incurred in performing his duties.

4.9 Additional Officers. The Board or the HOA may elect such other officers and designate their powers and duties as they shall deem necessary or desirable.

Article 5. Indemnification of Directors and Officers.

5.1 Indemnity. The HOA shall indemnify such directors, officers and other such persons for such expenses and abilities, in such manner, under such circumstances, and to such extent, as permitted by the provisions of applicable Wyoming Statutes, as now enacted or hereafter amended.

Article 6. Compliance, Enforcement, Fines and Penalties.

6.1 Default and Remedies. A default in or failure to comply with any of the terms, conditions, obligations and provisions of the Covenants, these Bylaws, the Articles, or the rules and regulations enacted by the Board, if any, as each of these documents may be amended from time to time, by any Lot Owner shall be grounds for relief that may include, without intending to limit the same or to constitute an election of remedies, an action to recover fines and penalties as determined by the Board, sums due for damages, an injunction, or any combination thereof, and which relief may be sought by the HOA, an aggrieved Lot Owner, or by any person or class of persons adversely affected. Also, if any member fails to perform any obligation under the Covenants, these Bylaws, the Articles or such rules and regulations, then the HOA may, but is not obligated to, perform the same for the member's account, and for such purpose may enter upon his Lot, may make necessary repairs, advance expenses or other sums necessary to cure the default, and for such expenses and costs may levy a special assessment against the Lot owned by such defaulting member.

6.2 Notice of Default and Failure to Cure. In the event of any such default or failure, the Board shall serve upon or mail to the defaulting member, and each first mortgagee of that member's Lot, a written notice specifying the nature of the default, the cure thereof, and the time within which

the cure shall be affected. Within the time limit specified in this notice, the defaulting member may cure the default specified, or serve upon or mail a written notice to the Board requesting a hearing before the Board. If a hearing is so requested, the Board shall thereafter serve upon or mail to the defaulting member, and to each such first mortgagee, a notice specifying the time and place for such hearing. At the hearing, the Board shall take such evidence and hear such testimony as it deems necessary or desirable. The Board shall not exercise any remedies to obtain relief from the default until the hearing is over and the Board has made its determination and served upon or mailed the same to the defaulting member and each such first mortgagee. The hearing may be continued from time to time as determined by the Board. Upon taking such evidence and hearing such testimony, the Board, at the hearing or at such later time, shall determine, in writing and at its sole option to waive the default in whole or in part, to extend the time within which the default may be cured, or to proceed immediately to levy a fine or penalty, or to exercise any one or more of the remedies available to the Board due to such default. The Board shall serve upon or mail to the defaulting member, and to each such first mortgagee, a copy of its determination. If the defaulting member (i) does not cure the default or request a hearing within the time limit specified in the original notice of default given pursuant to this Section, or (ii) so requests a hearing, but fails to cure the default (to the extent not waived by the Board) within the extended time, if any, granted by the Board after hearing, then the Board shall serve upon or mail to the defaulting member, and to each such first mortgagee, a written notice of such member's failure to effect a cure, and the Board may then proceed to take such action as it deems necessary to obtain relief.

6.3 Remedy of Abatement in Addition to Other Remedies. In the event a member fails to effect the cure specified by the Board within the time period set out in (i) or (ii) of Section 6.2 hereof, whichever is applicable, where the default is a structure, thing, or condition existing in or on the premises of the member's Lot, the Board, or its duly authorized representative, shall have the right to enter upon the premises of the member's Lot in which, on which, or as to which such default exists, and summarily to abate and remove, at the defaulting member's expense (and levy an assessment therefore as provided in Section 6.1 hereof), the structure, thing, or condition constituting the default, and the Board, the HOA, and their agents, employees, and representatives shall not thereby be deemed guilty of any manner of trespass.

6.4 Injunction. The Board, the HOA, any Lot owners or any other person or class of persons entitled to seek relief for any such default or failure may obtain a temporary restraining order, injunction or similar relief, without first using the procedure established by Section 6.2 hereof, if such default or failure creates an emergency or a situation dangerous to persons or property.

6.5 Recovery of Attorneys' Fees and Costs. In any proceeding arising because of an alleged default by a member, the prevailing party shall be entitled to recover the costs of such proceeding and such reasonable attorney' fees as may be allowed by the court, with interest thereon at eight percent (8%) per annum from the dates such costs are incurred until paid.

6.6 Nonwaiver of Covenants. The failure of the HOA or of any member thereof to enforce any term, provision, right, covenant, or condition that may be granted by the Covenants, these Bylaws, the Articles, the rules and regulations or the Act, as the same may from time to time be amended, shall not constitute a waiver or abrogation of the right of the HOA or a member to enforce such term, provisions, right, covenant, or condition in the future, irrespective of the number of violations or breaches thereof that may have occurred.

Article 7. Amendment.

7.1 Amendments. The first anticipated amendment to these Bylaws shall be made by Declarant together with the approval of no less than a majority of the members of the HOA. Thereafter, any amendments hereto shall be made and approved by no less than 2/3rds approval of the members of the HOA and by the Board, or in another manner provided by Wyoming statutes, and once made, shall become effective when delivered to all members or when recorded in the same manner and place as an amendment to the Covenants.

Article 8. General Provisions.

8.1. Rules and Regulations.

(a) *By the Board.* The Board may promulgate from time to time such rules and regulations as it deems reasonable governing the administration, management, operation, and use of the common areas of Paradise Meadows Homeowners' Association so as to promote the common use and enjoyment thereof by Lot Owners and for the protection and preservation thereof.

(b) *By the HOA.* Any such rule or regulation adopted by the Board may be amended, modified, or revoked, and new and additional rules and regulations may be adopted, by members at an annual or special meeting of the members. Any such act of the members shall control over any contrary rule or regulation then or thereafter adopted by the Board.

(c) *Uniform Application.* All rules and regulations shall be equally and uniformly applicable to all Lot Owners and Lots, but need not be equally and uniformly applicable if it is determined that such unequal or nonuniform application is in the best interest of the HOA or if equal and uniform application is not practicable.

(d) *Copies Furnished.* Copies of all such rules and regulations and any amendments thereto shall be furnished to all members, and a copy shall be posted or otherwise made available to members at the office of the HOA. However, failure to furnish, or post, or make available, such rules or regulations shall not affect in any way their validity or enforceability.

8.2 Compliance with the Act; Conflict; Severability. These Bylaws are established in compliance with the Covenants and Wyoming statutes, as each may be amended from time to time. Should any of the terms, conditions, provisions, paragraphs or clauses of these Bylaws conflict with any of the provisions of the Wyoming Statutes, the provisions of the relevant Wyoming law shall control and supersede. In the case of any conflict between the provisions of these Bylaws and the Covenants, the Covenants shall control. If any term provision, limitation, paragraph or clause of these Bylaws, or the application thereof to any person or circumstance, is judicially held to be invalid, such determination shall not affect the enforceability, validity or effect of the remainder of these Bylaws, or the application thereof to any other person or circumstance.

8.3 Corporate Seal. The HOA shall have no corporate seal.

8.4 Interpretation of Bylaws. Whenever appropriate the singular number may be read as the plural, and the plural may be read as the singular. The masculine gender may be read as the feminine gender or as the neuter gender.

The undersigned, being the duly authorized representative of Declarant, LLC, as the initial sole member of the HOA and the Board, hereby certifies that the foregoing Bylaws have been duly adopted by the HOA, the Board and are in full force and effect as of the effective date of January

1, 2021, the same date as the recording of the Covenants, as may be amended hereafter from time to time.

Approved by the original Declarant in the Covenants and owner of all Lots within Paradise Meadows Homeowners' Association and made effective January 1, 2021.

***CARLTON CONSTRUCTION, LLC,
a Wyoming limited liability company***

Doug Carlton, Member

STATE OF WYOMING)
) ss.
COUNTY OF SHERIDAN)

The above and foregoing Declaration of Covenants was acknowledged before me by Doug Carlton, on behalf CARLTON CONSTRUCTION, LLC, a Wyoming limited liability company, on this _____ day of March, 2021.

Witness my hand and official seal.

Notary Public

My Commission expires: