

BYLAWS
OF LUNA DILUSSO HOMEOWNERS' ASSOCIATION,
INC.

ARTICLE I
DEFINITIONS

1.01 Declaration.

As used herein, "**Declaration**" means the Declaration of Covenants, Conditions and Restrictions for Luna di Lusso Condominium, recorded with the Office of the Clark County Recorder, Clark County, Nevada, as the same may be amended from time to time.

1.02 Other Definitions.

Unless otherwise defined herein, all capitalized terms used herein shall have the meanings given to them in the Declaration.

ARTICLE II
OFFICES

The Association is a Nevada nonprofit corporation, with its principal office located at 29 Grand Mediterra Boulevard, Henderson, Nevada 89011. The Association may also have offices and may carry on its purposes at such other places within and outside the State of Nevada as the Executive Board may from time to time determine.

ARTICLE III VOTING, QUORUM
AND PROXIES

3.01 Voting.

Votes shall be allocated as set forth in Section 5.02 of the Declaration.

3.02 Quorum - Owners.

Except as otherwise required by law or the Association Articles, the presence in person or by proxy of Owners entitled to vote more than twenty percent (20%) percent of the total votes of the Owners shall constitute a quorum; provided, however, that in any instance where class voting is permitted under the Association Articles, the Declaration or these Bylaws, a quorum (for the purposes of such class voting) shall mean the presence in person or by proxy of Owners having more than five percent (5%) of the total votes of the affected class.

3.03 Proxies.

Proxy powers and restrictions are enumerated in Section 5.03 of the Declaration.

3.04 Majority Vote.

At any meeting of the Owners, if a quorum is present, the affirmative vote of a majority of the votes represented at the meeting (or a majority of the affected class of Owners represented at the meeting, in the case of class voting permitted under the Declaration, the Association Articles or these Bylaws), in person or by proxy, shall be the act of the Owners (or the affected class of Owners, if applicable), unless the vote of a greater number is required by law, the Declaration, the Association Articles or these Bylaws.

ARTICLE IV
ADMINISTRATION

4.01 **Annual Meeting.**

The annual meeting of the Owners shall be held at a date and time designated by the Executive Board on such date as is designated by the Executive Board, beginning with the year 200__ , for the purpose of electing Directors and for the transaction of such other business as may come before the meeting.

4.02 **Special Meetings.**

Special meetings of the Owners, for any purpose, unless otherwise prescribed by statute, may be called by the president or by a majority of the Directors and shall be called by the president at the request of Owners entitled to vote five percent (5%) or more of the total votes in the Association.

4.03 **Place of Meeting.**

The Executive Board may designate the Association's principal offices or any place within Clark County, Nevada, as the place for any annual meeting or for any special meeting called by the Executive Board.

4.04 **Notice of Meeting.**

Except as may otherwise be provided in the Declaration, written or printed notice of any meeting of the Owners, stating the place, day and hour of the meeting, and the purpose or purposes for which the meeting is called, shall be delivered personally or by mail to each Owner entitled to vote at such meeting not less than ten nor more than sixty days before the date of the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Owner at his address as it appears in the office of the Association, with postage thereon prepaid. For the purpose of determining Owners entitled to notice of or to vote at any meeting of the Owners, the Executive Board may set a record date for such determination of Owners, in accordance with the laws of the State of Nevada. If requested by the person or persons lawfully calling such meeting, the secretary shall give notice thereof at the expense of the Association.

4.05 **Informal Action by Owners.**

Any action required or permitted to be taken at a meeting of the Owners may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Owners entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote of the Owners.

ARTICLE V
DECLARANT CONTROL

Declarant shall be entitled to control the Association as set forth in Section 6.03 of the Declaration.

ARTICLE VI
EXECUTIVE BOARD

6.01 **Number, Tenure and Qualifications.**

The business and affairs of the Association shall be managed by an Executive Board consisting of three (3) Directors. The Owner of any H.O.A. Unit shall not be entitled to vote for the election of Directors (or for any other purpose) as a result of such ownership. Each Director shall be (a) an individual Owner; (b) a partner, trustee, officer, director, member, member representative, employee, or 25 percent shareholder of an organizational Owner; or (c) a Director appointed by Declarant. A person other than a Director appointed by Declarant shall automatically cease to be a Director at such time as he or she ceases to be an individual Owner, or a partner, trustee,

officer, director, member, member representative, employee or 25 percent shareholder of an organizational Owner. The powers and duties, terms of office and manner of electing and removing Executive Board members are set forth in Article 6 of the Declaration.

6.02 Resignations; Vacancies.

Any Director may resign at any time by giving written notice to the president or to the secretary of the Association. Such resignation shall take effect at the time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Vacancies occurring on the Executive Board shall be filled as set forth in Article 6 of the Declaration.

6.03 Managing Agent.

The Executive Board may employ a manager or managing agent, or both, for the Association at a compensation established by the Executive Board to perform such duties and services as the Executive Board shall authorize. Any such delegation, however, shall not relieve the Executive Board of its responsibility under the Declaration. If, and to the extent that, the Executive Board delegates its powers relating to the collection, deposit, transfer or disbursement of Association funds to a manager or managing agent, or both, such manager or managing agent, or both shall:

- (a) maintain fidelity insurance coverage or a bond in an amount not less than \$50,000.00 or such higher amount as the Executive Board may require;
- (b) maintain all funds and accounts of the Association separate from the funds and accounts of other associations managed by the manager or managing agent, and maintain all reserve accounts of each association so managed separate from operational accounts of the Association; and
- (c) have prepared and present to the Association an annual accounting for Association funds and a financial statement, which accounting and financial statement shall be prepared by the managing agent, a public accountant, or a certified public accountant.

6.04 Regular Meetings.

Regular meetings of the Executive Board may be held without call or formal notice at such places within or outside the State of Nevada, and at such times as the Executive Board from time to time by vote may determine. Any business may be transacted at a regular meeting. The regular meeting of the Executive Board for the election of Officers and for such other business as may come before the meeting may be held without call or formal notice immediately after, and at the same place as, the annual meeting of Owners, or any special meeting of Owners at which an Executive Board is elected.

6.05 Special Meetings.

Special meetings of the Executive Board may be held at any place within the State of Nevada, or by telephone: provided, that each Director can hear each other Director, at any time when called by the president, or by two or more Directors, upon the giving of at least three days' prior notice of the time and place thereof to each Director by leaving such notice with such Director or at such Director's residence or usual place of business, or by mailing or telegraphing it prepaid, and addressed to such Director at such Director's post office address as it appears on the books of the Association, or by telephone. Notices need not state the purpose(s) of the meeting. No notice of any adjourned meeting of the Directors shall be required.

6.06 Quorum - Directors.

A majority of the number of Directors fixed by these Bylaws, as amended from time to time, shall constitute a quorum for the transaction of business, but a lesser number may adjourn any meeting from time to time. When a quorum is present at any meeting, a majority of the Directors in attendance shall, except where a larger

number is required by law, the Declaration, the Association Articles or these Bylaws, decide any question brought before such meeting.

6.07 Waiver of Notice.

Before, at or after any meeting of the Executive Board, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Executive Board shall be a waiver of notice by such Director except when such Director attends the meeting for the express purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.

6.08 Informal Action by Directors.

Any action required or permitted to be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote of the Directors.

ARTICLE VII OFFICERS
AND AGENTS

7.01 General.

The Officers of the Association shall be a president (who shall be chosen from among the Directors), one or more vice presidents, a secretary and a treasurer. The Executive Board may appoint such other officers, assistant officers, committees and agents, including assistant secretaries and assistant treasurers, as they may consider necessary or advisable, who shall be chosen in such manner and hold their offices for such terms and have such authority and duties as from time to time may be determined by the Executive Board. One person may hold any two offices, except that no person may simultaneously hold the offices of president and secretary. In all cases where the duties of any Officer, agent or employee are not prescribed by these Bylaws or by the Executive Board, such Officer, agent or employee shall follow the orders and instructions of the president.

7.02 Removal of Officers.

The Executive Board may remove any Officer, either with or without cause, and elect a successor at any regular meeting of the Executive Board, or at any special meeting of the Executive Board called for such purpose.

7.03 Vacancies.

A vacancy in any office, however occurring, shall be filled by the Executive Board for the unexpired portion of the term.

7.04 President.

The president shall be the chief executive officer of the Association. The president shall preside at all meetings of the Association and of the Executive Board. The president shall have the general and active control of the affairs and business of the Association and general supervision of its Officers, agents and employees. The president of the Association is designated as the Officer with the power to prepare, execute, certify and record amendments to the Declaration on behalf of the Association.

7.05 Vice Presidents.

The vice president(s) shall assist the president and shall perform such duties as may be assigned to them by the president or by the Executive Board. In the absence of the president, the vice president designated by the Executive Board or (if there be no such designation) designated in writing by the president shall have the powers

and perform the duties of the president. If no such designation shall be made all vice presidents may exercise such powers and perform such duties.

7.06 Secretary.

The secretary shall:

- (a) keep the minutes of the proceedings of the Owners and the Executive Board;
- (b) see that all notices are duly given in accordance with the provisions of these Bylaws, the Declaration and as required by law;
- (c) be custodian of the corporate records;
- (d) keep at the Association's principal offices a record containing the names and registered addresses of all Owners, the designation of the Unit owned by each Owner, and, if such Unit is mortgaged, the name and address of each Mortgagee; and
- (e) in general, perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to the secretary by the president or by the Executive Board. Assistant secretaries, if any, shall have the same duties and powers, subject to supervision by the secretary.

7.07 Treasurer.

The treasurer shall be the principal financial officer of the Association and shall have the care and custody of all funds, securities, evidences of indebtedness and other personal property of the Association and shall deposit the same in accordance with the instructions of the Executive Board. The treasurer shall receive and give receipts and acquittances for moneys paid in on account of the Association, and shall pay out of the funds on hand all bills, payrolls and other just debts of the Association of whatever nature upon maturity. The treasurer shall perform all other duties incident to the office of the treasurer and, upon request of the Executive Board, shall make such reports to it as may be required at any time. The treasurer shall, if required by the Executive Board, give the Association a bond in such sums and with such sureties as shall be satisfactory to the Executive Board, conditioned upon the faithful performance of his duties and for the restoration to the Association of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the Association. He shall have such other powers and perform such other duties as may be from time to time prescribed by the Executive Board or the president. The assistant treasurers, if any, shall have the same powers and duties, subject to the supervision of the treasurer.

ARTICLE VIII
EVIDENCE OF OWNERSHIP, REGISTRATION OF
MAILING ADDRESS AND LIEN HOLDERS

8.01 Proof of Ownership.

Except for those Owners who initially contracted to purchase a Unit from the Declarant, any person on becoming an Owner shall furnish to the Association a photocopy or a certified copy of the recorded instrument vesting that person with an ownership interest in the Unit. Such copy shall remain in the files of the Association. An Owner shall not be deemed to be in good standing and shall not be entitled to vote at any annual or special meeting of Owners unless this requirement is first satisfied.

8.02 Registration of Mailing Address.

All Owners of each Unit shall have one and the same registered mailing address to be used by the Association or other Owners for notices, demands, and all other communications regarding Association matters. The Owner or the representative of the Owners of a Unit shall furnish such registered address to the secretary of the

Association within ten days after (a) transfer of title to the Unit to such Owner or Owners, or (b) change of address. Such registration shall be in written form and signed by all of the Owners of the Unit or by such persons as are authorized to represent the interests of all Owners of the Unit. If no address is registered or if all of the Owners cannot agree, then the address of the Unit shall be deemed the registered address of such Owner(s), and any notice shall be deemed duly given if delivered to the Unit.

8.03 Liens.

Any Owner who mortgages or grants a deed of trust covering a Unit shall give the Association written notice of the name and address of the Mortgagee and shall file true, correct and complete copies of the note and security instrument with the Association.

8.04 Address of the Association.

The address of the Association shall be 29 Grand Mediterra Boulevard, Henderson, Nevada 89011. Such address may be changed from time to time upon written notice to all Owners and all listed Mortgagees.

ARTICLE IX DUES AND
ASSESSMENT

Each Owner, by accepting a deed to a Unit (whether or not it shall be expressly stated in such deed), shall be deemed to have covenanted and agreed, to pay to the Association all Assessments and other charges that the Association is required or permitted to levy or impose on such Owner or such Owner's Unit pursuant to the Declaration or any other Association Document. An Owner shall not be deemed to be in good standing and shall not be entitled to vote at any annual or special meeting of Owners unless this payment requirement is first satisfied.

ARTICLE X
AMENDMENTS

10.01 By Directors.

Except as limited by law, the Declaration, the Association Articles or these Bylaws, the Executive Board shall have power to alter, amend or repeal these Bylaws and/or adopt new bylaws, from time to time, at any regular meeting of the Executive Board or at any special meeting called for that purpose at which a quorum is represented: provided, that if the Owners shall make, amend or repeal any provision of these Bylaws, the Directors shall not thereafter amend the same in such manner as to defeat or impair the object of the Owners in taking such action.

10.02 By Owners.

Subject to any rights conferred upon First Mortgagees in the Declaration, the Owners may alter, amend or repeal these Bylaws and/or adopt new bylaws, from time to time, by the vote of the holders of at least sixty-seven percent (67%) of the votes of the Owners, unless a greater percentage is expressly required by law, the Declaration, the Association Articles or these Bylaws, at any annual meeting or at any special meeting called for that purpose at which a quorum shall be represented.

10.03 Limitation.

Amendment of these Bylaws is specifically subject to the requirements of Section 116.3106 of the Nevada Revised Statutes, as amended.

ARTICLE XI
MISCELLANEOUS

11.01 **Fiscal Year.**

The fiscal year of the Association shall be such as may from time to time be established by the Executive Board.

(End)

UNOFFICIAL