

**BY-LAWS OF
GREEN VALLEY DESERT MEADOWS II INC.**

**ARTICLE I
DEFINITIONS**

SECTION 1: "Corporation" shall mean and refer to Green Valley Desert Meadows II, a non-profit corporation organized and existing under the laws of the State of Arizona.

SECTION 2: "The Properties" shall mean and refer to: Green Valley Desert Meadows II, Lots 1-209, as recorded in the Book of Maps and Plats, Book 24, at Page 2, in the office of the Recorder, Pima County, Arizona.

SECTION 3: "Common Properties" shall mean and refer to any properties, real or personal, now owned or which may hereafter be acquired and held by the corporation for the common benefit and enjoyment of the members of the corporation.

SECTION 4: "Deed Restrictions" shall mean and refer to the Declaration of Establishment of Conditions and Restrictions, heretofore recorded in the office of the Pima County Recorder in Docket 4352 at page 716-723 thereof and revision recorded in Docket 6588, pages 1012 through 1017, filed on August 6, 1981 and any amendments thereto.

**ARTICLE II
ELECTION OF DIRECTORS:
NOMINATING COMMITTEE:
ELECTIONS COMMITTEE:**

SECTION 1: Election to the Board of Directors shall be by secret written ballot. In such election, each member in good standing shall be entitled to the number of votes equal to the number of seats to be filled. Thus, if there are three vacancies on the Board, a member shall have three votes to cast for three candidates. Cumulative voting is not permitted. (For purposes of this Section, a "member in good standing" is a member who is current on the payment of assessments and any other amounts due to the Association.)

SECTION 2: Nominations for election to the Board of Directors shall be made by a Nominating Committee, which shall be one of the Standing Committees of the Corporation.

SECTION 3: The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Corporation.

SECTION 4: The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of offices to be filled. Such nominations shall be made from among members of the Corporation.

SECTION 5: All elections to the Board of Directors shall be made on a secret written ballot, which shall be prepared in advance and contain:

- (a) A description of the directorship to be filled;
- (b) The names of those nominated by the Nominating Committee for such offices;
- (c) Contain a space for write-in vote for each office;

- (d) The ballots shall be destroyed after the vote is announced to the membership and accepted, unless a recount is requested at the meeting.

SECTION 6: The report of the Nominating Committee shall be mailed by the Secretary to the members at the last address reported to the Secretary by each member at least twenty-one (21) days in advance of the Annual Meeting.

SECTION 7: The Board of Directors shall be composed of no less than three, or more than nine directors. Prior to any Annual Meeting, the Board of Directors may increase or decrease the number of directors that will serve on the Board within the minimum and maximum number of directors. However, number of directors must always be an odd number and no decrease in the size of the board may shorten the term of a seated director. If the number of directors is increased by the Board, the Members of the Board shall determine the term of office of each new directorship. Except as otherwise provided in this Section, all directors shall have a three-year term.

In order to assure staggered terms so that the entire Board is not replaced in any one year, if there are no staggered terms in any future election year the Board will adopt reasonable rules and regulations governing the procedures for the upcoming election, including a modification of terms for some of the newly-elected Directors so that staggered terms will be restored.

SECTION 8: A meeting shall be held in the early part of December for the purpose of obtaining nominations from the membership. The meeting may be held in conjunction with the regular December Board Meeting. The first order of business, following the reading of the minutes, shall be the report of the Nominating Committee. This will be followed by a request for further nominations from the floor. At the conclusion of nominations, all nominees shall have an opportunity to make a brief statement of policy.

- (a) All ballots shall be numbered at random to prevent duplication. They shall be mailed to all members, along with the report of the Nominating Committee and the names of any additional nominees, nominated from the floor. (See Article II, Section 6)
- (b) A Committee shall be appointed by the Board of Directors to count the ballots. This committee shall consist of three members, one of whom shall be a Director.
- (c) In the event of a tie, a new ballot will be mailed to all members, containing the names of those who are tied for office. Twenty-one days will be allowed for the ballots to be returned.

ARTICLE III

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

SECTION I: The Board of Directors shall have the power:

- (a) To call special meetings of the Corporation whenever it deems necessary or upon written request of 25% of the voting membership.
- (b) To appoint and remove at pleasure all officers, agents and employees of the Corporation, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these By-laws shall be construed to prohibit the employment of any member, officer or director of the Corporation in any capacity whatsoever.
- (c) To establish, assess and collect annual dues and assessments.
- (d) To adopt and publish rules and regulations governing the use of the common properties and facilities and the personal conduct of the members and their guests thereon.

- (e) To adopt and publish rules and regulations for the general welfare and benefit of the members.
- (f) To exercise for the Corporation all powers, duties and authority vested in or delegated to this Corporation except those reserved to the membership under the Declaration of Establishment of Conditions and Restrictions and all amendments thereto, the Articles of Incorporation and these By-laws.
 - (1.) It shall be understood that the Board of Directors of Green Valley Desert Meadows II, Inc. shall not institute, or cause to be instituted, any legal proceedings to enforce Deed Restrictions, unless such proceedings have first been authorized by two-thirds of those members voting at either a Special or Annual meeting when notified in accordance with the By-laws.
- (g) In the event that any member of the Board of Directors of this Corporation shall be absent without excuse, approved by the Board, from three consecutive regular meetings of the Board of Directors, the Board may by action taken at the meeting during which a third consecutive absence occurs, declare the office of said absent Director to be vacant. The Director must be contacted by the Board before it takes final action.
- (h) To fill vacancies in office and those occurring on the Board of Directors due to death, removal or resignation, by appoint until the next annual election.
- (i) To require verification from owners of meeting legal age requirements as set forth in Paragraph 23 of the Declaration.

SECTION 2: The Board of Directors shall have the duty:

- (a) To keep a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the Annual Meeting of the Corporation.
- (b) To supervise all officers, agents and employees of the Corporation.
- (c) In relation to assessments:
 - (1.) To prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the corporation and shall be open to inspection by any member?
 - (2.) To send written notice of each assessment to every owner subject thereto.
 - (3.) To set the amount of the Annual Dues Assessment, unless said Dues Assessment is changed by two-thirds of those members voting at either a Special or Annual Meeting when notified in accordance with the By-laws.
 - (4.) Annual and special assessments shall become delinquent fifteen days after the due date. All delinquent assessments shall be a lien on the lot of the owner who fails to pay them and shall bear interest from the date of default until paid at the rate of 12% per annum until such delinquent assessment is paid. The association may add an administrative fee, as determined by the Board, for processing any overdue assessment.
 - (5.) In the event it shall be necessary for the association to employ attorneys to collect a delinquent assessment, whether by foreclosure on the lien created herein or otherwise, the delinquent owner shall pay in addition to the assessment and interest assured thereon, such reasonable attorney fees and all other costs and expenses incurred by the association as a result of such delinquency.
- (d) To issue upon demand by any member, a receipt setting forth whether any assessment due from that member has been paid.

ARTICLE IV
DIRECTORS' MEETINGS

SECTION 1: A regular meeting of the Board of Directors shall be held at least two times each year. All regular meetings of the Board of Directors are open to the membership.

SECTION 2: Special meetings of the Board of Directors shall be held when called by the President or by any Directors after three days' notice to each Director.

SECTION 3: The transaction of any business at any meeting of the Board of Directors however called or noticed, or wherever held, shall be as valid as though made at a meeting duly held after regular call and notice if a quorum is present and if either before or after the meeting, each of the Directors not present signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporation records and made part of the minutes of the meeting.

SECTION 4: The majority of the Board of Directors shall constitute a quorum thereof.

ARTICLE V **OFFICERS**

SECTION 1: The officers shall be a President, a Vice President, a Secretary and a Treasurer elected by and from the members of the Board of Directors.

SECTION 2: The officers shall be elected by a majority vote of the Directors.

SECTION 3: The officers shall hold office at the pleasure of the Board of Directors.

SECTION 4: The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board of Directors are carried out and sign all leases mortgages deeds, and all other documents binding the Corporation.

SECTION 5: The Vice-President shall perform all the duties of the President in his/her absence.

SECTION 6: The Secretary shall be ex-officio secretary of the Board of Directors; shall record the votes and the minutes of all proceedings in a book to be kept for that purpose. He shall sign all certificates of membership. He shall keep the records of the Corporation. He shall record in a book kept for that purpose the names of all members of the Corporation together with their addresses as registered y such members/

SECTION 7: The Treasurer shall receive and deposit in bank accounts all moneys of the Corporation and shall disburse such funds as directed by resolution of the Board of Directors; provided, however, that a resolution of Board of Directors shall not be necessary for the disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board.

SECTION 8: The Treasurer shall keep proper books of account and submit the Corporation books to an audit completion of each fiscal year. He shall prepare an annual budget and annual balance sheet statement, and the budget and balance sheet statement, shall be presented to the membership at its regular Annual Meeting.

SECTION 9: Checks drawn on the corporate bank account and promissory notes must be signed by any two officers of the Corporation.

ARTICLE VI COMMITTEES

SECTION 1: The Standing Committees of the Corporation shall be:

Nominations Committee Architectural Control Committee Rules and Regulations Committee
Audit Committee

Unless otherwise provided herein, each committee shall consist of a Chairman and two or more members and include a member of the Board of Directors. The committees shall be appointed by the Board of Directors within thirty days following each Annual Meeting to serve until their successors are appointed. The Board of Directors may appoint such other committees, as it deems desirable.

SECTION 2: The Nominations Committee shall have the duties and functions described in Article II

SECTION 3: The Architectural Control Committee shall be responsible for maintaining the architectural integrity of Green Valley Desert Meadows II by enforcing the deed restrictions affecting the property.

SECTION 4: The Rules and Regulations Committee shall promulgate reasonable rules and regulations for the use of common property owned by the corporation and property owned by the members within the authority granted by the deed restrictions affecting the property.

SECTION 5: The Audit Committee shall make an annual audit of the corporation's books and approve the financial statements to be presented to the membership at its Annual Meeting.

SECTION 6: It shall be the duty of each committee to receive written complaints from members on any matter involving corporation functions, duties and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, Director or officer of the Corporation as is further concerned with the matter presented. A report shall be submitted monthly to the Board on all complaints and action taken thereon.

ARTICLE VII MEETINGS OF MEMBERS

SECTION 1: Board of Directors: The affairs of this corporation shall be conducted by a Board of Directors consisting of no less than three or more than nine directors. Except as otherwise provided in the By-Laws, all Directors shall have a three-year term. Such Directors shall serve for the term for which they are elected and until their successors are elected and qualified.

SECTION 2: Special meetings of the members for any purpose may be called at any time by either the President the Vice-President, or by a majority of the Board of Directors, upon written request of twenty-five percent of the entire membership.

SECTION 3: Notice of any meetings shall be given to the members by the Secretary and by notice by a single publication in a newspaper having general circulation in Green Valley, Arizona. Notice shall be given to the members by sending a copy of the notice through the mail to the last address reported to the Secretary by said member. Notice of any meeting, regular or special, shall be mailed at least fifteen days in advance of the meeting and shall set forth in general the nature of the business to be transacted.

SECTION 4: Upon recommendation of a majority of the Board of Directors or upon petition of twenty-five percent of the members, the membership may, for just cause, request the removal of any Officer or Director, such action must be approved by two-thirds of those members voting at either a Special or Annual Meeting when notified in accordance with the By-Laws.

SECTION 5: A quorum at the Regular Annual or Special meeting of members shall consist of 20% of the total membership present either in person or by proxy.

ARTICLE VIII

PROXIES

SECTION 1: At all corporate meetings each member may vote in person or by proxy.

SECTION 2: All proxies shall be in writing and filed with the Secretary. No proxy shall extend beyond the specific action for which it was granted.

ARTICLE IX

BOOKS AND PAPERS

The books, records, and papers of the corporation shall at all times, during reasonable business hours, be subject to inspection of any member in good standing.

ARTICLE X

AMENDMENTS

SECTION 1: These By-laws may be amended at a Regular Annual or Special Meeting of the Corporation by a two-thirds vote of those members voting when notified in accordance with the By-laws, provided that all amendments are consistent with the Articles of Incorporation and the Recorded Deed Restrictions.

SECTION 2: In the case of any conflict between the Articles of Incorporation and these By-laws, the Articles control; and in the case of any conflict between the Deed Restrictions applicable to the properties and these By-laws, the Deed Restrictions shall control. The Deed Restrictions shall control in any conflict with the Articles of Incorporation.

ARTICLE XI

RULES AND REGULATIONS

The Corporation may, insofar as permitted by law, establish, modify, alter and enforce such rules and regulations as may be necessary to promote and sustain the stated objects and purposes for which this Corporation is organized, provided that any such rule may not abrogate any restriction imposed on any property by Deed Restrictions of record.