

BY-LAWS OF  
CIVANO COMMUNITY ASSOCIATION

ARTICLE I  
NAME AND LOCATION

The name of the corporation is CIVANO COMMUNITY ASSOCIATION, referred to as the "Association". The principal office of the Association is located in Tucson, Az. Meetings of Members and Directors may be held at such places within the State of Arizona, County of Pima, as may be designated by the Board of Directors.

ARTICLE II  
DEFINITIONS

The definitions in these Bylaws shall be the same as the definitions set forth in the Declaration of Covenants, Conditions, Restrictions and Easements for Civano: The Tucson Solar Village, which was recorded on March 13, 1997 at Docket 10501 at Page 1724, et. seq.

ARTICLE III  
MEMBERSHIP IN THE ASSOCIATION AND VOTING

- 3.1 Membership. Membership in the Association shall be as set forth in the Declaration and the Articles of Incorporation of the Corporation.
- 3.2 Voting Rights of Members. The voting rights of the Members shall be as provided in the Declaration.

IV  
MEETINGS OF MEMBERS

- 4.1 Annual Meetings. The annual meeting of the Members shall be held during the month of February of each year at a date, time and place established by the Board of Directors.
- 4.2 Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of the notice, postage prepaid, at least ten (10) days before the meeting to each Member, addressed to the Member's address which appears on the books of the Association, or supplied by the Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting. Notice of

meetings may be waived before, during or after the meeting.

- 4.3 Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon the written request of twenty-five (25%) of the Members.
- 4.4 Quorum. For a quorum to be present at any meeting, ten percent (10%) of the Members, appearing in person or by proxy, must be present. Unless the vote of a greater number is required by these Bylaws, the Articles, the Declaration or Arizona law, the affirmative vote of a majority of the Members represented at a meeting and entitled to vote is considered to be an act of the Members.
- 4.5 Adjourned Meetings. If a quorum is not present, in person or by proxy, at any meeting of the Association, the Members shall adjourn the meeting to another date and time, without providing any other notice to the Members other than making an announcement at the meeting of the new date and time. The Members may continue to adjourn the meeting and reset it to another date and time until a quorum is present.
- 4.6 Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary at least 48 hours prior to the date of the scheduled meeting at which the proxy will be used.
- 4.7 Order of Business. The order of business at all meetings of the Members shall be as follows:
  - (a) Roll call and verification of proxies.
  - (b) Proof of notification of meeting or waiver of notice.
  - (c) Reading of minutes of preceding meeting.
  - (d) Reports of officers.
  - (e) Reports of committees.
  - (f) Appointment of inspectors of election when required.
  - (g) Election of members of the Board of Directors when required.
  - (h) Unfinished business.
  - (i) New business.

- (j) Adjournment.

ARTICLE V  
BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

- 5.1 Powers and Duties. The Board of Directors has all powers and duties necessary for the administration of the affairs of the Corporation, and may undertake to do all acts which are not by law or otherwise directed in the Association's Governing Documents to be exercised and done by the Members. The powers of the Board of Directors shall include but not be limited to all of the rights and duties of the Board of Directors as set forth in these Bylaws, the Articles and the Declaration. This shall include the power to promulgate rules and regulations which pertain to the rights and duties of Members of the Association, and to handle all other matters which are consistent with the Association's Governing Documents. The Board of Directors may delegate to one or more committees or to any other persons, such duties and powers, which appear to the Board of Directors to be in the best interests of the Association and to the extent permitted by law.
- 5.2 Number and Qualification. The affairs of the Association shall be managed, controlled and conducted by the Board of Directors. The Board of Directors shall consist of three members. The number of directors may be altered from time to time by resolution of a majority vote of the Board of Directors. In the event of any increase in the number of directors prior to the annual meeting, each additional director shall be elected by the current Board of Directors and hold office until his/her successor is elected and qualified. Except for directors appointed or elected by the Declarant, each director shall be a Member or if a Member is a corporation, partnership, or trust, a director may be a director, officer, employee, partner or beneficiary of such Member. If a director ceases to meet such qualifications during his/her term, he/she will cease to be a director and his/her place on the Board shall be deemed vacant.
- 5.3 Election and Term of Office. The Declarant shall appoint and remove all of the members of the Board of Directors in accordance with the provisions of the Declaration. At such time as these rights expire, then the Directors shall be elected by the Members, for a term of one year, at the annual meeting of the Association and may be removed with or without cause by such Members.
- 5.4 Vacancies. Vacancies on the Board of Directors caused by any reason shall be filled by vote of the majority of the remaining directors even though less than a quorum.
- 5.5 Compensation. No compensation shall be paid to any director for his/her services as a director unless a resolution authorizing such compensation has been

unanimously adopted by the Board of Directors before the services are undertaken. Directors and officers may be reimbursed for any actual expenses incurred in connection with their duties as such officers or directors.

## ARTICLE VI MEETINGS OF DIRECTORS

- 6.1 Regular Meetings. Regular meetings of the Board of Directors shall be held at least two (2) times per year, at such date, place and hour as may be determined by the Board.
- 6.2 Special Meetings. Special Meetings of the Board of Directors shall be held when called for by the President of the Association, or by any two (2) Directors, after not less than three (3) days notice to each Director. In the event of an emergency where the safety of personnel or property is in jeopardy, a same day meeting may be called by telephone by any one (1) Director of the Association.
- 6.3 Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Any decision made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.
- 6.4 Adjournments. The Board of Directors may adjourn any meeting from day to day or for such other time as may be prudent or necessary in the interests of the Association, provided that no meeting may be adjourned for a period longer than 30 days.
- 6.5 Action Without a Meeting. The Directors may take any action in the absence of a meeting which could have been taken at a meeting by obtaining the written approval of all the Directors. Such action has the same effect as though taken at a meeting of the Directors.
- 6.6 Committees. The Board of Directors may by resolution appoint committees of the Board, which shall have the powers and authority designated in the resolution establishing them.
- 6.7 Powers and Duties. Except as expressly set forth in the Association's Governing Documents, all the powers and duties of the Association shall be exercised by the Board.

ARTICLE VII  
OFFICERS AND THEIR DUTIES

- 7.1 Enumeration of Offices. The officers of this Association shall be a president and vice-president, a secretary, and a treasurer, who shall be Members of the Board of Directors, and such other offices as the Board may from time to time by resolution, create. Any one person may hold two or more offices at the same time, except that no one person shall simultaneously hold the office of President and Secretary.
- 7.2 Election of Officers. The officers of the Association shall be elected from time to time by the Board of Directors.
- 7.3 Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.
- 7.4 Resignation and Removal. Any officer may be removed from office by a majority vote of the Board. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified in the notice of resignation. Unless otherwise specified in the notice, the acceptance of a Board Member's resignation is not necessary to make it effective.
- 7.5 Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he/she replaces.
- 7.6 Duties. The duties of the officers are as follows:
- 7.6.1 President: The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and agreements and shall co-sign all promissory notes.
- 7.6.2 Vice President: The vice-president shall act in the place and stead of the president in the event of his/her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.
- 7.6.3 Secretary: The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; provide notice or direct that notice of meetings of the Board and of the Members be mailed in accordance with the provisions of these Bylaws; keep appropriate current

records showing the Members of the Association together with their addresses, and perform such other duties as required by the Board.

- 7.6.4 Treasurer: The treasurer shall receive and deposit [or direct the receipt and deposit in the event that a manager has been hired by the Board of Directors] in appropriate bank accounts all monies of the Association and disburse such funds as directed by resolution of the Board of Directors; shall co-sign with the President, all promissory notes of the Association; keep proper books of account, cause an annual review of the Association books to be made by an independent accountant at the completion of each fiscal year; and prepare an annual operating budget and a statement of income and expenditures on which to base the amount of the Annual Assessment.

## ARTICLE VIII MISCELLANEOUS

- 8.1 Books and Records. The books, records and papers of the Association are available for inspection by any Member. In accordance with A.R.S. 10-2325 any Member who desires to review such books and records must provide a written request to the Association which sets forth the proper purpose for the inspection. Upon receipt of the request, the Member shall be entitled to inspect such records during reasonable business hours and to have copies made of any documents, at the Member's expense. The Articles of Incorporation and the Bylaws of the Association are available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.
- 8.2 Execution of Corporate Documents. Without the prior authorization of the Board of Directors, all notes, checks and contracts or other obligations shall be executed on behalf of the Association by such officer or officers of the Association as said Board shall designate.
- 8.3 Fiscal Year. The fiscal year of the Association shall be determined by the Board of Directors, in its sole discretion.
- 8.4 Conflict in Documents. In the case of any conflict between the Articles and these Bylaws, the Articles shall control. In the case of any conflict between the Declaration and these Bylaws, or between the Articles and the Declaration, the Declaration shall control.
- 8.5 Amendment of Bylaws. These By-Laws may be amended by a vote of a majority of the Board of Directors.

8.6 Notices.

8.6.1 Notice to the Members is deemed as given if it is in writing and delivered to Member by hand or deposited in the U.S. Mail.

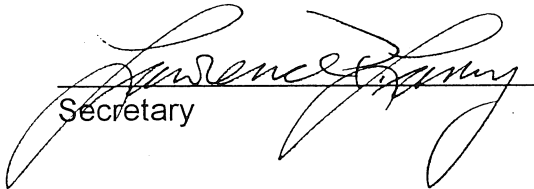
8.6.2 When any notice is required to be given to a Member, a waiver of that notice, in writing, signed by the person or persons entitled to notice shall be the equivalent of delivering timely notice to such person.

DATED: \_\_\_\_\_

CIVANO COMMUNITY ASSOCIATION

By:  \_\_\_\_\_  
President

Attest:

  
Secretary