

**FIRST AMENDMENT TO SECOND AMENDED AND RESTATED
BYLAWS OF
CIVANO 1: NEIGHBORHOOD 1 ASSOCIATION, INC.**

Section 11.1 of the Amended and Restated Bylaws of Civano 1: Neighborhood 1 Association, Inc., an Arizona non-profit corporation (the ABylaws@) authorizes the Board of Directors of Civano 1: Neighborhood 1 Association, Inc. (the AAssociation@) to amend the Bylaws by a vote of a majority of the Directors.

At its regular meeting on the 15th day of November 2011, at least a majority of Directors approved the following amendment to the Bylaws:

DELETE: Article IX (Committees) and Article X, Section 10.4 (Meetings of Nominating & Elections Committee) are deleted in their entirety and replaced with:

ADD: ARTICLE IX, COMMITTEES:

- 9.1 Formation of Committees. At its first meeting following the annual election of the Board of Directors, the Board shall form such committees as required by the Declaration or these Bylaws, or as it deems necessary to properly and effectively carry on the affairs of the Association. The Nominating and Election Committee shall be formed in accordance with Section 10.2 of the Bylaws.
- 9.2 Removal of Committee Member. Any committee member may be removed from a committee, with or without cause by a majority vote of the Board, provided a quorum is present.
- 9.3 Meetings of Committees. All regularly-scheduled committee meetings shall be open to all Members of the Association or any person designated by a Member in writing as the Member's representative. All Members or designated representatives so desiring shall be permitted to attend and speak at an appropriate time during the committee's deliberations and proceedings. The committee chairperson may place reasonable time restrictions on those persons speaking during the meeting. The dates of committee meetings shall be announced to Association Members at least 48 hours in advance of the meeting by newsletter, conspicuous posting or any other reasonable means as determined by the Board.

Any portion of a committee meeting may be closed if that closed portion of the meeting is limited to consideration of one or more of the following:

- A. Legal advice from an attorney for the Board or the Association.
- B. Matters that are the subject of pending or contemplated litigation.
- C. Personal, health or financial information about an individual member of the Association, an individual employee of the Association or an individual

employee of a contractor for the Association, including records of the Association directly related to the personal, health or financial information about an individual member of the Association, an individual employee of the Association or an individual employee of a contractor for the Association.

D. Matters relating to the job performance of, compensation of, health records of or specific complaints against an individual employee of the association or an individual employee of a contractor of the association who works under the direction of the Association.

E. Discussions of a Member's appeal of any violation cited or penalty imposed by the Association except on request of the affected Member that the meeting be held in an open session.

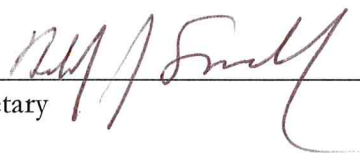
9.4 Additional Rules and Guidelines. The Board of Directors may adopt additional rules and guidelines pertaining to committee operations and meetings.

DATED this 15th day of November, 2011.

CIVANO 1: NEIGHBORHOOD 1 ASSOCIATION, INC.,
an Arizona non-profit corporation

By:  _____, President

ATTEST:



Secretary