

THIRD AMENDED AND RESTATED

BYLAWS OF

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

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4 **THIRD AMENDED AND RESTATED BYLAWS OF**
5 **CIVANO 1: NEIGHBORHOOD 1 ASSOCIATION, INC.**
6

7 **ARTICLE I.**
8 **INTRODUCTION**
9

10 1.1 Scope. These Bylaws shall govern the operation of Civano 1:
11 Neighborhood 1 Association, Inc. (the "Association"), an Arizona nonprofit corporation
12 created pursuant to the Articles of Incorporation under the provisions of Title 10,
13 Chapter 25 of the Arizona Revised Statutes. The use of the Covered Properties for the
14 benefit of the Members is governed by that certain Amended and Restated Declaration
15 of Covenants, Conditions and Restrictions for Civano 1: Neighborhood 1, recorded on
16 January 4, 2000, in Docket 11206, Page 2132, *et seq.*, official records of Pima County,
17 Arizona, and as amended from time to time (the Declaration"). All references to the
18 Declaration shall include any amendments.
19

20 1.2 Principal Office. The principal office of the Association shall be located in
21 Pima County, Arizona, Meetings of Members and Directors may be held at any place
22 within the State of Arizona, County of Pima which is designated by the Board of
23 Directors.
24

25 **ARTICLE II.**
26 **DEFINITIONS**
27

28 Capitalized terms used in these Bylaws without definition shall have the
29 meanings specified for such terms in the Declaration. As used in these Bylaws, the term
30 "Eligible Votes" means the total number of votes entitled to be cast by Members as of
31 the record date for determining the Members entitled to vote at a meeting or with
32 respect to any other lawful action including, but not limited to, action by written ballot
33 or written consent.
34

35 **ARTICLE III.**
36 **MEMBERSHIP**
37

38 3.1 Members. A Member is a Person who is entitled to membership as set
39 forth in the Declaration. When more than one (1) Person holds an ownership interest in
40 any Lot or Parcel, each Person is a Member. Membership in the Association is subject to
41 the following restrictions and qualifications:

1
2 3.1.1 The transfer of ownership to any Lot or Parcel automatically
3 transfers the Membership to the new Owner.
4

5 3.1.2 The rights of Members shall be to vote (in accordance with Article
6 V), to hold office, and to enjoy or benefit from the Common Areas, subject
7 to the Governing Documents.
8

9 3.1.3 The Board of Directors may, in its absolute discretion, suspend the
10 right of an Owner, his/her family, or his/her lessees or tenants, to use the
11 recreational facilities for any period during which any Assessment against
12 a Lot or Parcel remains unpaid or for any violation of the Declaration or
13 the Rules of the Association. The Board of Directors also has the right to
14 suspend the voting rights of any Owner for any period in which the
15 Assessment against his/her Lot or Parcel remains unpaid or for any
16 violation of the Declaration or the Rules of the Association.
17

18 **ARTICLE IV.**
19 **MEETINGS OF MEMBERS**
20

21 4.1 Annual Meetings. The Annual Meeting of the Members shall be held
22 during the month of March of each year, at a date, time, and place designated by the
23 Board of Directors.
24

25 4.2 Special Meetings. Special meetings of the Members may be called at any
26 time by the President or by the Board, or upon written demand signed by Members
27 having at least twenty-five percent (25%) of the Eligible Votes. The Members' meeting
28 demand must be delivered to any corporate officer with a statement describing the
29 purpose(s) for which the meeting is to be held. The meeting shall be scheduled by the
30 Board within thirty (30) days from receipt of the demand. The close of business on the
31 thirtieth (30th) day before delivery of the demand for a special meeting shall be the
32 record date for the purpose of determining whether the demand for the special meeting
33 has been signed by Members having at least twenty-five percent (25%) of the Eligible
34 Votes.
35

36 4.3 Notice of Meetings. Written notice of each meeting of the Members shall
37 be given by or at the direction of the Secretary or person authorized to call the meeting,
38 by mailing or hand delivering a copy of the notice to each Member, at least ten (10) but
39 not more than thirty (30) days before such meeting. The notice of the meeting must be
40 addressed to the Member at the address which is reflected in the Association's books
41 and records. Such notice shall specify the place, day and hour of the meeting, and, in

1 the case of a special meeting, the purpose of the meeting. When a meeting is adjourned
2 to another time or place, it is not necessary to send another notice to the Members of the
3 adjourned meeting if the time and place of the meeting are announced at the meeting at
4 which the adjournment is taken. At the adjourned meeting, the Association may
5 transact any business which might have been transacted at the original meeting.
6 However, if the adjournment is for more than thirty (30) days, a notice of the adjourned
7 meeting shall be given to each Member. By attending a meeting, a Member waives any
8 right he/she may have to object to the meeting on the basis that the meeting was not
9 noticed in accordance with the Bylaws or statutes of the State of Arizona.

10
11 4.4 Quorum. Except as otherwise provided in the Articles, the Declaration or
12 the Bylaws, the presence either in person or by absentee ballot of Members entitled to
13 cast at least fifteen percent (15%) of the votes in the Association shall constitute a
14 quorum at any meeting of the Members. If a quorum is not present at any meeting, the
15 Members who are entitled to vote at the meeting can vote to adjourn the meeting in
16 accordance with the applicable provisions of Section 4.3.

17
18 4.5 Procedures for Meetings. The President shall preside over all meetings of
19 the Members. If the President is not present, then the Vice President shall preside over
20 the meeting. If the Vice President is not present, either the Secretary or Treasurer shall
21 preside over the meeting. The Secretary (or his/her designee) shall attend each meeting
22 of the Members and take and prepare minutes reflecting the actions taken at the
23 meeting. If the Secretary (or his/her designee) is not present, then the Chair of the
24 meeting shall appoint another person or officer to act as the recording secretary and to
25 perform the functions of the Secretary. The presiding officer may designate the
26 Association's Attorney as the presiding officer at any meeting of Members at his/her
27 discretion.

28
29 **ARTICLE V.**
30 **VOTING**

31
32 5.1 Voting Rights. The number of votes allocated to each Member is set forth
33 in the Declaration. When more than one (1) Person holds an interest in any Lot or
34 Parcel, the vote for that Lot or Parcel shall be exercised as agreed upon by the Owners,
35 but in no event shall more than the votes allocated in the Declaration be cast. If the
36 Owners of a Lot or Parcel cannot agree on how to cast any vote, they will lose their right
37 to vote on the matter in question. If any Member casts a vote on a particular matter, it
38 will conclusively be presumed for all purposes that the Person casting the vote was
39 acting with the authority and consent of all of the Owners of the Lot or Parcel, unless an
40 objection by any other Owner is made at the time the vote is cast. In the event that more

1 than the allocated votes are cast for a particular Lot or Parcel, none of the votes shall be
2 counted and all of the votes shall be deemed void.

3
4 5.2 Voting Procedure (also see Civano Elections Handbook)

5
6 5.2.1 At any meeting of the Members, the Members present either in
7 person or by absentee ballot shall be entitled to vote on each matter
8 brought before the membership. A majority of the Eligible Votes cast by
9 the Members, provided there is a quorum, shall be the act of the
10 membership, except as otherwise provided in the Declaration, the Articles
11 of Incorporation, these Bylaws or by statute.

12
13 5.2.2 The annual election to fill positions on the Board of Directors shall
14 take place by written ballot without a meeting or by voting at the Annual
15 Meeting in accordance with these Bylaws, and the results shall be made
16 known after tabulation and certification of the ballots by the Nominating
17 and Elections Committee.

18
19 5.2.3 Votes may not be cast pursuant to a proxy at any Association
20 meeting.

21
22 5.2.4 Voting shall proceed under supervision of the Nominating and
23 Election Committee, including but not limited to the determination of
24 eligibility and tabulation of votes.

25
26 5.2.5 In the event of a tie vote, a member of the Nominating and
27 Elections Committee shall meet with the tied candidates and determine if
28 one or more are willing to defer to allow one candidate to be elected. If
29 none defer, a coin toss will be held to determine the winner.

30
31 5.3 Voting at a Meeting

32
33 5.3.1 Absentee Ballots. The Board shall provide for votes to be cast in
34 person and by absentee ballot at any meeting of the Association. In
35 addition, the Board may provide for voting by some other form of
36 delivery, including the use of e-mail and fax delivery. Votes cast by
37 absentee ballot or some other form of delivery, including the use of e-mail
38 and fax delivery, are valid for the purpose of establishing a quorum.

39
40 5.3.2 Ballot Requirements. When absentee ballots or ballots provided by
41 some other form of delivery are used:

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5.3.2.1 The ballot shall set forth each proposed action.

5.3.2.2 The ballot shall provide an opportunity to vote for or against each proposed action.

5.3.2.3 The ballot is valid for only one specified election or meeting of the Members and expires automatically after the completion of the election or meeting.

5.3.2.4 The ballot specifies the time and date by which the ballot must be delivered to the Board in order to be counted, which shall be at least seven (7) days after the date that the Board delivers the unvoted ballot to the member. Ballots received after this date shall not be counted.

5.3.2.5 The ballot may not authorize another person to cast votes on behalf of the Member.

5.3.2.6 Ballots must be sent to Members at least 10 days but not more than 30 days prior to the date of the election or vote on an issue, and the date set for the tabulation of the ballots shall be stated on the ballot.

5.3.3 Action by Written Ballot Without a Meeting. Any action that the Association Members may take at any annual or special meeting may be taken without a meeting if the Association delivers a written ballot to every Member entitled to vote on the matter.

5.3.3.1 A written ballot shall:

- (A) Set forth each proposed action.
- (B) Provide an opportunity to vote for or against each proposed action.

5.3.3.2 Approval by written ballot is valid only if both:

- (A) The number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action.

1 (B) The number of approvals equals or exceeds the number of
2 votes that would be required to approve the matter at a meeting at
3 which the total number of votes cast was the same as the number of
4 votes cast by ballot.

5
6 5.3.3.3 All solicitations for action by written ballot shall:

7
8 (A) Indicate the number of responses needed to meet the
9 quorum requirements.

10
11 (B) State the percentage of approvals necessary to approve each
12 matter other than election of directors.

13
14 (C) Specify the time by which a ballot must be delivered to the
15 Association in order to be counted, which time shall not be less
16 than ten (10) days after the date that the Association delivers the
17 ballot.

18
19 5.3.3.4 Except as otherwise provided in the Articles or these
20 Bylaws, a written ballot shall not be revoked.

21
22
23 **ARTICLE VI.**
24 **BOARD OF DIRECTORS**

25
26 6.1 Number and Qualifications. The Board of Directors of the Association
27 shall consist of seven (7) persons, all of whom must be Members in good standing,
28 meaning that their Assessment accounts shall be current. Co-owners of Lots shall not
29 be entitled to serve on the Board of Directors at the same time. The Directors shall be
30 elected from the various Land Use Classifications so that there is at least one
31 representative from each Land Use Classification on the Board. All Directors shall have
32 all of the rights, remedies, privileges and authority accorded to Directors of the
33 Association by the Governing Documents and by applicable law.

34
35 6.2 Election of the Board of Directors. Directors shall be elected by secret
36 ballot in accordance with Article V of these Bylaws. The candidates receiving the
37 highest number of votes up to the number of Directors to be elected, shall be elected so
38 long as there is at least one (1) representative from each Land Use Classification.
39 Cumulative voting is not permitted. All candidates shall meet the qualifications set
40 forth in Section 6.1.

1 6.3 Term of Office. All Directors shall be elected for a two-year term. If there
2 is a possibility of no staggered terms in any election year, the Board may adopt
3 reasonable rules and regulations governing the Nominating and Election Committee's
4 procedures for the upcoming election, including a modification of terms for some of the
5 newly-elected Directors, so that staggered terms will be restored.

6
7 6.4 Place of Meetings. The Board may hold its meetings at any place
8 designated by the Board of Directors as long as they are held in the state.

9
10 6.5 Regular Meetings. Regular meetings of the Board will be held at least two
11 (2) times per year without notice to the Directors, other than announcement at the close
12 of the previous meeting, and with notice to Association Members in accordance with
13 applicable law.¹ Notice to Members of a meeting of the Board is not required if
14 emergency circumstances require action by the Board before notice can be given. Any
15 such action will be reviewed at the next regular Board meeting and entered into the
16 minutes of said meeting. The failure of any Member to receive actual notice of a Board
17 meeting does not affect the validity of any action taken at that meeting.

18
19 6.6 Special Meetings Notice. Special meetings of the Board shall be held
20 whenever called for in writing by the President of the Association or by any two (2)
21 members of the Board of Directors other than the President. The notice of any special
22 meeting of the Board of Directors shall state the time, place and purpose of the meeting.
23 Except as otherwise provided in Section 6.7, notice of any special meeting shall be sent
24 to each Director either by mail, facsimile, or any other form of recorded communication,
25 by telephone, or delivered personally not later than three (3) business days prior to the
26 scheduled time of the meeting. Notice of special meetings of the Board also shall be
27 given to the Association Members in accordance with applicable law.¹ A written waiver
28 of notice, whether given before or after the meeting to which it relates, shall be the
29 equivalent of giving notice to the Directors who sign the waiver. Attendance of a
30 Director at a special meeting of the Board shall constitute a waiver of notice of such
31 meeting, except when he/she attends the meeting for the express purpose of objecting
32 to the transaction of any business or because the meeting is not lawfully called or
33 convened.

34
35 6.7 Quorum. A majority of the Board, present in person, at any meeting of the
36 Board shall constitute a quorum for the transaction of business at such meeting. Except
37 as otherwise stated in these Bylaws, and except as provided for by law, the vote of a

¹As of the date of these Bylaws, A.R.S. §33-1804 requires forty-eight (48) hours advance notice to Members of meetings of Board by newsletter, conspicuous posting or any other reasonable means as determined by the Board.

1 majority of the Directors present at any meeting where a quorum is present shall be the
2 act of the Board. In the absence of a quorum, a majority of the Directors present at the
3 meeting may adjourn the meeting to another time or place.
4

5 6.8 Organization. At each meeting of the Board, the President, or if he/she is
6 not present, then the Vice President, or if he/she is not present, then a Director chosen
7 by a majority of the Directors present, shall act as the Chair and preside over such
8 meeting. The Secretary, or if he/she is not present, any person which the Chair
9 appoints, shall act as the Secretary and keep the minutes.
10

11 6.9 Action by Directors Without a Meeting. Any action required or permitted
12 to be taken by the Board of Directors may be taken without a meeting if all of the
13 members of the Board of Directors consent, in writing, to such action. Such consents
14 shall be announced at and filed with the minutes of the next Board meeting. Any action
15 by written consent has the same force and effect as any vote of the Directors. Action
16 without a meeting may be taken only when it is not possible to assemble a quorum for a
17 meeting and Board action is required for immediate Association business.
18

19 6.10 Resignations. Any Director may resign at any time by giving notice of
20 his/her resignation to the Board of Directors. Any resignation becomes effective at the
21 time specified in the notice, if the time is not stated in the notice, it shall take effect
22 immediately upon its receipt by the President or the Secretary. Unless otherwise
23 specified in the notice, the acceptance of such resignation is not necessary to make it
24 effective. In the event that any Director is absent from three (3) consecutive Board
25 meetings or is delinquent in the payment of his/her Assessments due to the Association
26 for more than ninety (90) days, without being excused by the President for good cause,
27 he/she shall be deemed to have resigned from office and his/her successor shall be
28 appointed to fill the unexpired term.
29

30 6.11 Removal of Directors. The Members, by a majority vote of Members
31 entitled to vote and voting on the matter at a meeting of the Members called pursuant
32 to these Bylaws, at which a quorum is present, may remove any Director from the
33 Board with or without cause. For purposes of calling for removal of a Director, the
34 following apply:
35

36 6.11.1 On receipt of a petition that calls for removal of a Director and
37 that is signed by the Members entitled to cast at least twenty-five percent
38 (25%) of the votes in the Association or one hundred (100) votes,
39 whichever is less, the Board shall call and provide written notice of a
40 special meeting of the Association as prescribed by these Bylaws.
41

1 6.11.2 The special meeting shall be called, noticed and held within
2 thirty (30) days after the Board's receipt of the petition.
3

4 6.11.3 For purposes of a special meeting called pursuant to this Section,
5 a quorum is present if the number of Members to whom at least twenty
6 percent (20%) of the votes in the Association is allocated is present at the
7 meeting either in person or by absentee ballot.
8

9 6.11.4 If a civil action is filed regarding the removal of a Director, the
10 prevailing party in the civil action shall be awarded its reasonable
11 attorney fees and costs.
12

13 6.11.5 The Board shall retain all documents and other records relating
14 to the proposed removal of any Director for at least one (1) year after the
15 date of the special meeting and shall permit Members to inspect those
16 documents and records pursuant to these Bylaws and applicable law.
17

18 6.11.6 A petition that calls for the removal of the same Director shall
19 not be submitted more than once during each term of office for that
20 member.
21

22 6.12 Vacancies on the Board.
23

24 6.12.1 At any duly convened special meeting of the membership at
25 which any Director is removed, a successor or successors should then and
26 there be elected to fill the vacancy thus created.
27

28 6.12.2 Any vacancy on the Board of Directors, other than through
29 removal by the membership, may be filled by the vote of a majority of the
30 remaining Directors even if the remaining Directors do not constitute a
31 quorum. Any Director appointed or elected to fill a vacancy shall hold
32 office for the unexpired term of the vacancy that has been filled. The
33 Board shall fill a vacancy under this Section within sixty (60) days from
34 the Board meeting at which the vacancy becomes official. During any
35 period when the Board does not have seven (7) members due to a
36 vacancy, the quorum shall be a majority of the remaining Directors and
37 the Board may continue to conduct business on behalf of the Association
38 and in accordance with the Governing Documents.
39

40 6.12.3 When one (1) or more Directors resign from the Board, effective
41 at some date in the future, a majority of the Directors, including those who

1 have submitted their resignation, may vote to fill the vacancy with the
2 term of the newly-appointed Directors scheduled to begin on the date the
3 resignation becomes effective.
4

5 6.12.4 If a vacancy occurs because of the death or resignation of a
6 Director, or for any other reason, leaving the Association with no
7 Directors in office, then any Member may call a special meeting of
8 Members solely for the purpose of electing Directors.
9

10 6.12.5 If a Director fails to assume his/her position because of death,
11 disability or declination prior to the beginning of the term to which
12 he/she was elected, then the person who received the next highest
13 number of votes shall succeed to that position. If there were no unelected
14 candidates, the other Directors shall fill the vacancy in accordance with
15 Section 6.12.2.
16

17 6.13 Indemnification of Directors and Officers. The Association shall indemnify
18 any Officers, Directors and appointed committee members against all expenses incurred
19 by them (including but not limited to legal fees, judgments and penalties) in any legal
20 action brought against any of them and arising from any action or omission alleged to
21 have been committed while acting within their scope of authority as an Officer,
22 Director, or committee member of the Association. Whenever any Officer, Director or
23 committee member seeks indemnification from the Association, the Board of Directors
24 shall, at its next regular or at any special meeting held within a reasonable time after the
25 request is made, determine in good faith whether that person acted, failed to act, or
26 acted willfully, with gross negligence or with fraudulent or criminal intent. If the Board
27 of Directors determines in good faith that the person did not act willfully or with gross
28 negligence or with fraudulent or criminal intent, then it shall indemnify that person;
29 provided, however, that the Association has the right to refuse to indemnify any person
30 to whom indemnification would otherwise be provided if that person unreasonably
31 refuses to permit the Association, at its own expense and through counsel of its own
32 choosing, to defend him/her in the action.
33

34 **ARTICLE VII.**

35 **POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

36
37 7.1 Authority of the Board. The Board of Directors has all the powers of an
38 Arizona non-profit corporation, subject only to such limitations upon the exercise of
39 such powers as are expressly set forth in the Governing Documents. The Board has the
40 power to do any and all lawful things which may be authorized, required or permitted
41 to be done by the Association under and by virtue of the Governing Documents and

1 applicable law, and to do and perform any and all acts which may be necessary or
2 proper for or incidental to, the exercise of any of the express powers of the Association.
3

4 7.2 Powers. Without being limited to the generality of Section 7.1, the Board
5 of Directors has the power to:
6

7 7.2.1 Hold and administer the assets and direct, control, manage and
8 supervise business and affairs of the Association.
9

10 7.2.2 Enforce all applicable provisions of the Governing Documents.
11

12 7.2.3 Make and publish architectural and design standards, and rules
13 and regulations within the authority set forth in the Articles of
14 Incorporation, these Bylaws, and the Declaration, and to establish
15 penalties (including but not necessarily limited to fines, probation and/or
16 suspension of membership or voting privileges) for the infraction thereof.
17 There shall be copies of the complete architectural and design standards,
18 and rules and regulations available for purchase or inspection by any
19 Member of the Association upon request.
20

21 7.2.4 Employ or terminate the services of any independent contractor, a
22 managing agent or such other personnel and employees as the Board
23 deems necessary, and to prescribe their duties.
24

25 7.2.5 As more fully provided in these Bylaws and the Declaration to:
26

27 7.2.5.1 Establish and collect the amount of Annual and Special
28 Assessments from each Member.
29

30 7.2.5.2 Perfect and foreclose a lien against any property for which
31 Annual or Special Assessments are not paid, or to bring an action at
32 law against the Member personally obligated to pay the same.
33

34 7.2.5.3 Pay any taxes and assessments which are, or could
35 become, a lien on the property owned by the Association.
36

37 7.2.6 Contract for goods and/or services for the Common Areas,
38 facilities, property for which the Association is responsible, and the legal
39 interests of the Association.
40

1 7.2.7 When permitted by law, represent the Association before any and
2 all governmental or quasi-governmental agencies, offices, groups or
3 bodies in conjunction with any matters bearing upon or affecting the
4 quality of life and property values of the Association's Members,
5 including but not necessarily limited to all planning and zoning, fire
6 protection, street lighting, public utility and similar regulatory agencies.
7

8 7.2.8 To assign parking places and to grant and convey easements,
9 licenses or rights-of-way in accordance with the terms of the Declaration.
10

11 7.3 Duties. It is the duty of the Board of Directors to:
12

13 7.3.1 Supervise all officers, agents and employees of this Association,
14 and ensure that their duties are properly performed.
15

16 7.3.2 Procure and maintain adequate liability and hazard insurance on
17 property owned by the Association, and, in its discretion, errors and
18 omissions insurance on behalf of its Officers and Directors.
19

20 7.3.3 Provide for the operation, care, upkeep and maintenance of all of
21 the Common Areas and to borrow money on behalf of the Association
22 when required for the improvement, operation, upkeep and maintenance
23 of the Common Areas, or for any other purpose.
24

25 7.3.4 Distribute the budget for each fiscal year to the membership not
26 less than thirty (30) days prior to the beginning of the fiscal year.
27

28 7.3.5 Approve the annual operating budget for the Association which
29 shall include, but not necessarily be limited to the following: Estimated
30 revenue and expenses, and the annual cash reserves available for
31 replacement and major repairs of the Association's facilities.
32

33 7.3.6 Comply with applicable state law² with respect to periodic audit,
34 review or compilation of the Association's financial records, at the
35 discretion of the Board. If the services of a certified public accountant are
36 retained, he or she shall be appointed by the Board and paid by the
37 Association.
38

²Currently, A.R.S. §33-1810 requires the Board to provide for an annual financial audit, review or compilation of the Association's financial records.

1 7.3.7 Perform any other duties or functions which are required in the
2 Governing Documents or applicable law.
3

4 **ARTICLE VIII.**
5 **OFFICERS**
6

7 8.1 Selection. The officers of the Association shall be a President, Vice
8 President, Secretary and Treasurer, each of whom shall be a Director. At the first Board
9 meeting held after the Annual Meeting each year, the Directors shall elect the officers of
10 the Association, who shall serve during that calendar year and until their successors are
11 chosen. Officers are not prohibited from succeeding themselves in office.
12

13 8.2 President. The President shall be the Chair of the Board of Directors and
14 shall preside at and conduct all meetings of the Board and the Members. He/She shall
15 see that orders and resolution of the Board are carried out; shall sign all leases,
16 mortgages, deeds and other written instruments and agreements; and shall co-sign all
17 promissory notes.
18

19 8.3 Vice President. The Vice President has such powers and performs such
20 duties as the President or the Board may from time-to-time prescribe and shall perform
21 such other duties as may be prescribed by these Bylaws. At the request of the President,
22 or in case of his/her absence or inability to act, the Vice President shall perform the
23 duties of the President and, when so acting, shall have all the powers of, and be subject
24 to all the restrictions upon, the President.
25

26 8.4 Secretary. The Secretary (or his/her designee) shall record the votes and
27 keep the minutes of all meetings and proceedings of the Board and of the Members;
28 provide notice of meetings of the Board and of the Members; keep appropriate current
29 records showing the Members of the Association together with their addresses, and
30 shall perform such other duties as required by the Board. The Secretary (or his/her
31 designee) shall ensure that all the proceedings of the membership, and the Board of
32 Directors, are recorded in one or more books kept for that purpose. The Secretary (or
33 his/her designee) is the custodian of all contracts, deeds, documents, all other indicia of
34 title to properties owned by the Association and of its corporate records (except
35 accounting records). Upon request, the Secretary (or his/her designee) shall make the
36 records of the Association which are not in the custody of the Treasurer, available for
37 inspection, at all reasonable times to any Director or Member. All records of the
38 Association shall be kept and maintained at the Association's principal office.
39

40 8.5 Treasurer. The Treasurer is responsible for supervising all of the funds
41 and securities of the Association, official records, documents, ledgers and accounts

1 involving the financial business of the Association. All financial records and documents
2 shall be kept and maintained at the Association's principal office. The Treasurer shall
3 see to it that the Association's funds are deposited to the account of the Association in
4 such bank(s) which are federally insured and/or shall use said funds to purchase U.S.
5 Treasury Notes, Certificates of Deposits or other obligations of the Federal Government
6 or agencies thereof, as designated by the Board of Directors. The Treasurer (or his/her
7 designee) shall prepare the annual operating and capital budget for the Association,
8 which shall include, but not be limited to, the following: estimated revenue and
9 expenses and the annual cash reserves available for replacement and major repairs of
10 the Association's facilities. This must be completed in a timely fashion, so that the
11 Board can approve the budget no later than the November Board meeting. The
12 Treasurer also shall issue financial statements when required, and perform such other
13 duties as ordinarily pertain to that office. The Board of Directors may appoint an
14 Assistant Treasurer who shall, in the absence or incapacity of the Treasurer, have the
15 powers, duties and the responsibilities of the Treasurer. The Treasurer shall sign all
16 checks and promissory notes of the Association.

17
18 8.6 Bonding. At the Board's discretion, all officers, Directors, Committee
19 Chairs and members and employees, who are in any way involved in the handling of
20 Association funds, and the paid managerial personnel of the Association shall be
21 bonded or insured in a sum to be determined by the Board of Directors.

22
23 8.7 Compensation. No compensation shall be paid to officers and Directors
24 for their services as officers and Directors. No remuneration shall be paid to any officer
25 or Directors for services performed by him/her for the Association in any other
26 capacity, unless a resolution authorizing such remuneration is unanimously adopted by
27 the Board of Directors before the services are undertaken.

28
29 8.8 Removal. Any officer may be removed from office by the majority vote of
30 the Directors at any regular or special meeting called for that purpose, whenever, in the
31 Board's judgment, the best interests of the Association will be served by the removal.
32 The removal of a person as an officer does not constitute a removal of that person from
33 the Board of Directors, unless he/she is removed from the Board by the Members or
34 Directors, as set forth herein.

35
36 8.9 Vacancies. If any office becomes vacant by removal, death, resignation,
37 retirement, disqualification, or any other cause, the majority of the Directors may elect
38 an officer from the Directors to fill that vacancy, and such officer shall hold office until
39 the election of his/her successor.

1 8.10 Special Appointments. The Board may elect such other officers as the
2 affairs of the Association may require, each of whom shall hold office for such period,
3 have such authority, and perform such duties as the Board may, from time-to-time,
4 determine.
5

6 **ARTICLE IX.**
7 **COMMITTEES**
8

9 9.1 Formation of Committees. The Board shall form such committees as
10 required by the Declaration or these Bylaws, or as it deems necessary to properly and
11 effectively carry on the affairs of the Association. The Nominating and Election
12 Committee shall be formed in accordance with Section 10.2 of these Bylaws.
13

14 9.2 Removal of Committee Member. Any committee member may be
15 removed from a committee, with or without cause by a majority vote of the Board,
16 provided a quorum is present.
17

18 9.3 Meetings of Committees. Committee meetings are open to all Members of
19 the Association or any person designated by a Member in writing as the Member's
20 representative. All Members or designated representatives so desiring shall be
21 permitted to attend and speak at an appropriate time during the meetings. The dates of
22 committee meetings shall be announced to Association Members at least forty-eight (48)
23 hours in advance of the meeting by newsletter, conspicuous posting or any other
24 reasonable means as determined by the Board. Notice to Members of a committee
25 meeting is not required if urgent circumstances require action by the committee before
26 notice can be given. Any such action will be reviewed at the next regular committee
27 meeting and entered into the minutes of said meeting.
28

29 9.4 Closed Committee Meeting. Any portion of a committee meeting may be
30 closed if that closed portion of the meeting is limited to consideration of one or more of
31 the following:
32

- 33 A. Legal advice from an attorney for the Board or the Association.
34
35 B. Pending or contemplated litigation.
36
37 C. Personal, health or financial information about an individual
38 member of the Association, an individual employee of the Association or
39 an individual employee of a contractor for the Association, including
40 records of the Association directly related to the personal, health or
41 financial information about an individual member of the Association, an

1 individual employee of the Association or an individual employee of a
2 contractor for the Association.

3
4 D. Matters relating to the job performance of, compensation of, health
5 records of or specific complaints against an individual employee of the
6 association or an individual employee of a contractor of the association
7 who works under the direction of the Association.

8
9 E. Discussion of a Member's appeal of any violation cited or penalty
10 imposed by the Association except on request of the affected member that
11 the meeting be held in an open session.

12
13 9.5 Additional Guidelines. The Board of Directors may adopt additional
14 guidelines pertaining to committee operations and meetings.

15
16 **ARTICLE X.**
17 **NOMINATING AND ELECTION COMMITTEE**

18
19 10.1 Purpose and Term of Committee. The Nominating and Election
20 Committee shall nominate candidates for the Directors' positions to be elected and
21 filled by Members annually. The members of this Committee shall oversee all elections
22 during a one-year term that begins at least 120 days before the Annual Meeting each
23 year.

24
25 10.2 Selection of Members to Nominating and Election Committee. The
26 Nominating and Election Committee shall consist only of Members, to be chosen as
27 follows:

28
29 10.2.1 The President, with approval of a majority of the Board of
30 Directors shall appoint the members of this Committee. Any Board
31 members whose terms are not expiring may be a member of this
32 Committee, and the appointment of any Board member(s) and the
33 Committee Chairperson is at the discretion of the President.

34
35 10.2.2 The President shall call the first meeting of the Nominating and
36 Election Committee, by giving written notice to each member of the
37 Committee at least seven (7) days prior to the date of that meeting.

38
39 10.3 Nominating and Election Procedures. There shall be a Nominating and
40 Election Procedures Manual. This Manual and any amendments thereto require the
41 approval of the Board.

1
2
3 **ARTICLE XI.**
4 **PROCEDURE FOR AMENDMENT**

5 11.1 Amendment. These Bylaws may be amended by the affirmative vote of
6 two-thirds (2/3rds) of the Members who are voting at any Annual or Special Meeting of
7 Members either in person or by absentee ballot, or by written ballot without a meeting.

8 11.2 Prior Bylaws Superseded. These Bylaws amend, restate, and supersede
9 all prior Bylaws of the Association, and all prior amendments thereto.

10
11 **ARTICLE XII.**
12 **GENERAL PROVISIONS**

13
14 12.1 Conflicting Provisions In the case of any conflict between the Articles
15 and the Bylaws, the Articles shall control; and in the case of any conflict between the
16 Declaration and the Bylaws, the Declaration shall control. In the case of a conflict, the
17 Declaration shall control. In accordance with Section 6.1 of the Declaration, the Articles
18 and the Bylaws shall not be amended or interpreted to be inconsistent with the
19 Declaration.

20
21 12.2 Designation of Fiscal Year. The fiscal year of the Association shall begin
22 on the 1st day of January and end on the last day of December of every year.

23
24 12.3 Books and Records. The Governing Documents together with the books
25 and records of account and membership, and minutes of Association and Board
26 meetings shall be available for inspection by any Member during reasonable business
27 hours at the principal office of the Association. Copies of the Governing Documents
28 may be purchased by Members at a reasonable cost. The Association may charge a
29 reasonable fee for production and photocopying of books and records requested by a
30 Member.

1 CERTIFICATION

2 The undersigned President of Civano 1: Neighborhood 1 Association, an Arizona
3 nonprofit corporation does hereby certify that the Board of Directors approved the
4 Third Amended and Restated Bylaws at its meeting on
5 April 19th 2016. In addition, Members casting at least two-thirds
6 (2/3rds) of the votes in an action by written ballot also approved the Third Amended
7 and Restated Bylaws.

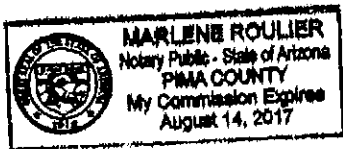
8
9
10 By: Adrianna Delgado Keller
11 Its: President

12
13 ATTEST:

14 [Signature]
15 _____
16 Secretary V.P.

17
18 STATE OF ARIZONA)
19 : ss:
20 County of Pima)

21
22 The foregoing instrument was acknowledged before me this 29 day of April 2016,
23 2015, by ADRIANNE DELGADO-KELLER, President, of CIVANO 1:
24 NEIGHBORHOOD 1 ASSOCIATION, INC., an Arizona non-profit corporation, on behalf of
25 the corporation.



Marlene Roulier
Notary Public

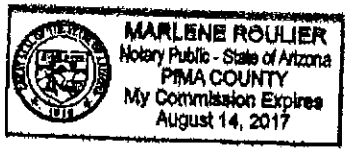
1 STATE OF ARIZONA)

2 : ss:

3 County of Pima)

4
5 The foregoing instrument was acknowledged before me this 29th day of April 2016,
6 2015, by CAROL FINNELL - Vice Pres., Secretary, of CIVANO 1:
7 NEIGHBORHOOD 1 ASSOCIATION, INC., an Arizona non-profit corporation, on behalf of
8 the corporation.

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18



Marlene Roulier

Notary Public

