

AMENDED AND RESTATED BYLAWS
COLONIA VERDE
HOMEOWNERS ASSOCIATION

Approved by CVHOA Board of Directors

November 19, 2014

**AMENDED AND RESTATED BY-LAWS
COLONIA VERDE HOMEOWNERS ASSOCIATION**

Effective November 20, 2013

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COLONIA VERDE HOME OWNERS ASSOCIATION**

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ARTICLE I
NAME AND LOCATION

The name of the corporation is COLONIA VERDE HOME OWNERS ASSOCIATION, hereinafter referred to as the "Association." The principal office of the Association shall be located at Tucson, Arizona.

Meetings of Members and directors may be held at such places within Pima County, Arizona as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. "Declaration" shall mean and refer to the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Colonia Verde, recorded in the office of the Pima County Recorder, on February 28, 2007, in Docket 13001, page 3986 *et seq.*, and any amendments thereto.

Section 2. All other definitions are as found in the Declaration, Article I, Section 1.

ARTICLE III
MEMBERSHIP

Section 1. Qualification. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by the Declaration to Assessment by the Association, including contract sellers, shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Lot or Dwelling Unit shall have more than one membership. Membership shall be appurtenant to and not be separated from ownership of any Lot or Dwelling Unit subject to Assessment by the Association. Ownership of such Lot shall be the sole qualification for membership.

Section 2. Membership Restrictions.

- a) The transfer of title to any Lot automatically transfers the membership to the new Owner.
- b) A Member must be in "good standing" with the Association in order to be entitled to the rights and privileges of Membership, including the right to use the Common Areas, the right to vote on any Association matter, and the right to serve on the Board of Directors. A Member is not in good standing with the Association if:
 - i) The Member is not current in the payment of all Assessments imposed by the Association; and any other sums which are due to the Association, or
 - ii) The Member has been given a notice of violation of the Declaration by the Association, and all required compliance has been made by the Association with the provisions of A.R.S. §33-1803 (C) and (D) [which pertain to notices of violation from the Association].

iii) During any period in which the Member's Membership rights have been suspended for a violation of the Association's rules, as set forth in the Declaration or these Bylaws

Section 3. Privileges of Members. The privileges of Members shall be to vote (in accordance with Article X), to hold office, and to enjoy or benefit from the Common Areas, subject to the Governing Documents.

Section 4. Membership Suspension. Rights of a Member may be suspended after notice and an opportunity to be heard for a period not to exceed ninety (90) days, for violation of any Rules and Regulations.

ARTICLE IV PROPERTY RIGHTS: RIGHTS OF ENJOYMENT

Each Member shall be entitled to the use and enjoyment of the Common Areas as provided in the Declaration. Any Member may delegate his rights of enjoyment to the Common Areas and Facilities to the Members of his family, his tenants or contract purchasers, who reside upon the property. Such Member shall notify the Secretary in writing of the name of any delegee. Rights and privileges of such delegee are subject to suspension to the same extent as those of a Member including, but not limited to, in the event of the violation of any Rules and Regulations .

ARTICLE V BOARD OF DIRECTORS SELECTION: TERM OF OFFICE

Section 1. Number. A Board of nine (9) directors shall manage the affairs of the Association. All directors shall be Members in good standing of the Association and, except as hereinafter otherwise provided, shall be elected for terms of three (3) years each and shall serve until their successors are elected and qualified.

Section 2. Procedures for Removal and Replacement.

A petition for removal of a Board member, signed by at least twenty-five (25) percent of the voters in the Association, must be delivered to the Board of Directors.

The Board must hold a meeting of the Members of the Association within thirty (30) days after receiving a valid petition:

Members of the Association shall be notified of the meeting in accordance with the provisions of Article X, Section 3: Notice of Meetings;

The required quorum for a meeting to consider the removal of the members of the Board of Directors is twenty (20) percent of the voters of the Association.

A majority of those voting at the meeting may remove a director from the Board provided a quorum is present in person or represented by absentee ballot.

Additional provisions.

- i) All documents relating to the removal process must be retained for at least one year after the date of the special meeting and any voting Member or his designee must be permitted to inspect the documents in accordance with existing law;
- ii) Members cannot petition to remove the same director more than once during his term of office;
- iii) If a civil lawsuit is filed regarding the same director, the prevailing party shall be awarded its reasonable attorney fees.

In the event of the death, resignation or removal of a director, the remaining members of the Board of Directors may fill the vacancy by appointment, and the director thus appointed shall serve until the next Annual Meeting of the Members of the Association, and until his successor is elected and qualified. The Members shall then elect a successor to serve the remaining term of the vacancy.

Section 3. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 4. Action Without a Meeting. In emergency or exigent circumstances directors shall have the right to take any action that they could take at a meeting, without the necessity for a formal meeting of the

directors, if such action is approved in writing by all of the directors of the Association. Any action thus taken shall have the same effect as though taken at a formal meeting of the directors.

ARTICLE VI MEETINGS OF DIRECTORS

Section 1. Regular Meeting. Regular meetings of the Board of Directors shall be held monthly except during July and August. A decision to hold a summer meeting shall be at the discretion of the Board of Directors. Place and hour may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday then that meeting shall be held at the same time on the next day which is not a legal holiday.

by

Section 2. Special Meeting. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) Directors, after not less than three (3) days notice to each Director.

Section 3. Quorum. The majority of the number of Directors shall constitute a quorum for the transaction of business. A Director may attend a meeting telephonically, so long as he/she can hear all of the proceedings and be heard by all of those present in the room. Every act or decision done or 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.

Section 4. Notice to Members. Notice of Board meetings must be given to Association Members in accordance with applicable law.¹ Notice to Members of a meeting of the Board is not required if emergency circumstances require action by the Board before notice can be given. Any such action will be reviewed at the next regular Board meeting and entered into the minutes of said meeting. The failure of any Member to receive actual notice of a Board meeting does not affect the validity of any action taken at that meeting.

ARTICLE VII NOMINATION AND ELECTION OF DIRECTORS

Section 1. Recruitment. The President of the Association shall appoint a Recruiting Committee to solicit candidates for the Board of Directors. Appointment of the Recruiting Committee shall be made as set forth in the Association Guidelines regarding the Recruiting Committee. The Recruiting Committee shall consist of a Chairperson and two or more other Members of the Association. Directors may not be appointed to the Recruiting Committee. The Recruiting Committee shall recruit as many candidates for election as it, in its discretion, shall determine. Notwithstanding the recruitment of candidates for the Board, any Association member who is in good standing may submit his or her own name for election to the Board and stand for election to such office without being recruited by the Recruiting Committee.

Section 2. Election. Election of the Board of Directors shall be at the Annual Meeting and shall be made by secret ballot except as herein provided. At such election, the Members may cast, in respect to each board position open for election, as many votes as they are entitled to exercise under the provisions of the Declaration. If the number of candidates exceeds the number of open board positions, then the open board positions shall be filled, in turn, by the candidates with the greatest number of votes until all open board positions are filled. The candidate(s) with the greater number of votes shall have the right to choose the length of board term of office that he or she (they) wishes to serve if the election has involved board positions of different lengths of service. If two or more candidates have equal votes for the last open board position(s), then the names of those candidates will be placed in a blind draw; the candidate(s) whose name(s) is (are) drawn in the blind draw shall be declared the winner(s) of the open position(s). Cumulative voting is not permitted.

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

ARTICLE VIII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

- a) Adopt and publish Rules and Regulations in accordance with the Declaration, and to establish penalties for the infraction thereof;
- b) Exercise for the Association all powers, duties and authority vested in, or delegated to this Association not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;
- c) Declare the office of a member of the Board of Directors to be vacant in the event such a member shall be absent for three unexcused, consecutive regular meetings of the Board of Directors;
- d) Employ a manager, an independent contractor or such other employees as they deem necessary to perform the duties and purposes of the Association.

Section 2. Duties. It shall be the duty of the Board of Directors to:

- a) Cause to be kept a complete record of all acts of corporate affairs, to present a statement thereof to the Members at the Annual Meeting of the Members, or at any special meeting if such statement is requested in writing by one-fourth (1/4) of the Members who are entitled to vote;
- b) Supervise all officers, agents and employees of this Association and to see that their duties are properly performed;
- c) Fix the amount of the Assessments against each Lot, as provided in the Declaration;
- d) Issue or cause an appropriate officer to issue and upon demand by a person a certificate setting forth whether or not any Assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an Assessment has been paid, such certificate shall be conclusive evidence of such payment;
- e) Procure and maintain adequate liability, hazard, casualty and comprehensive insurance on Common Areas, and maintain workmen's compensation insurance for all employees of the Association excluding directors and officers;
- f) Cause all Members or employees having fiscal responsibilities to be bonded as it may deem appropriate;
- g) Cause the Common Areas to be maintained;
- h) Cause the exterior of all Dwelling Units to be maintained;
- i) To enforce the Governing Documents.

ARTICLE IX
COMMITTEES

Section 1. The Board of Directors shall, at its discretion from time to time, establish such committees as it deems appropriate in carrying out the purposes of the Association to appoint members thereto; and that the recommendations of committees, which from time to time may be appointed (other than the Recruiting Committee), may be followed at the discretion of the Board.

Section 2. There shall be an Executive Committee consisting of the President, Vice President, Secretary and Treasurer, which shall have the authority by majority of the officers present at a meeting to make any decision in emergency situations.

ARTICLE X
ASSOCIATION MEETINGS

Section 1. Annual Meeting. The Annual Meeting of the Members of the Association will be held on the first Monday in February.

Section 2. Special Meeting. Special Meetings of the Members of the Association may be called at any time by the President or by the Board of Directors, or upon the written request of the Members who are entitled to vote one-fourth (1/4) of all the votes of the entire membership.

Section 3. 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 such notice, postage prepaid, at least fifteen (15) days before such meeting to each Member in good standing and entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association or supplied by such Member to the Association for the purpose of the notice. Such notice shall specify the place, day and hour of the meeting; and, in the event of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members in person or represented by absentee ballot entitled to cast one-fourth (1/4) of the votes of the total membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time without notice other than the announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Absentee Ballots.

Members may cast votes in person or by absentee ballot;

Absentee ballots shall:

Set forth each proposed action;

Provide a space to vote "for" or "against" each proposed action;

Specify the time and date by which the ballot must be delivered to the Board of Directors;

The specified date cannot be less than seven (7) days after the ballots have been delivered to the Members by the Board;

Additional provisions:

Absentee ballots may not authorize another person to cast the vote for the Member;

Absentee ballots are valid for only one specified election or meeting and expire automatically after the election or meeting;

d) Votes cast by absentee ballot are valid for the purposes of establishing a quorum.

Section 6. Mail Vote.

a) The Board may authorize mail-in ballots in place of voting at a meeting (including an Annual Meeting), on any election or vote on any issue it deems appropriate, including the election of directors.

b) When mail-in ballots are authorized by the Board, said ballots shall be prepared and mailed or delivered to the Members at least ten (10) days but not more than thirty (30) days prior to the date of the election or vote on an issue, and must specify the time and date by which the ballot must be delivered to the Association in order to be counted. Ballots received after this date shall not be counted.

i) The determination of eligibility and tabulation of votes shall proceed under procedures established by the Board.

ii) Any solicitation by the Association for mail-in ballots must specify the number of responses needed to meet the quorum requirement; the percentage of affirmative Members' votes necessary to approve each matter (other than election of Directors); and the place to which the ballots must be returned.

ARTICLE XI OFFICERS

Section 1. Enumeration of Officers. The officers of this Association shall be a President, Vice President, who shall at all times be members of the Board of Directors, a Secretary and Treasurer, and such other officers as the Board may, from time to time, by resolution, create.

Section 2. Election of Officers. Election of officers shall take place at the first meeting of the Board of Directors following each Annual Meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for a period of one year, or until their successors have been duly elected and qualified, unless however, one shall resign sooner or shall be removed or otherwise disqualified to serve.

Section 4. 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.

Section 5. Resignation and Removal. Any officer may be removed from office with cause by 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 therein and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled in the manner prescribed for regular election. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces, and until his successor has been duly elected and qualified.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices, except as herein above specified.

Section 8. Duties. The duties of the officers are as follows:

President. The President shall preside at all meetings of the Board of Directors; shall see that the orders and resolutions of the Board are carried out; may sign leases, mortgages, deeds and other written instruments and may co-sign all checks and promissory notes with the Vice President, Secretary or Treasurer.

Vice President. The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it upon all papers requiring said seal; serve notice of the meetings of the Board and of the Members; and keep appropriate current records showing the Members of the Association together with their addresses and shall perform such other duties as required by the Board.

Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; keep proper books of account, cause an annual review, audit or compilation of the Association books to be made at the completion of each fiscal year, as directed by the Board; and shall prepare an annual budget and statement of income and expenditures to be presented to the membership at the Annual Meeting and deliver a copy of same to each of the Members.

ARTICLE XII BOOKS AND RECORDS

Section 1. Inspection. The Books and Records and Papers of the Association shall at all times during reasonable hours be subject to inspection by any Member. The Declaration, the Articles of Incorporation, By-Laws of the Association, shall be available for inspection by any Member at the principal office of the Association where copies may be purchased at a reasonable cost.

Section 2. Check Signatures. All checks and drafts on Association accounts shall be signed by at least two of the officers designated by the Board, or by one designated officer and the manager.

ARTICLE XIII
CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words:
"Colonia Verde Homeowners' Association - 1968."

ARTICLE XIV
AMENDMENTS

Section 1. Amendment. The By-Laws may be amended by a two-thirds vote of the Board of Directors. The By-Laws may also be amended by two-thirds of the Members voting in person or by absentee ballot at any Annual or Special Meeting of the membership.

Section 2. Conflicts. In the event of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the event of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XV
MISCELLANEOUS

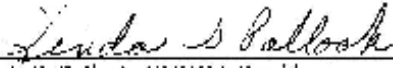
Section 1. Fiscal year. The fiscal year of the Association shall begin on the 1st day of January and end on the 31st day of December.

Section 2. Assessment year. The assessment year shall begin on the 1st day of March and end on the last day of February of the following year.

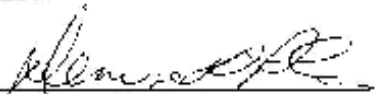
Section 3. Indemnification of Directors and Officers. The Association shall indemnify to the fullest extent allowed by law, every officer, director, and committee member, against any and all expenses, including attorneys' fees, reasonably incurred by or imposed upon, any officer, director, or committee member, in connection with any action, suit or other proceeding (including settlement of any suit or proceeding if approved by the then Board of Directors) to which he or she may be made a party by reason of being or having been an officer, director or committee member. This provision shall not be deemed to include travel expenses to attend Association meetings or legal proceedings, and shall only include reasonable actual expenses. Neither officers, directors nor committee members shall be liable for any mistake of judgment, negligent or otherwise, unless they acted intentionally, with gross negligence, or with fraudulent or criminal intent in the matter that gave rise to the legal action. The officers, directors and committee members shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers, directors, or committee members may also be members of the Association), and the Association shall indemnify and forever hold each such officer, director and committee member free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, director or committee member, or former officer, director, or committee member may be entitled. The Association shall, as a common expense, maintain adequate general liability and officers' and directors' liability insurance, to also include committee members, to fund this obligation. The Association has the right to refuse to indemnify any person to whom indemnification would otherwise be provided if that person unreasonably refuses to permit the Association, at its own expense and through counsel of its own choosing, to defend him/her in the action, or if he or she does not reasonably cooperate with such defense or with reasonable settlement of the case.

In WITNESS WHEREOF, I being the President of the Association have hereunto set my hand this 19th day of November 2014, and certify that the foregoing Amended and Restated Bylaws for Colonia Verde Homeowners' Association, Inc. were duly adopted by the Board of Directors of the Association.

COLONIA VERDE HOMEOWNERS' ASSOCIATION

By: 
Linda S. Pollock, CVHOA President

ATTEST:


Denise Plazzo, CVHOA Secretary