

**SUN AIR ESTATES HOMEOWNERS ASSOCIATION  
UNITS III, IV, V AND VI  
AMENDED AND RESTATED BYLAWS**

**ARTICLE I**

**Identity**

**Section 1. Declaration.** These Bylaws shall govern the operation of the Sun Air Estates Homeowners Association (the "Corporation"), an Arizona non-profit corporation created pursuant to that certain Declaration of Covenants, Conditions, and Restrictions (the "Declaration"), which by this reference is incorporated herein. Any amendments to the Declaration shall automatically be incorporated herein and all references to the Declaration shall be deemed to include any such amendments.

**Section 2. Terms.** Terms used herein that are defined in the Declaration shall have the same meanings as in the Declaration.

**Section 3. Priority of Declaration.** The provisions of the Declaration shall have priority over these Bylaws, and any provision hereof which is contrary to or inconsistent with the Declaration shall be void to the extent of such inconsistency.

**Section 4. Principal Office.** The principal office of the Corporation is located in Peoria, Arizona. The Board of Directors may change the principal office of the Corporation.

**ARTICLE II**

**Membership**

**Section 1. Members.** Membership in the Corporation shall be limited as set forth in the Declaration and the Articles of Incorporation (the "Articles") of the Corporation.

**Section 2. Meetings.** Meetings of the Members shall be held at the principal place of business of the Corporation or at such other convenient place as may be designated by the Board of Directors. The annual meeting of the Members shall be held in the first quarter of each fiscal year, on a date fixed by the Board. Special meetings of the Members may be called by the President, by a majority of the members of the Board of Directors, or by Members having one-tenth (1/10) of the total votes of the membership. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

**Section 3. Voting.** The voting rights of the Members shall be provided in the Declaration, which generally is one vote per designated voter. Every person entitled to vote at an annual regular or special meeting of the Members, may vote in person or by absentee ballot.

**A. Voting List.** At least one week before each meeting of Members, a complete list of all the Members entitled to vote at such meeting, or any adjournment thereof, in alphabetical order according to last name, and containing the address shall be prepared. Such list shall be kept on file at the principal office of the Association and shall be subject to inspection by any Member on any business day during usual business hours. The list shall be so filed and kept available for inspection for a period of not less than two (2) days prior to and including the day of the meeting to which it relates. Such list shall be moved to the place of the meeting prior to its opening and kept open and available for the inspection of Members during the entire period the meeting shall be in progress. The preparation of such list, known as the "voting list," and compliance with all other provisions of this Bylaw, shall be the responsibility of the secretary. In the preparation of any such list the most recent grantee of the deed, to the Lot, currently of record, shall be prima facie evidence as to the Member entitled to vote and to exercise any other rights incident to any meeting of the Members.

**Section 4. Notice of Annual Meeting of the Members.** Notice of the annual meeting of the Members stating the time, the place and the objects for which the meeting is called, shall be given by an officer of the Corporation. Such notice must be in writing and addressed to each Member entitled to vote at such meeting as provided in the Declaration at his or her address as it appears on the books of the Corporation (or if no such address appears, at his last known address,) and shall be delivered not less than ten (10) days nor more than fifty (50) days prior to the date of the meeting. An affidavit of notice by an officer of the corporation is prima facie evidence that notice was given as prescribed by this section. Notice of the meetings may be waived before, during or after the meeting. Failure of any Member to receive actual notice of a meeting of the Members does not affect the validity of any action taken at that meeting.

**Section 5. Quorum.** At all meetings of the Members of the Association, fifty (50%) percent of the Members, present in person or represented by absentee ballot, shall constitute a quorum requisite for the transaction of business. If a quorum is not present or represented at any meeting of the Members, the Members present or represented and entitled to vote at the meeting, by a majority vote, shall have the power to adjourn the meeting from time to time without notice other than announcement of the meeting. The quorum for the subsequent meeting shall be twenty-five (25%) percent of the Members present in person or represented by Absentee Ballot. If a quorum still is not present or represented at any meeting of the Members, the Members present or represented and entitled to vote at the meeting, present in person or represented by Absentee Ballot, by a majority vote, shall have the power to adjourn the meeting from time to time without notice other than announcement at the meeting. The quorum for the subsequent meeting shall be ten (10%) percent of the Members, present in person or represented by absentee ballot.

At any adjourned meeting of which a quorum is present or represented, any business may be transacted that might have been transacted at the meeting as second convened had there been a quorum. The Members present at a duly organized meeting may continue to transact business until adjournment notwithstanding the withdrawal of one or more Members so as to leave less than a quorum present or represented.

This quorum provision shall not replace any CC&R quorum requirement.

**Section 6. Adjourned Meetings.** If any meeting of Members cannot be organized because a quorum has not attended, the Members who are present, either in person or by absentee ballot, may adjourn the meeting to a time not more than sixty days from the time the original meeting was called, subject to the same notice requirements in Section 4 of this Article II.

**Section 7. Inspectors of Election.** At any Members' meeting or any adjournment thereof, "not more than five (5) or less than three (3) inspectors of election shall be duly appointed by the chairperson from among the Members. The inspectors shall determine the number, authenticity, validity, and effect of the ballots cast by the Members. The inspectors shall receive votes, or ballots, and shall hear and determine all challenges and questions in any way arising in connection with the ballots and they shall count and tabulate all votes, determine the results, and perform such further services as may be proper to insure fairness to all Members. The decision, act, or certificate of a majority of the inspectors is effective in all respects as the decision, act, or certificate of all.

## **ARTICLE III**

### **Board of Directors**

**Section 1. Number and Qualification.** The business, property and affairs of the Corporation shall be managed, controlled and conducted by a Board of Directors. The Board of Directors shall consist of no fewer than three (3) members nor more than nine (9) members. The number of directors may be altered from time to time by resolution of a majority vote of the Board of Directors, but only within the limits prescribed by the Articles. In the event of any increase in the number of directors in advance of the annual meeting, each additional director shall be elected by the then members of the Board of Directors and hold office until the next annual meeting of the Members, until his successor is elected and shall qualify.

**Section 2. Powers and Duties.** The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Corporation, and may do all such acts and things as are not by law or otherwise directed to be exercised and done by the Members or the President. 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 elsewhere in these Bylaws, the Articles and the Declaration and regulations pertaining to the rights and duties of Members of the

Corporation, and all other matters, as may be deemed proper and which are consistent with the forgoing. The Board of Directors may delegate to one or more committees thereof, and to other persons, such duties and powers, all as appear to the Board of Directors to be in the best interests of the Corporation and to the extent permitted by law.

**Section 3. Election and Term of Office.** A new Board of Directors shall be elected by a plurality vote of the Voting Members at each annual meeting. Except as otherwise provided herein, members of the Board of Directors shall serve for a term of two (2) years and their term shall be staggered. In the case of Directors elected pursuant to Section 1 (increase in the number of Directors) or Section 4 (vacancies), one or more Directors may be elected for a term of one (1) year, as determined by the Board, in order to preserve staggered terms.

**Section 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, or by the remaining Director if there be only one, and each person so elected shall be a Director until the next annual meeting of the Members, until his successor is duly elected and shall qualify.

**Section 5. Compensation.** No compensation shall be paid to Directors for their services as Directors. No remuneration shall be paid to a Director for services performed by him or her for the Corporation in any other capacity, unless a resolution authorizing such remuneration shall have been unanimously adopted by the Board of Directors before the services are undertaken. Directors and officers, however, may be reimbursed for any actual expenses incurred in connection with their duties as such officers or Directors.

**Section 6. Regular Meetings.** Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least two such meetings (including an organizational meeting within thirty (30) days of election of Directors) shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone, facsimile, e-mail, or by any other reasonably reliable method, at least three days prior to the day named for the meeting.

**Section 7. Special Meetings.** Special meetings of the Board of Directors may be called by the President or Secretary on three days' notice to each Director, given personally or by mail, telephone, facsimile, e-mail, or by any other reasonably reliable method, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice, upon the written request of at least two of the Directors.

**Section 8. Waiver of Notice.** Before, at, or after any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any

meeting of the Board shall be deemed to be a waiver of notice by him of the time and place thereof.

**Section 9. Quorum.** A majority of the Board of Directors shall constitute a quorum for the transaction of business, but if at any meeting of the Board there be less than a quorum present, a majority of those present may adjourn the meeting from time to time. Every act or decision done or made by a majority of the Directors at a duly held meeting at which a quorum is present shall be regarded as the act of the Board unless the Articles, the Bylaws or the Declaration otherwise specifically requires the affirmative vote of a different number of Directors on a specific matter. Unless otherwise prohibited by statute or resolution of the Board of Directors, meetings of the Board, whether regular or special, may be held by means of a conference telephone call or similar communications equipment arrangement, which allows all persons participating in the meeting to hear each other. Participation in any such meeting shall constitute presence in person at the meeting.

**Section 10. 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 Corporation, provided that no meeting may be adjourned for a period longer than 30 days.

**Section 11. Action Taken Without a Meeting.** The Directors shall have the right to take any action in the absence of a meeting, which they could take at a meeting by obtaining the written approval of all of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

**Section 12. Fidelity Bonds.** The Board of Directors may require, in its discretion, that all officers and employees of the Corporation handling or responsible for the Corporation's funds shall furnish fidelity bonds. In the event such bonds are required upon determination of the Board of Directors, the premium therefore shall be paid by the Corporation.

**Section 13. Committees.** The Board of Directors may by resolution appoint committees of the Board, which committees shall have the powers and authority designated in the resolution or resolutions establishing them.

## ARTICLE IV

### Officers

**Section 1. Designation.** The principal officers of the Corporation shall be a President, a Secretary, a Treasurer and if deemed necessary by the Board of Directors, one or more other officers, all of whom shall be elected by the Board of Directors. Any person holding the office of President must be a Director. 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.

**Section 2. Election of Officers.** The officers of the Corporation shall be elected from time to time by the Board of Directors.

**Section 3. Removal of Officers.** Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected.

**Section 4. Resignations of Officers.** 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 5. Vacancies.** A vacancy in any office may be filled by vote of a majority of the Board of Directors. The officer elected to such vacancy shall serve until the next annual meeting of the members.

**Section 6. President.** The President shall be the chief executive officer of the Corporation. He or she shall preside at all meetings of the members of the Corporation and of the Board of Directors. He or she shall have all of the general powers and duties that are normally vested in the office of the President of a corporation, including, but not limited to, the power to appoint committees from among the members of the Corporation from time to time as he or she may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Corporation. The President shall also have such other powers as provided for in the Declaration.

**Section 7. Vice President.** The Vice President, if a Vice President is chosen, (or the most senior Vice President, if there shall be more than one) shall take the place of the President and perform his duties whenever the President shall be absent, unable to act or refuses to act. If neither the President nor a Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. A Vice President shall also perform such other duties as shall from time to time be imposed upon him or her by the Board of Directors.

**Section 8. Secretary.** The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Members; he shall have charge of the membership books and such other books and papers as the Board of Directors may direct; and he or she shall, in general, perform all the duties incident to the office of the Secretary.

**Section 9. Treasurer.** The Treasurer shall have the responsibility for the Corporation's funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Corporation. He or she shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Corporation in such depositories as may from time to time be designated by the Board of Directors.

**Section 10. Compensation.** No compensation shall be paid to officers for their services as officers. No remuneration shall be paid to an officer for services performed by him for the Corporation in any other capacity, unless a resolution authorizing such remuneration shall have been unanimously adopted by the Board of Directors before the services are undertaken.

**Section 11. Removal of a Member of the Board of Directors.** By a majority vote of Members entitled to vote and voting on the matter at a meeting of the Membership called pursuant to Arizona law, at which a quorum, as provided by Arizona law, is present, may remove any member of the Board of Directors with or without cause. The Board of Directors shall retain all documents and other records relating to the proposed removal of the member of the Board of Directors for at least one year after the date of the special meeting. A petition that calls for the removal of the same member of the Board of Directors shall not be submitted more than once during each term of office for that member.

## **ARTICLE V**

### **Miscellaneous**

**Section 1. Books and Accounts.** Subject to the provisions of the Declaration, the Board, at all times, shall keep, or cause to be kept by the Treasurer, true and correct records of account in accordance with generally accepted accounting principles; and shall have available for the inspection of all Members and other persons as specified in the Declaration, if any, at reasonable times, such books that shall specify in reasonable detail all expenses incurred and funds accumulated from assessments or otherwise. The membership records of the Corporation, the Declaration, the Articles and the Bylaws of any Corporation shall likewise be available for inspection by any Owner or Member at the principal offices of the Corporation as provided in the Declaration.

**Section 2. Execution of Corporate Documents.** With the prior authorization of the Board of Directors, all notes, checks and contracts or other obligations shall be executed on behalf of the Corporation by such officer or officers of the Corporation as said Board shall designate.

**Section 3. Fiscal Year.** The fiscal year of the Corporation shall be the calendar year unless otherwise determined by the Board of Directors.

**Section 4. Conflict in Documents.** In the case of any conflict between the Articles, as amended from time to time, and these Bylaws, as amended from time to time, the Articles shall control. In the case of any conflict between the Declaration, as amended from time to time, and these Bylaws, as amended from time to time, the Declaration shall control.

## ARTICLE VI

### Amendment of the Bylaws

These Bylaws may be amended by the affirmative vote of a majority of the Board of Directors. These Bylaws may not be amended insofar as such amendment would be inconsistent with the Declaration or the Articles.

The President of the Sun Air Estates Homeowners Association hereby certifies that the Directors of the Association, as amended, adopted these Bylaws.

Dated this 28<sup>th</sup> day of May, 2008

SUN AIR ESTATES HOMEOWNERS ASSOCIATION

By

  
George Thurston, President