

**SIXTH  
 AMENDED AND RESTATED  
 BYLAWS  
 OF  
 ARIZONA BILTMORE ESTATES VILLAGE ASSOCIATION**

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**SIXTH  
AMENDED AND RESTATED  
BYLAWS  
OF  
ARIZONA BILTMORE ESTATES VILLAGE ASSOCIATION  
ADOPTED NOVEMBER 18, 2013**

WHEREAS, Arizona Biltmore Estates Village Association (the "Association") was incorporated as a nonprofit corporation in the State of Arizona on June 29, 1979 and Bylaws for the Association were adopted in connection therewith ("Original Bylaws");

WHEREAS, the Original Bylaws were amended and replaced on September 9, 1981 with a First Amended and Restated Bylaws;

WHEREAS, the First Amended and Restated Bylaws were amended and replaced on May 16, 1988 with a Second Amended and Restated Bylaws;

WHEREAS, the Second Amended and Restated Bylaws were amended and replaced on March 16, 1998 with a Third Amended and Restated Bylaws;

WHEREAS, the Third Amended and Restated Bylaws were amended and replaced on January 16, 2012 with a Fourth Amended and Restated Bylaws;

WHEREAS, the Fourth Amended and Restated Bylaws were amended and replaced on February 20, 2012 with a Fourth Amended and Restated Bylaws;

WHEREAS, the Fifth Amended and Restated Bylaws were amended and replaced on November 18, 2013 with a Fifth Amended Restated Bylaws;

WHEREAS, Article V, Section 4, of the Association's Articles of Incorporation provides in relevant part that the Association's Board of Directors shall have the power to adopt, amend, supplement, repeal or suspend Bylaws as provided for therein;

WHEREAS, Section 18.1, of the Fifth Amended and Restated Bylaws of the Association provides that "[t]hese Bylaws may be amended, supplemented, repealed, or suspended, and new Bylaws may be adopted, by a majority vote of the Board of Directors, subject to repeal or change by action of the members;" and

WHEREAS, at a meeting of the Association's Board of Directors duly called and held on November 18, 2013, a majority of the Directors present voted in favor of amending the Bylaws as set forth herein by adopting these Fifth Amended and Restated Bylaws.

NOW THEREFORE, the Bylaws of the Association are hereby amended and restated in their entirety as follows:



**ARTICLE I  
NAME AND LOCATION OF ASSOCIATION**

**Section 1.1 Name.** The name of the Association is Arizona Biltmore Estates Village Association.

**Section 1.2 Principal Office.** The principal office of the Association is currently located at 2525 E. Arizona Biltmore Circle, Suite D-145, Phoenix, Arizona 85016. The Association may change the location of its principal office as the Board of Directors may determine or as the affairs of the Association may require.

**ARTICLE II  
REFERENCE TO DECLARATION**

**Section 2.1 Reference to Declaration.** Reference is made to that certain Declaration of Covenants, Conditions and Restrictions for Arizona Biltmore Estates recorded on February 5, 1976 in Docket 11531, pages 1080-1130, in the Official Records of Maricopa County, Arizona, ("MCR") as amended and supplemented by: (a) the First Amendment to Declaration of Covenants, Conditions and Restrictions of Arizona Biltmore Estates Village Association recorded December 22, 1981 in Docket 15718, pages 493497, MCR; (b) the Notice and Effect of Master Declaration of Covenants, Conditions and Restrictions for Arizona Biltmore Estates recorded March 30, 1983 as Instrument No.83-114039, MCR; (c) the Agreement by and between the Association and Arizona Biltmore Hotel, Inc., recorded May 26, 1983 as Instrument No.83-200630, MCR; and (d) any and all other amendments or supplements thereto (all of which shall be collectively referred to as the "Declaration"). The Declaration, as amended and supplemented from time to time as therein provided, is incorporated herein by reference. Capitalized terms used in these Bylaws, unless otherwise defined herein, shall have the meanings specified for such terms in the Declaration.

**ARTICLE III  
PURPOSE**

**Section 3.1 Purpose.** The primary purpose of the Association is to serve as the governing body for the Benefited Property Owner and the Owners of Lots, Units and Apartment Areas for the maintenance, repair, replacement, administration and operation of the Common Area, and the performance of such duties and functions, and the exercise of such rights as are given by statute, the Association's Articles of Incorporation and the Declaration, as they may hereafter be amended.

**ARTICLE IV  
MEMBERSHIP**

**Section 4.1 Qualification.** Membership in the Association shall be limited to the Benefited Property Owner and every Owner of a Lot, Unit or Apartment Area as those terms are defined herein or in the Declaration. No person or entity having an interest in the Benefited Property, a Lot, Unit or Apartment Area merely as security for the performance of an obligation of an Owner shall be considered a member of the Association.



**Section 4.2 Voting Rights.** Subject to the provisions of Section 4.3, members of the Association shall have the following voting rights:

4.2.1. The voting rights of the Benefited Property Owner shall be as set forth in the Declaration and in the Agreement by and between the Association and Arizona Biltmore Hotel, Inc., recorded May 26, 1983 as Instrument No. 83-200630, MCR.

4.2.2. Each Owner of a Lot or Unit shall be entitled to one vote on each matter submitted to a vote of the members. In the event that a Lot or Unit is owned by two (2) or more persons or entities, the joint or common owners shall designate to the Association in writing one of their number who shall have the right to cast votes with respect to such Lot or Unit. Not more than one membership or vote shall exist based upon the ownership of a single Lot or Unit. In the event that an Owner owns more than one Lot or Unit, such Owner shall be entitled, subject to the provisions of Section 4.3, to one (1) vote for each Lot or Unit owned.

4.2.3. Each Owner of an Apartment Area shall be entitled to one (1) vote for each ten (10) apartment units situated within an Apartment Area. Upon conversion of all or a portion of the apartments in any Apartment Area to Condominiums, the Condominium unit (referred to herein as a "Unit") shall have the same Status as a Lot and the Owner of any Unit shall thereafter be entitled to one (1) vote for each Unit owned.

**Section 4.3 Good Standing.** If a member otherwise entitled to vote is delinquent in the payment of periodic or special assessments, monetary penalties, interest, late charges, transfer fees, costs of collection, lien fees, Costs of Enforcement, attorneys' fees or other monies owed to the Association or is not in compliance with the terms of the Declaration, the Bylaws, the Architectural Committee Rules and Regulations or the Rules and Regulations of the Association, the Board of Directors may, in its sole discretion, certify that such member is not in good standing and deny such member's right to vote until the delinquency or breach is cured.

**Section 4.4 Transfer of Membership.** Membership in the Association is inextricably and irrevocably connected with ownership of the Benefited Property, a Lot, a Unit or an Apartment Area and may not be transferred independently of such ownership.

## ARTICLE V MEETINGS OF MEMBERS

**Section 5.1 Annual Meeting.** An annual meeting of the members of the Association shall be held at least once each year at a date and time to be determined by the Board of Directors for the purpose of electing or announcing the results of the election of Directors and transacting such other business as may properly come before the meeting.

**Section 5.2 Special Meetings.** Special meetings of the members may be called by the President, the Board of Directors, or by a written request to the Board of Directors signed by the holders of ten percent (10%) or more of the votes in the Association.

**Section 5.3 Record Date.** For any meeting of the members, the Board of Directors may fix a date not more than fifty (50) nor less than ten (10) days before the date of such meeting, as a record date



for the determination of the members of record entitled to vote at such meeting. If a record date has been fixed in advance of a meeting as provided herein, the time of commencement of the meeting shall be deemed the record date.

**Section 5.4 Place of Meeting.** Meetings of the members shall be held at the principal place of business of the Association or at such other suitable place convenient to the members as may be designated by the Board of Directors.

**Section 5.5 Notice of Meetings.** Written notice stating the place, day and hour of the annual meeting of members or of a special meeting of members shall be delivered to all members by first-class mail not less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the President, the Secretary, or the persons calling the meeting. The notice of the meeting shall be deemed to be delivered when deposited, postage prepaid, in the United States Mail and addressed to the member at the address that appears on the records of the Association. In the case of special meetings, the purpose for which the special meeting is called shall be stated in the notice and no business shall be transacted at such special meeting except as stated in the notice. The failure of any member to receive actual notice of a meeting of the members shall not affect the validity of any action taken at that meeting.

**Section 5.6 Quorum.** The presence in person or by proxy of members entitled to cast ten percent (10%) of the total authorized votes in the Association shall constitute a quorum at all meetings of the members. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting from time to time, without notice other than announcement at a meeting, until a quorum shall be present.

**Section 5.7 Proxies.** At any meeting of members, a member entitled to vote may not vote by proxy

**Section 5.8 Manner of Acting.** A majority of the votes entitled to be cast by the members present or represented by proxy at a meeting at which a quorum is present shall be necessary for the adoption of any matter or motion to be acted upon at such meeting unless a greater proportion is required by statute, the Declaration or these Bylaws.

**Section 5.9 Order of Business.** The order of business at all meetings of the members shall be generally as follows:

- (A) Roll call.
- (B) Proof of notice of meeting.
- (C) Reading of minutes of preceding meeting.
- (D) Elect inspectors of election, when appropriate.
- (E) Election of members of the Board of Directors or announcement of the election of members of the Board of Directors if the vote is conducted by mail as provided in Section 5.11.
- (F) Report of President and other officers, when appropriate.



- (G) Reports of committees.
- (H) Unfinished business.
- (I) New business.

The failure of the Board of Directors to follow the foregoing order of business shall not invalidate any action taken at a meeting of the members.

**Section 5.10 Minutes.** Minutes shall be taken at all meetings of members. Copies of the minutes shall be available for inspection at the office of the Association by members and Directors at all reasonable times.

**Section 5.11. Voting by Mail.** When Directors are to be elected or any other matter is submitted to a vote of the members, such vote may be conducted by mail in such manner as the Board of Directors shall determine. In the event that a vote is taken by mail, the return of ballots by members entitled to cast ten percent (10%) of the total authorized votes in the Association shall validate the vote and satisfy any quorum requirement. Unless otherwise required by statute, the Declaration or these Bylaws, a majority vote of those voting by mail shall be sufficient to elect Directors or carry any motion or matter put to such a vote.

**Section 5.12 Noncumulative Voting.** All voting shall be done on a noncumulative basis. Each Owner in good standing shall be entitled to cast one vote for each Lot or Unit owned for or against any matter brought before the Association and for each of as many Directors as there are vacancies. Owners of Apartment Areas shall be entitled to the number of votes provided in Section 4.2.3, but they must be voted on a noncumulative basis.

## ARTICLE VI BOARD OF DIRECTORS

**Section 6.1 Powers and Duties.** The affairs of the Association shall be managed by its Board of Directors. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things that are not required by the Declaration, statute or these Bylaws to be exercised or done by the members. In addition to the powers and duties granted and imposed by statute, the Declaration and these Bylaws, the powers and duties of the Board of Directors shall include, but are not limited to, the following:

- (A) To open bank accounts on behalf of the Association and designate the signatories thereon;
- (B) To accept such properties, improvements, rights, and interests as may be conveyed, leased, assigned, or transferred to the Association and to assume such obligations and duties as may be contained in any lease assigned or transferred to the Association;
- (C) To own, maintain and otherwise manage all of the Common Area and all facilities, improvements, and landscaping thereon, and all other property acquired by the Association and all facilities, structures, buildings, fixtures, landscaping and other improvements located thereon (hereinafter collectively referred to as the "Common Property"); to pay all taxes and assessments, if any, which may properly be levied against



the Common Area or the Common Property; to repair, rehabilitate, and restore the Common Area or Common Property; to insure the Common Area or Common Property against such risks as the Board of Directors shall determine;

- (D) To levy and collect Regular Assessments, Special Assessments, Capital Improvement Assessments and Reconstruction Assessments, interest, late charges, Costs of Enforcement, transfer fees, disclosure fees, fines, penalties and other fees authorized in the Declaration, these Bylaws or by statute as the Board of Directors shall determine in accordance with the Declaration and these Bylaws; to prepare and record Notices of Claim of Lien against Lots, Units or Apartment Areas within the Covered Property, as defined in the Declaration, to secure the payment of obligations due from the Owners thereof and to collect, sue, foreclose, or otherwise enforce, compromise, release, satisfy, and discharge such obligations, demands and liens in accordance with the Declaration;
- (E) To do all things necessary to carry out and enforce the terms and provisions of the Declaration, the Architectural Committee Rules and Regulations, the Association's rules and regulations and to do all things and acts, including the payment of all maintenance, operating and other costs, which in the sole discretion of the Board of Directors shall be deemed to be in the best interests of the members of the Association or for the peace, comfort, safety, or general welfare of the members of the Association, all in accordance with the Declaration;
- (F) To plan, rezone, develop, construct, purchase, lease, own, improve, maintain, operate and hold real estate and personal property of every kind and description as is reasonably necessary for the purposes of the Association; to sell, convey, and lease such property; and to mortgage, assign, and pledge or otherwise encumber such property;
- (G) To borrow money and to issue notes, bonds and other evidence of indebtedness in furtherance of any or all of the objects and purposes of this Association and to secure the same by mortgage, trust deed, pledge or other liens on or security interest in property of the Association;
- (H) To enter into, perform, and carry out leases and contracts of any kind necessary to, in connection with or incidental to the accomplishment of any one or more of the purposes of the Association;
- (I) To lend or invest its working capital and reserves with or without security;
- (J) To act as surety or guarantor, agent, trustee, broker, or in any other capacity when appropriate to the fulfillment and furtherance of its objects and purposes;
- (K) To fix, charge and collect tolls, assessments, fees, rates, rentals and other charges for the use of Common Areas, Common Property, and other property owned by the Association, and for services rendered by the Association, not for profit but for the purpose of providing for the payment of the expenses of the Association;
- (L) To engage the services of an executive director, manager or managing agent who shall manage and operate the Association, the Common Area and the Common Property for all of the members upon such terms, for such compensation and with such authority as the



Board or Directors may approve;

- (M) To provide for the designation, hiring and removal of employees and other personnel and contractors, including accountants, attorneys, architects, engineers and other consultants and to make purchases for the maintenance, repair, replacement, administration, management and operation of the Common Area and Common Property, and to delegate any such power to the executive director, manager or managing agent (and any such employees or other personnel who may be the employees of the Association or a managing agent);
- (N) To enter into and enforce agreements with the owners of properties not within the Covered Property, as defined in the Declaration, whereby such owners shall contribute to the payment of construction, maintenance and reconstruction expenses, taxes, insurance and other charges attributable to portions of the Common Area or Common Property which may directly or indirectly benefit such properties;
- (O) To establish and maintain working capital, reserve and contingency accounts in an amount the Board of Directors deems reasonable and prudent;
- (P) To adopt, amend and repeal such rules and regulations as the Board of Directors deems reasonable;
- (Q) To appoint committees of the Board of Directors and to delegate to such committees the authority to carry out certain duties of the Board of Directors, to the extent permitted by the Declaration, these Bylaws and applicable law;
- (R) To do all other acts and things required by applicable law or statute or authorized in the Declaration but not explicitly set out above;
- (S) To sue and be sued;
- (T) To enter into agreements with other Homeowner Associations to share the use and expenses of property owned by the other Association;
- (U) In general to do and perform such acts and things and to transact such business in connection with the foregoing objects and purposes as may be necessary or appropriate.

**Section 6.2 Number and Qualifications of Directors.** The number of Directors of the Association shall be not less than three (3) nor more than fifteen (15) as determined by the Board of Directors. If the number of Directors is reduced, all Directors whose terms have not yet expired and who are in good standing shall be allowed to serve the balance of their terms. All Directors must be members in good standing of the Association in accordance with the provisions of Section 4.3. If a Director shall fail to meet the qualifications of good standing or membership at any time during his term, he will thereupon cease to be a Director and his place on the Board of Directors shall be deemed vacant.

**Section 6.3 Terms.** Directors shall be elected to and shall serve staggered two-year terms as follows: One-half of the number of Directors (or as close to one-half as is possible if there are an uneven number of Directors) shall be elected at each annual meeting, or each year if voting is conducted by mail, for two-year terms. All elections and appointments of Directors under these Bylaws shall be made



in a manner to preserve the staggering of terms contemplated hereby.

**Section 6.4 Annual Organizational Meeting and Regular Meetings of the Board of Directors.** An annual organizational meeting of the Board of Directors shall be held within twenty (20) days after the Annual Meeting for the purpose of electing officers for the following year. The time and place of such meeting shall be determined by the highest ranking officer who is still a member of the Board of Directors following the election of Directors. For purposes of this Section 6.4, the rank of officers, in descending order, shall be: President, Vice President, Secretary and Treasurer. If no officers remain on the Board of Directors after the election of Directors, any remaining Director may call such a meeting. The Board of Directors may provide by resolution the time and place for additional regular meetings of the Board of Directors without other notice to the Directors.

**Section 6.5 Special Meetings.** Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors. The person or persons authorized to call special meetings of the Board of Directors may fix any convenient place and time as the place and time for holding any special meeting of the Board of Directors called by them.

**Section 6.6 Notice to Directors.** Notice of any special meeting of the Board of Directors shall be given at least 48 hours prior thereto by written notice delivered personally or sent by mail, fax or email (if a director has indicated that email is an acceptable method of notice) to each Director at his address as shown by the records of the Association. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these Bylaws.

**Section 6.7 Quorum.** A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors; but if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice to the Directors.

**Section 6.8 Manner of Acting.** The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless a greater number is required by law or by these Bylaws.

**Section 6.9 Attendance at Meetings.** If any Director fails to attend three (3) or more successive meetings of the Board of Directors, including special meetings of which he/she has been given notice as provided in Section 6.6, or misses four (4) or more meetings out of six (6) successive meetings of the Board, including special meetings of which he/she has notice as provided in Section 6.6, such Director shall, unless otherwise determined by two-thirds (2/3rds) of the Directors present at a meeting at which a quorum is present, be automatically removed as a Director.

**Section 6.10 Removal.** At any annual or special meeting of the members duly called, any one or more of the Directors may be removed from the Board of Directors with or without cause by members having more than two-thirds (2/3rds) of the votes entitled to be cast by the members present in person or by proxy at the meeting or by two-thirds (2/3rds) of the votes cast by mail as provided in Section 5.11, and a successor may then and there be elected to fill the vacancy created thereby. A Director so elected shall be elected for the full unexpired term of the Director removed. If a new



Director is not elected, the seat shall remain vacant until the following annual election of Directors. Any Director whose removal has been proposed by the members shall be given an opportunity to be heard at the meeting prior to the vote for removal or to address the membership in writing if the vote is conducted by mail.

**Section 6.11 Resignations.** A Director may resign at any time by giving written notice of his or her resignation to the Association. Any such resignation shall take effect at the time specified therein, or, if the time when it shall become effective is not specified therein, it shall take effect immediately upon its receipt by the President or the Secretary. The acceptance of such resignation shall not be necessary to make it effective.

**Section 6.12 Vacancies.** Except as provided in Section 6.10, any vacancy occurring in the Board of Directors as a result of a loss of membership, a resignation, death, incapacity, failure to remain in good standing, failure to meet the residency requirements, or a Director's failure to attend meetings as provided in Section 6.9, and any directorship to be filled by reason of an increase in the number of Directors shall be filled by the affirmative vote of a majority of the remaining Directors, though less than a quorum, at the next regular or special meeting of the Board of Directors. A Director appointed to fill a vacancy shall be appointed for the full unexpired term of his predecessor in office or, in the event of a newly created directorship, such term as would preserve the intent of Section 6.3 with respect to the staggering of terms.

**Section 6.13 Compensation.** Directors shall not receive any compensation for their services as such. However, any Director may be reimbursed for his/her actual expenses incurred in the performance of his/her duties. Nothing herein contained shall be construed to preclude any Director from serving the Association in any other capacity and receiving compensation therefor.

**Section 6.14 Notice to Members of Meetings of the Board of Directors.** Notice of the time and place of all meetings of the Board of Directors shall be mailed to members, hand delivered, posted in a conspicuous place, published in a newsletter of general circulation to the members of the Association or given by any other reasonable means as determined by the Board of Directors at least forty-eight (48) hours in advance of such meeting. The failure of any member to receive actual notice of a meeting of the Board of Directors shall not affect the validity of any action taken at that meeting.

**Section 6.15 Open Meetings.** Subject to the exceptions required by Arizona law, if any, all meetings of the Board of Directors shall be open to all members of the Association.

**Section 6.16 Meetings by Video or Telephone Conference.** Any Director may participate in any meeting of the Board of Directors by means of a video or telephonic conference or similar communication provided that all Directors participating in such meeting can hear each other and that, subject to the exceptions set forth in Section 6.15, all non-director members in attendance can hear the deliberations and discussion.

**Section 6.17 Meeting Rules.** The Board of Directors may establish meeting rules, procedures and guidelines to facilitate the orderly discussion and disposition of matters before it. Such rules, procedures and guidelines may, among other things, preclude the use of recording or videotaping devices by Directors or non-directors.



**ARTICLE VII**  
**OFFICERS AND EXECUTIVE DIRECTOR OR MANAGING AGENT**

**Section 7.1 Officers.** The officers of the Association shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer and such other officers as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other officers as it shall deem desirable, such officers to have the authority to perform the duties prescribed, from time to time, by the Board of Directors. All officers of the Association must be members in good standing thereof. Any two or more offices may be held by the same person, except the offices of President and Secretary.

**Section 7.2 Election and Term of Office.** The officers of the Association shall be elected annually by the Board of Directors at the annual organizational meeting of the Board of Directors. If the election of officers is not held at such meeting, such election shall be held as soon thereafter as convenient. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and qualified.

**Section 7.3 Removal.** Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Association would be served thereby.

**Section 7.4 Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

**Section 7.5 President.** The President shall be the principal executive officer of the Association and shall in general supervise and control all of the business and affairs of the Association. He or she shall preside at all meetings of the members and of the Board of Directors at which he or she is present. He or she may sign, with the Secretary or any other proper officer of the Association authorized by the Board of Directors, any deeds, leases, mortgages, bonds, contracts, or other instruments that the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by the Declaration, these Bylaws or by statute to some other officer or agent of the Association. In addition, he or she shall perform such other duties as may be prescribed by the Board of Directors from time to time.

**Section 7.6 Vice President.** In the absence of the President or in the event of his or her inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

**Section 7.7 Treasurer.** The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for moneys due and payable to Association from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these Bylaws; and in general perform all the duties incident to the office of Treasurer and such other



duties as from time to time may be assigned to him or her by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine. The cost of such bond shall be paid by the Association.

**Section 7.8 Secretary.** The Secretary shall keep the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the Association records; keep a register of the post-office addresses of each member as furnished to the Secretary by such member; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

**Section 7.9 Assistant Treasurers and Secretaries.** (DELETED 11/18/2013)

**Section 7.10 Compensation.** No officer shall receive any compensation from the corporation for acting as such. However, nothing contained herein shall be construed to preclude an officer from serving the Association in any other capacity and receiving compensation therefore.

**Section 7.11 Executive Director or Managing Agent.** The Board of Directors may hire an executive director or managing agent at a compensation established by the Board of Directors. The executive director or managing agent may either be an employee of the Association, an independent contractor or an independent professional management company. The executive director or managing agent shall perform such duties and services as the Board of Directors shall authorize. The Board of Directors may, but is not obligated to, delegate to the executive director or managing agent any or all of the powers granted to the Board of Directors or the officers of the Association by these Bylaws.

## **ARTICLE VIII COMMITTEES**

### **Section 8.1 Committees of Directors.**

8.1.1 The Board of Directors shall, in accordance with Article II, Section 4, of the Declaration, appoint an Election Committee annually to nominate candidates for the Board of Directors, regulate nominations, evaluate voting requirements, regulate voting procedures and campaigns, and adopt rules to ensure an orderly and fair election of Directors.

8.1.2 The Board of Directors shall, in accordance with Article VI, Section 5, of the Declaration, appoint an Architectural Committee to perform the architectural and landscaping control functions as set forth in Article VI of the Declaration.

8.1.3 The Board of Directors may, by resolution adopted by a majority of the Directors in office, designate and appoint such other standing or ad hoc committees as it deems appropriate.

**Section 8.2 Qualification and Term of Office.** Each member of a committee must be and remain a member of the Association in good standing in order to serve. A member of a committee shall continue as such until the next annual meeting of the members of the Association, unless the committee shall be sooner terminated, the member resigns or removed from such committee, or unless such



member ceases to qualify as a member thereof.

**Section 8.3 Vacancies.** Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

**Section 8.4 Committee Rules.** Each committee may adopt rules for its own governance not inconsistent with these Bylaws or with rules adopted by the Board of Directors.

**Section 8.5 Authority to Incur Legal Fees.** Without specific Board action to the contrary, only three (3) directors of the Board may incur legal fees on behalf of ABEVA: the President, the Treasurer, and the Chairman of the Legal Committee.

In the event any of these three directors deems it is in ABEVA's best interest to consult an attorney and incur legal fees, these fees shall not exceed \$500 per issue unless a greater amount has been specifically pre-authorized by the Board.

If the President, the Treasurer or the Chairman incurs any legal fees, he/she shall notify the Board within 48 hours of the purpose of the engagement, the outcome/advice, the cost incurred and, if known, the future costs involved.

The Association's attorney shall sign an Acknowledgement as to its understanding of ABEVA's limited financial liability for consultation and representation. The Board shall notify its attorney as soon as possible after any change of its President, Treasurer, or Chairman of the Legal Committee.

## **ARTICLE IX COSTS OF ENFORCEMENT**

**Section 9.1 Costs of Enforcement.** "Costs of Enforcement" as used in the Bylaws or elsewhere in the Governing Documents shall include any and all costs incurred by the Association in enforcing the Governing Documents. Such Costs of Enforcement shall be the obligation of the Owner of the Lot, Unit or Apartment Area against which enforcement is sought. Such costs shall include, but not be limited to, attorneys' fees, whether or not suit is filed. The obligation to pay the costs of enforcement shall be secured by the Assessment Lien referred to in the Declaration.

## **ARTICLE X FEES AND MONETARY PENALTIES**

**Section 10.1 Fees.** The Board of Directors may establish such transfer fees, resale statement disclosure fees, document and record reproduction fees, architectural and landscaping design review fees and such other fees as it deems appropriate and necessary for the efficient operation of the Association.

**Section 10.2 Fines and Penalties.** In addition to any other rights or remedies which the Association may have under the Declaration, these Bylaws or at law or in equity as a result of the violation of the Declaration, these Bylaws, the Architectural Committee Rules and Regulations or the Rules and Regulations of the Association herein referred to collectively as the "Governing Documents"), the Association shall have the right to levy reasonable monetary penalties against an Owner for any violation of the Governing Documents by the Owner, any other Residents of the Owner's Lot or Unit or



any of the Owner's family, tenants, guests, contractors or agents. The amount of the monetary penalty for each violation shall be established by the Board of Directors. The Board of Directors may, but is not obligated to, adopt a fine policy or schedule of fines.

## **ARTICLE XI NEGOTIABLE INSTRUMENTS AND SECURITIES**

**Section 11.1 Signatures on Checks, Etc.** All checks, drafts, orders for payment of money, and negotiable instruments shall be signed by an officer or officers or an employee or employees of the Association as the Board of Directors may from time to time, by standing resolution or special order, prescribe.

**Section 11.2 Signatures on Certificates and Securities.** Endorsements or transfers of bonds or other securities will be signed by any officer unless the Board of Directors prescribes otherwise.

**Section 11.3 Securities.** An officer or officers of the Association may from time to time be designated by the Board of Directors to have power to control and direct the disposition of any bonds or other securities or property of the Association deposited in the custody of any trust company, bank, or custodian.

## **ARTICLE XII LIMITATION OF LIABILITY AND INDEMNITY OF DIRECTORS, OFFICERS AND COMMITTEE MEMBERS**

**Section 12.1 Limitation of Liability.** Any person who serves as a Director, officer or committee member of the Association shall be immune from civil liability and shall not be subject to suit directly or by way of contribution for any act or omission resulting in damage or injury if such person was acting in good faith and within the scope of his official capacity

**Section 12.2 Indemnity of Directors, Officers and Committee Members.** Each Director, officer and committee member shall be indemnified by the Association against any and all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him or her by judgment or settlement in connection with any proceeding to which he or she may be a party or in which he or she may become involved by reason of his or her being or having been a Director, officer or committee member of the Association, except in cases of fraud, gross negligence or bad faith of the Director, officer or committee member in the performance of his or her duties.

## **ARTICLE XIII FISCAL YEAR**

**Section 13.1 Fiscal Year.** The fiscal year of the corporation will be from November 1 through October 31.

## **ARTICLE XIV MISCELLANEOUS**

**Section 14.1 Notices.** All notices required or permitted to be sent to the Association shall be sent by first-class mail, postage prepaid, in care of the executive director or managing agent, or if there



is no manager or managing agent, to the office of the Association as set forth herein, or to such other address as the Board of Directors may, from time to time, designate. All notices required or permitted to be sent to any Owner will be sent first-class U.S. mail, postage prepaid, to such address as appears in the records of the Association. The failure of the Association to have the correct address of an Owner shall not constitute an affirmative defense of lack of notice unless such Owner has, prior to notice being sent, designated a different address in writing to the Association. All notices will be deemed to have been given when mailed, except notices of change of address which will be deemed to have been given when received.

**Section 14.2 Waiver.** No restriction, condition, obligation, or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce it, irrespective of the number of violations and failures to enforce that may occur.

**Section 14.3 Invalidity.** If any provision or provisions of these Bylaws is or are declared invalid, the invalidity shall in no way impair or affect the validity, enforceability, or effect of the remaining provisions of these Bylaws.

**Section 14.4 Captions.** Captions are inserted in these Bylaws for convenience and reference only, and shall not be taken in any way to limit or describe the scope of these Bylaws or any provision thereof.

## **ARTICLE XV CONFLICTS**

**Section 15.1 Conflicts.** In case of a conflict between these Bylaws and the Articles of Incorporation, the Articles shall control. In case of a conflict with these Bylaws and the Declaration, the Declaration shall control. If any provision of these Bylaws is less restrictive than the Declaration or the Articles of Incorporation when dealing with the same subject, the more restrictive provisions of the Declaration and Articles of Incorporation shall be applicable in the same manner as if included in the provisions of these Bylaws.

## **ARTICLE XVI AMENDMENTS**

**Section 16.1 Amendments.** These Bylaws may be amended, supplemented, repealed, or suspended, and new Bylaws may be adopted, by a majority vote of the Board of Directors, subject to repeal or change by action of the members.

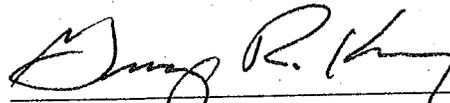
## **ARTICLE XVIII DISSOLUTION**

**Section 17.1 Dissolution.** If there are members entitled to vote on dissolution, the Board of Directors shall adopt a resolution recommending that the corporation be dissolved and directing that the question of such dissolution be submitted to a vote at a meeting of those members, which may be either an annual or a special meeting. Written notice stating that the purpose, or one of the purposes, of such meeting is to consider the advisability of dissolving the corporation shall be given to each member entitled to vote at such meeting of members. A resolution to dissolve the corporation may be adopted



only by act of the members. If there are no members, or no members entitled to vote on dissolution, the dissolution of the corporation may be authorized by act of the Board of Directors. Voluntary dissolution shall comply in all respects with Arizona Revised Statutes § 10-11401 et seq.

**IN WITNESS WHEREOF**, at a meeting of the Association's Board of Directors duly called and held on November 18, 2013, a majority of the directors present voted in favor of adopting these Sixth Amended and Restated Bylaws of the Arizona Biltmore Estates Village Association as set forth above.

  
George King, President

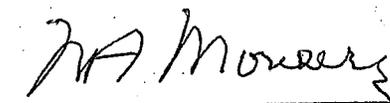
#### **SECRETARY'S CERTIFICATE**

The undersigned does hereby certify that:

He is the duly elected secretary of the Arizona Biltmore Association Village Association, an Arizona nonprofit corporation; and

The foregoing Bylaws constitute the Sixth Amended and Restated Bylaws of the Arizona Biltmore Association Village Association as adopted by a majority of the directors thereof at a meeting duly called and held on November 18, 2013.

**IN WITNESSES WHEREOF**, the undersigned has hereunto set his hand.

  
Mark A. Monserez, Secretary

