

BYLAWS OF  
CAMELBACK COUNTRY CLUB ESTATES I & II  
HOMEOWNERS ASSOCIATION

ARTICLE I

Identity

Section 1. The Association. These Bylaws shall govern the operation of Camelback Country Club Estates I & II Homeowners Association, an Arizona nonprofit corporation (the "Association").

Section 2. Terms. Unless otherwise defined in the Bylaws, terms used herein shall have the same meanings as in the Articles of Incorporation of the Association, as amended from time to time.

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

Section 4. Principal Office. The principal office of the Association shall be located within the City of Scottsdale, Arizona.

Section 5. Seal. The Board may obtain a seal for the Association, which shall bear the name of the Association, the word "Arizona", the word "nonprofit", the year of incorporation, and such other matters as the Board may elect.

ARTICLE II

Membership

The Association shall have no members.

ARTICLE III

Board of Directors

Section 1. Number and Qualification. The business, property and affairs of the Association shall be managed, controlled and conducted by a Board of Directors, which shall consist of five (5) members.

Section 2. Powers and Duties. Subject to any restrictions set forth in the Declaration, the Board shall have the powers and duties necessary for the administration of the affairs of the Association and may exercise and perform all of the rights, duties, privileges, obligations and responsibilities of the Committee as described in the Declaration and as set forth elsewhere in the Bylaws and the Articles. The Board may delegate to one or more committees and to officers, employees or agents of the Association,

such duties and powers, all as appears to the Board to be in the best interests of the Association and to the extent permitted by law; provided, however, that no such delegation shall relieve the Board of its obligation to perform any such delegated duty.

Section 3. Election and Term of Office. There shall be five (5) directors, who shall serve without compensation. Each director shall be an Owner (as that term is defined in the Articles) or the spouse of an Owner (or if an Owner is a corporation, partnership, limited liability company or trust, a director may be an officer, partner, member or beneficiary of such Owner). If a director shall cease to meet such qualifications during his term, he will thereupon cease to be a director and his place on the board will be deemed vacant. The names and addresses of the persons who shall serve as the initial directors of the Association are set forth in the Articles. Directors shall be elected by the Owners in accordance with the procedures for electing Committee members set forth in the Declaration. A director shall serve until the next annual meeting of the Owners (as specified in the Declaration) or until he resigns and his successor is elected and qualified.

Section 4. 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 for the Association in any other capacity, unless a resolution authorizing such remuneration has been unanimously adopted by the Board 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 5. Regular Meetings. Regular meetings of the Board may be held at such times as shall be determined, from time to time, by a majority of the directors. The meeting place shall ordinarily be within the Property, unless in the judgment of the Board a larger meeting room is required than exists within the Property in which case the meeting room shall be located as close as reasonably possible to the Property. Notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting.

Section 6. Special Meetings. Special meetings of the Board may be called by the President on not less than seventy-two (72) hours' prior notice by telephone or in writing signed by the President and given to each director, personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall also be called by the President in like manner and on like notice, upon the written request of at least two of the directors other than the President. Notice of any such meeting need not be given to any director who signed a waiver of notice or a written consent to holding of the meeting. Special meetings of the Board shall

ordinarily be held within the Property, unless in the judgment of the Board a larger room is required than exists within the Property in which case the meeting room shall be located as close as reasonably possible to the Property.

Section 7. Waiver of Notice. Before, at, or after any meeting of the Board, 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. If all the directors are present at any meeting of the Board, no notice shall be required, and any business may be transacted at such meeting.

Section 8. Quorum. A majority of the Board 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 directors present may adjourn the meeting from time to time. No business of the Board shall be transacted at any meeting of the Board unless a quorum is present. 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, 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 9. Adjournments. The Board may adjourn any meeting from day to day or for such other time as may be prudent or necessary in the interests of the Association, provided that no meeting may be adjourned for a period longer than thirty (30) days. In addition, the Board may, with the approval of a majority of a quorum of its members, adjourn a Board meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved and orders of business of a similar nature. The nature of any and all business considered by the Board in executive session shall first be announced in open session.

Section 10. Action Taken Without a Meeting. The directors shall have the right, pursuant to Arizona law, including, but not limited to, Arizona Revised Statutes Section 10-1095, as amended from time to time, to take any action in the absence of a meeting which they could take at a meeting by obtaining from the directors a unanimous written consent to resolutions specifying the action. Any action so approved shall have the same effect as though taken at a meeting of the directors.

Section 11. Fidelity Bonds. The Board may require, in its discretion, that any or all officers, employees and agents of the Association handling or responsible for the Association's funds shall be appropriately bonded. In the event such bonds are required upon determination of the Board, the premiums shall be paid by the Association.

Section 12. Committees. The Board may by resolution appoint committees of the Board comprised of directors, 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 Association shall be a President, a Secretary, a Treasurer and, if deemed necessary by the Board, one or more Vice Presidents, all of whom shall be elected by the Board. The directors may appoint an Assistant Secretary and an Assistant Treasurer, and such other officers as in their judgment may be necessary. Any individual holding the office of President must be a director. Individuals holding offices other than that of President need not be directors. Any one individual may hold two or more offices at the same time, except that no one individual shall simultaneously hold the offices of President and Secretary.

Section 2. Election of Officers. The officers of the Association shall be elected from time to time by the Board. The officers must be Owners.

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

Section 4. Resignation of Officers. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. The resignation of an officer 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 a 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. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 6. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Board. He 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 directors from time to time as he may, in his discretion, decide is appropriate to assist in the conduct of the affairs of the Association.

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 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 by the Board.

Section 8. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors; he shall have the custody of any seal of the Association; he shall have charge of the ownership books and such other books and papers as the Board may direct; and he 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 Association's funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board.

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 Association in any other capacity, unless, before the services are undertaken, a resolution authorizing such remuneration shall have been unanimously adopted by the Board in accordance with the provisions of the Articles, the Bylaws and applicable law.

## ARTICLE V

### Miscellaneous

Section 1. Books and Accounts. Subject to the provisions of the Declaration, the Articles, the Bylaws and applicable law, 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. Every director of the Association shall have the right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association. The

right of inspection by a director includes the right to make a reasonable number of extracts and copies of documents.

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

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

Section 4. Venue. The proper venue for any dispute arising in connection with these Bylaws shall be Maricopa County, Arizona.

Section 5. Notice. The address of the Association for purposes of any notice required or permitted under the Articles, Bylaws or the Declaration shall be the home address of the President serving from time to time.

ARTICLE VI

Amendment of the Bylaws

These Bylaws may be amended by the affirmative vote of a majority of the Board. The Bylaws shall not be amended to contain any provisions that would be contrary to or inconsistent with the Declaration or the Articles, and any provision or purported amendment or modification to the Bylaws which is contrary to or inconsistent with the Declaration or the Articles shall be void to the extent of such inconsistency.

IN WITNESS WHEREOF, we, being all of the directors of Camelback Country Club Estates I & II Homeowners Association, have hereunto set our hands as of the 30th day of August, 1995.

Robert Daugherty  
Robert Daugherty

Gloria Felice  
Gloria Felice

Nina Slonaker  
Nina Slonaker

Dorothy Tubman  
Dorothy Tubman

Lesley Veit  
~~Darlene Mooney~~ Lesley Veit

ARIZONA CORPORATION COMMISSION  
CORPORATIONS DIVISION

Phoenix Address: 1200 West Washington  
Phoenix, Arizona 85007

Tucson Address: 402 West Congress  
Tucson, Arizona 85701

CERTIFICATE OF DISCLOSURE

A.R.S. Sections 10-128 & 10-1084

PLEASE SEE REVERSE SIDE

CAMELBACK COUNTRY CLUB ESTATES  
I & II HOMEOWNERS ASSOCIATION  
EXACT CORPORATE NAME

CHECK APPROPRIATE BOX(ES) A or B

ANSWER "C"

THE UNDERSIGNED CERTIFY THAT:

- A. No persons serving either by elections or appointment as officers, directors, incorporators and persons controlling, or holding more than 10% of the issued and outstanding common shares or 10% of any other proprietary, beneficial or membership interest in the corporation:
- 1. Have been convicted of a felony involving a transaction in securities, consumer fraud or antitrust in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate.
  - 2. Have been convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses, or restraining the trade or monopoly in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate.
  - 3. Have been or are subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven-year period immediately preceding the execution of this Certificate where such injunction, judgment, decree or permanent order:
    - (a) Involved the violation of fraud or registration provisions of the securities laws of that jurisdiction; or
    - (b) Involved the violation of the consumer fraud laws of that jurisdiction; or
    - (c) Involved the violation of the antitrust or restraint of trade laws of that jurisdiction.

B. For any person or persons who have been or are subject to one or more of the statements in Items A.1 through A.3 above, the following information MUST be attached:

- 1. Full name and prior name(s) used.
- 2. Full birth name.
- 3. Present home address.
- 4. Prior addresses (for immediate preceding 7-year period).
- 5. Date and location of birth.
- 6. Social Security number.
- 7. The nature and description of each conviction or judicial action, date and location, the court and public agency involved and file or cause number of case.

STATEMENT OF BANKRUPTCY, RECEIVERSHIP OR REVOCATION

A.R.S. Sections 10-128.01 and 10-1083

C. Has any person serving (a) either by election or appointment as an officer, director, trustee or incorporator of the corporation or, (b) major stockholder possessing or controlling any proprietary, beneficial or membership interest in the corporation, served in any such capacity or held such interest in any corporation which has been placed in bankruptcy or receivership or had its charter revoked? YES \_\_\_ NO X

IF YOUR ANSWER TO THE ABOVE QUESTION IS "YES", YOU MUST ATTACH THE FOLLOWING INFORMATION FOR EACH CORPORATION:

- 1. Name and address of the corporation.
- 2. Full name, including alias and address of each person involved.
- 3. State(s) in which the corporation:
  - (a) Was incorporated.
  - (b) Has transacted business.
- 4. Dates of corporate operation.
- 5. A description of the bankruptcy, receivership or charter revocation, including the date, court or agency involved and the file or cause number of the case.

Under penalties of law, the undersigned incorporators/Officers declare that we have examined this Certificate, including any attachments, and to the best of our knowledge and belief it is true, correct and complete.

BY Robert J. Daugherty DATE 8/29/95  
 TITLE ROBERT DAUGHERTY, DIRECTOR, INCORPORATOR

BY Gloria Felice DATE 8/29/95  
 TITLE GLORIA FELICE, DIRECTOR, INCORPORATOR

BY Lesley Veit DATE 8/29/95  
 TITLE LESLEY VEIT, DIRECTOR, INCORPORATOR

BY Nina Slonaker DATE 8/29/95  
 TITLE NINA SLONAKER, DIRECTOR, INCORPORATOR

BY Dorothy Tubman DATE 8/29/95  
 TITLE DOROTHY TUBMAN, DIRECTOR, INCORPORATOR

FISCAL DATE: December 31