

## **ARTICLE X - Books and Records**

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member who shall be provided copies of any such instruments or documents.

## **ARTICLE XI - Indemnification/Insurance**

To the fullest extent permitted by Arizona Revised Statutes Section 10-1005(C) and any successor provision, every director, officer or committee member of the Association who is employed, appointed or acts as such by the Association shall be indemnified by the Association, and every other person serving as a director, officer, committee member, employee, volunteer or direct agent of the Association, or otherwise acting on behalf of, and at the request of the Association, who is named as a plaintiff or defendant in threatened, pending or completed litigation, may be indemnified, in the discretion of the board, by the Association. Such indemnification shall include without limitation, all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon such person 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 served in such capacity on behalf of the Association or any settlement thereof, whether or not he or she is a director, officer or committee member or serving in such other specified capacity at the time such expenses are incurred; provided however, in the case of a proceeding threatened or brought in the right of the Association, the indemnity shall exclude judgments, fines and settlements except to the extent a court of competent jurisdiction shall determine that the indemnity is proper as to a settlement. Such indemnification shall be available only if such officer, director, member of a committee or other person acted, or failed to act, in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Association and, with respect to a criminal proceeding, he or she had reasonable cause to believe his or her conduct was lawful.

The right of indemnification hereinabove provided shall not be exclusive of any rights to which any director or officer of the Association may otherwise be entitled at law.

The Association shall have the power to purchase insurance on behalf of any person who is or was a Member, director, officer,

**BYLAWS**

**OF**

**SUNRIDGE ESTATES HOMEOWNERS' ASSOCIATION**  
**An Arizona not for profit corporation.**

**ARTICLE I - Name and Place of Business**

Section 1. Name. The "Association" shall refer to SUNRIDGE ESTATES HOMEOWNERS' ASSOCIATION, its successors and assigns.

Section 2. Place of business. The principal office of the Association shall be located in Tucson, Arizona at 380 N. Joesler Ct., Tucson, Arizona 85716 or at such other location as may be designated by the board of directors from time to time, but 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 - Scope and Purposes of Association**

Section 1. General Purposes. The general purpose of the Association is to promote the general welfare of SunRidge Estates Homeowners' Association, a legal subdivision of Pima County, Arizona, according to the plat thereof recorded in Book 48 of Maps and Plats at page 33 in the Pima County Recorder's Office, Arizona.

Section 2. Specific Purposes. The specific purposes of this Association shall include, without limitation, the following:

- (a) To promote the social welfare of SunRidge and its environs;
- (b) To receive, own and administer Association Property, including easements and rights of way;
- (c) To provide for the acquisition, construction, management and maintenance of Association Property;



(d) To enforce any and all restrictions as to the use of lots, common area and improvements situated thereon within SunRidge and any "Additional Property" as set forth in the Declaration, as may be amended from time to time, or as set forth in any similar instrument which is in effect or as may be adopted pertaining to SunRidge or any Additional Property as such is defined in the Declaration; and

(e) To carry on and maintain any and all services which shall be desired by the Members of the Association.

### **ARTICLE III - Membership: Voting: Meetings of Members**

Section 1. Membership Qualification. The "Members" shall be those persons and entities who are "Owners" as defined in the Declaration; provided however, that the board of directors may establish additional requirements for maintaining membership. Where an "Owner" (as defined by the Declaration) includes more than one person or entity, such person or entity shall be deemed one Member. The board of directors shall be empowered to determine all issues relating to membership in the Association in any manner consistent with the Declaration, the Articles of Incorporation and the Bylaws.

(a) Annual Meeting. The annual meeting of the Members shall be held on the first Monday in February of each year, for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting is a legal holiday, such meeting shall be held on the next succeeding business day.

(b) Special Meetings. Special meetings of the Members for any purpose or purposes may be called at any time by the president or by written request of a majority of the directors, and shall be called by president at the written request of not less than twenty-five percent (25%).

(c) Place of Meeting. All meetings of the Members shall be held within Pima County, Arizona, as may be fixed from time to time by the board of directors and stated in the notice of the meeting or in a duly executed waiver of notice thereof. If no designation is made, the place of meeting shall be the principal office of the Association.

(d) Notice of Meetings. Written notice stating the place and time of the meeting and, in case of a special meeting, the purpose(s)

for which the meeting is being called, shall be delivered not less than ten days before the meeting, either personally or by mail, to each Member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Member at his or her address as it appears on the books of the Association, or supplied by such Member to the Association for the purpose of notice, or if none, to the address of the Member's lot.

(e) Quorum and Adjournment. The presence at the meeting of Members in person or by proxy of one-fifth (1/5) of the Members entitled to vote shall constitute a quorum for any action unless otherwise provided in the Articles of Incorporation or these Bylaws. If, however, such quorum shall not be present or represented by proxy at any meeting, the Members who are present shall have the power to adjourn the meeting from time to time, without notice other than announcement at such meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed.

(f) Voting. Each Member is entitled to one vote at all meetings, unless the number of votes is otherwise provided for in the Declaration, the Articles of Incorporation or these By-laws. All matters shall be decided by a majority vote, unless otherwise provided by the Declaration, the Articles of Incorporation or these By-laws. Upon the demand of any Member, voting shall be by ballot.

(g) Proxies. At all meetings of Members, each member may vote in person or by proxy. All proxies shall be in writing executed by the Member or by his or her duly authorized attorney-in-fact and filed with the secretary of the Association before or at the time of the meeting. Every proxy shall be revocable, and shall cease automatically upon disqualification of the Member. Unless otherwise required by law, all questions concerning the validity or sufficiency of any proxy shall be decided by the secretary.

(h) Conduct of Meetings. Meetings of the Members shall be presided over by the president, or if he or she is not present, by the vice president, or if he or she is not present, by a chairman to be chosen at the meeting. The secretary, or in his or her absence, the assistant secretary, if any, or otherwise a person chosen at the meeting, shall act as secretary of the meeting.



(i) Action by Resolution. Any action which may be taken at a meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the Members entitled to vote thereon.

#### **ARTICLE IV - Board of Directors: Selection: Term of Office**

Section 1. General. The business and affairs of the Association shall be managed by its board of directors.

Section 2. Number. The number of directors of the Association shall be determined, from time to time, by the board of directors, but in no event shall there be fewer than three (3) directors.

Section 3. Qualification. Only Members who are natural persons or who are beneficiaries of a trust which is a Member may be elected or appointed to the board of directors. Any person whose membership terminates or lapses may not remain a member of the board of directors and shall be deemed to have resigned as of the time the membership terminates or lapses.

Section 4. Election and Term of Office. The members of the board of directors shall be elected at the annual meeting of the membership by the Members. At least twenty (20) days prior to the annual meeting, the existing board of directors shall select a nominating committee comprised of such number, as it shall designate. The nominating committee shall make nominations for vacancies on the board of directors. The nominating committee shall present to the secretary at least ten (10) days before the annual meeting the nominees for the board of directors. The Secretary of the Association shall include the names of the nominees with the notice of the meeting. Nominations for directors may be made by any Member from the floor of the meeting. Members may vote for directors in person or by proxy with votes to be cast in the manner set forth in Article III, Section 2, above, but shall be entitled to cast as many votes as there are number of directors to be elected, all of which may be cast for one nominee or may be distributed among two or more nominees. Each director duly elected shall serve until the earlier of the next annual meeting of the Members and the time at which his or her successor shall have qualified. Any director may serve one or more terms, whether or not in succession.

Section 4. Removal: Resignation: Vacancies. Any director may be removed from the board, with or without cause, by the majority vote of the other directors present personally or voting by proxy at a regular meeting or at a special meeting called for such purpose. Further, any director, at any time, may resign from the board 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. Failure to be a Member or lapse of membership shall be deemed to be a resignation from the board. In the event of death, resignation, removal or disqualification of a director, his or her successor shall be selected and appointed by the remaining directors and shall serve the unexpired term of the director so replaced.

Section 5. Compensation. No director shall receive compensation for any service he or she may render to the Association. However, any director may be reimbursed for his or her actual expenses incurred in the performance of his or her duty.

Section 6. Meetings.

(a) Annual Meetings. The annual meeting of the board of directors shall be held in Pima County, Arizona, immediately following the annual meeting of the Members. At the annual meeting of the board, the officers of the Association shall be elected to hold office for the ensuing year or thereafter until their successors are elected and qualified.

(b) Regular Meetings. Regular meetings of the board of directors shall be held in Pima County, Arizona, at such times as the board of directors shall determine.

(c) Special Meetings. Special meetings of the board of directors shall be held when called by the president or any director. Special meetings of the board shall be held in Pima County, Arizona, at such time and place as shall be fixed by the person or persons authorized to call such special meeting of the board called by them.

Section 7. Notice/Waiver of Notice. A notice of the time and place of the annual, regular or special meetings (including, in the case of special meetings, the purpose or purposes for which the meeting is called) shall be made by the secretary or such person calling the



meeting, orally or in writing, at least three days prior to the meeting. Any members of the board of directors may waive notice of any meeting. Attendance at a meeting by a director shall be deemed a waiver of notice of the meeting unless the director's attendance is to object to the holding of the meeting without proper notice.

Section 8. Conduct of Meeting. At all meetings of the board of directors, the president, or in his or her absence the vice president, or in his or her absence a chairman chosen by the directors present, shall preside. The secretary, or the assistant secretary, if any, or in his or her absence, any person appointed by the chairman, shall act as secretary of the meeting.

Section 9. Quorum. A majority of the directors shall constitute a quorum for the transaction of business by the board of directors. Any meeting at which a quorum is not present may be adjourned from time to time until the meeting shall be regularly constituted, at which time any business may be transacted which might have been transacted at the meeting as originally noticed. The directors present at a duly organized meeting may continue to transact business until adjournment, even if a quorum is no longer remaining due to the withdrawal of directors from such meeting.

Section 10. Manner of Acting. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors, unless otherwise provided by the Declaration, the Articles of Incorporation or these By-laws. 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 the directors. Any action so approved shall have the same effect as if so taken at a meeting of the directors.

Section 11. Presumption of Assent. A director of the Association who is present at a meeting of the board of directors at which action on any Association matter is taken shall be presumed to have assented to the action taken, unless his or her dissent shall be entered in the minutes of the meeting, or unless he or she shall file his or her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by mail to the secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

Section 12. Action by Resolution. Any action which may be taken at a meeting of the board of directors or by any committee thereof may be taken without a meeting, if all members of the board of directors or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of the proceedings of the board or committee.

## **ARTICLE V - Powers and Duties of the Board of Directors**

Section 1. Powers and Authority of the Board. Powers and Authority of the Board. The board of directors shall have all the powers of an Arizona non-profit corporation, subject only to such limitations upon the exercise of such powers as are expressly set forth in the Declaration, the Articles of Incorporation and these Bylaws and to perform any and all acts which may be necessary or proper for or incidental to the exercise of any of the expressed powers of the Association. Without in any way limiting the generality of any of the foregoing provisions, the board of directors shall have the power and authority at any time to do the following:

(a) Delegate specific powers to any committees, including an executive committee, designated by the board of directors, each of which committees shall consist of one or more directors and Members as the board determines. Any such committee, to the extent provided in the resolution of the board, shall have and may exercise all the powers and authority of the board in the management of the business and affairs of the Association. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the board. Each committee shall keep regular minutes of its meetings and report the same to the board when required;

(b) Adopt and publish rules and regulations governing the maintenance and control of the Association's property, including, without limitation, the common areas, easements and rights of way;

(c) Suspend the voting rights of a Member during any period in which such Member shall be in breach of the provisions of these Bylaws and/or any rules and regulations promulgated by the board of directors until such default or breach is cured;



## **ARTICLE - VI Officers and their Duties**

**Section 1. Officers.** The officers of the Association shall be a president, who shall act as chairman of the board of directors, one or more vice presidents, a secretary, and a treasurer, all of whom shall be members of the board of directors and if designated by the board of directors, an assistant secretary and assistant treasurer. The board of directors in its discretion may designate additional officers. All officers must be Members. Termination of membership shall be deemed to be a resignation as an officer of the Association.

**Section 2. Election and Term of Office.** The officers of the Association shall be elected at the annual meeting of the board of directors, or at such other times as the directors may determine. The election of the officers shall be by majority vote of the board of directors. The term of each office shall be for one year and each officer shall hold office for the term thereof unless he or she shall sooner die, resign, become disqualified or be removed by a majority vote of the directors and until the successor of such officer is qualified. --

**Section 3. Special Appointment.** 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, from time-to time, may determine.

**Section 4. Resignation and Removal.** Any officer may be removed from office with or without cause by a majority vote of the board at a regular meeting, or at a special meeting called for such purpose. 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. Failure to be a Member or lapse of membership shall be deemed to be a resignation from office.

**Section 5. Vacancies.** A vacancy in any office may be filled by appointment by the board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

**Section 6. 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 in the case of special offices created pursuant to Section 3 of this Article.



Section 7. Duties. The duties of the officers are as follows:

(a) President. The president shall be the principal officer of the Association and, subject to the control of the board of directors, shall in general, supervise and control all of the business and affairs of the Association. The president shall sign, with such other officer as the directors designate, if any, all instruments which 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 these Bylaws to some other officer or agent of the Association or as shall be required by law to be otherwise signed or executed.

(b) Vice President. The vice president shall perform such duties as may be delegated to him or her by the board of directors. In the case of the temporary absence of the president or in the case of his or her temporary inability to act, the vice president, or if there is more than one vice president, the senior vice president, shall perform and be vested with all of the powers and duties of the president during such temporary absence or temporary inability. In the case of the permanent or extended absence or inability of the president to act, the office shall be declared vacant by the board and a successor chosen by the board of directors.

(c) Secretary. The secretary shall report 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, as required, on any papers; serve notice of the meetings of the board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses and voting entitlements, and shall perform such other duties as are required by the board.

(d) Treasurer. The treasurer shall have charge of and custody of and be responsible for all monies, securities and property of the Association and shall keep account of all monies received and disbursed by the Association, and shall deposit all monies and valuables in the name and to the credit of the Association in such banks and depositories as the board of directors may designate.

(e) Assistant Secretary. The assistant secretary, if one is so designated, shall perform such duties as may be delegated by the board of directors. In the case of the temporary absence of the secretary or in the case of his or her temporary inability to act, the



assistant secretary shall perform and be vested with all of the powers and duties of the secretary during such temporary absence or temporary inability. In the case of the permanent or extended absence or inability of the secretary to act, the office shall be declared vacant by the board and a successor chosen by the board.

(f) Assistant Treasurer. The assistant treasurer, if one is so designated, shall perform such duties as may be designated by the board of directors. In the case of the temporary absence of the treasurer or in the case of his or her temporary inability to act, the assistant treasurer shall perform and be vested with all of the powers and duties of the treasurer during such temporary absence or temporary inability. In the case of the permanent or extended absence or inability of the treasurer to act, the office shall be declared vacant by the board and a successor chosen by the board.

Section 8. Compensation. No compensation shall be paid to the officers for their services, but by resolution of the board of directors, an officer may be reimbursed for his or her actual expenses incurred in the performance of his or her duties.

#### **ARTICLE - VII Waiver of Notice**

Any Member, director or officer may waive any notice required to be given by the Declaration, the Articles of Incorporation or these By-laws.

#### **ARTICLE - VII Finances**

Section 1. Fiscal Year. The Association's fiscal year shall end December 31 of each year.

Section 2. Accounts. All receipts of the Association shall be deposited in accounts maintained by the treasurer and all disbursements by the Association shall be made through accounts maintained by the treasurer.

Section 3. Number of Signatures. All disbursements of funds shall require two signatures, by persons or officers as designated by the board of directors.

Section 4. Contracts. Loans. Checks and Deposits.

(a) Contracts The board of directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

(b) Loans. Except as provided in Article V, Section 1(d), no loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board of directors. Such authority may be general or confined to specific instances.

(c) Checks. Drafts. Etc. All checks, drafts or other orders for the payment of money, notes and other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the board of directors.

(d) Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the board of directors may select.

Section 5. Annual Statements. The board of directors shall present at each annual meeting of the Members, and at any special meeting of the Members when called for by vote of the Members, a full and clear statement of the business and condition of the Association.

**ARTICLE - IX Corporate Seal**

The board of directors may provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Association, the state of incorporation, year of incorporation and the words, "Association".



## **ARTICLE X - Books and Records**

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member who shall be provided copies of any such instruments or documents.

## **ARTICLE XI - Indemnification/Insurance**

To the fullest extent permitted by Arizona Revised Statutes Section 10-1005(C) and any successor provision, every director, officer or committee member of the Association who is employed, appointed or acts as such by the Association shall be indemnified by the Association, and every other person serving as a director, officer, committee member, employee, volunteer or direct agent of the Association, or otherwise acting on behalf of, and at the request of the Association, who is named as a plaintiff or defendant in threatened, pending or completed litigation, may be indemnified, in the discretion of the board, by the Association. Such indemnification shall include without limitation, all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon such person 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 served in such capacity on behalf of the Association or any settlement thereof, whether or not he or she is a director, officer or committee member or serving in such other specified capacity at the time such expenses are incurred; provided however, in the case of a proceeding threatened or brought in the right of the Association, the indemnity shall exclude judgments, fines and settlements except to the extent a court of competent jurisdiction shall determine that the indemnity is proper as to a settlement. Such indemnification shall be available only if such officer, director, member of a committee or other person acted, or failed to act, in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Association and, with respect to a criminal proceeding, he or she had reasonable cause to believe his or her conduct was lawful.

The right of indemnification hereinabove provided shall not be exclusive of any rights to which any director or officer of the Association may otherwise be entitled at law.

The Association shall have the power to purchase insurance on behalf of any person who is or was a Member, director, officer,

employee or agent of the Association against any liability asserted against him or her or incurred by such person in any such capacity or arising out of such person's status, whether or not the Association would have the power to indemnify such person against such liabilities under this Article.

## **ARTICLE XII - Dealings with Directors, Officers or Committee Members**

**Section 1. Permitted Dealings With Directors, Officers and Committee Members.** No contract or business transaction between the Association and one or more of its directors, officers, chairman or committee members or a corporation, partnership, association or other organization in which a corporation director, officer, chairman or committee member is a director, officer or employee or in which he or she has a financial interest, shall be void or voidable solely for this reason, or solely because the director, officer, chairman or committee member is present at or participates in the meeting of the board or committee thereof which authorized the contract or business transaction or solely because his or their votes are counted for such purposes, if:

(a) The material facts as to his or her relationship or interest in the contract or business transaction are disclosed or are known to the membership, the board of committee, an the membership, board or committee in good faith authorized the contract or business transaction by the affirmative votes of a majority of the disinterested Members, directors or committee members be less than a quorum; or

(b) The contract or transaction is fair as to the Association as of the time it is authorized, approved or ratified by the board or committee thereof.

**Section 2. Determining Quorum.** Common or interested Members, directors or committee members may be counted in determining the presence of a quorum at a meeting of the membership board or of a committee which approves the contract or business transaction.

## **ARTICLE - XIII Amendments**



These Bylaws may be altered, amended or repealed and new bylaws may be adopted by the concurrence of two-thirds (2/3) of the entire number of the board of directors of the Association at its annual meeting, any regular meeting, or at any special meeting called for that purpose, or by two-thirds (2/3) vote of the membership present at the annual meeting or at a special meeting called for that purpose.

APPROVED AS BY-LAWS OF SUNRIDGE ESTATES Homeowners' Association this    day of    , 1996, by the undersigned, constituting the first board of directors, at its first meeting.