

**AMENDED AND RESTATED BYLAWS OF
CANOA HILLS TOWNHOMES, INC.**

PLEASE NOTE: this document is annotated to compare it to the current Bylaws for Canoa Hills Townhomes. The final version will not show the annotations.

[ANNOTATIONS ARE SHOWN IN BRACKETS THROUGHOUT THE DOCUMENT]

Table of Contents

ARTICLE I. INTRODUCTION 1

 1.1 Amendment and Restatement of Bylaws 1

 1.2 Declaration 1

ARTICLE II. NAME, PRINCIPAL OFFICE, AND DEFINITIONS 1

 2.1 Name 1

 2.2 Principal Office 1

 2.3 Definitions 1

 2.4 Community Documents 1

ARTICLE III. MEMBERSHIP 1

 3.1 Members 1

 3.2 Restrictions and Qualifications. 1

ARTICLE IV. MEETINGS OF MEMBERS 2

 4.1 Annual Meetings 2

 4.2 Special Meetings 2

 4.3 Notice of Meetings 2

 4.5 Quorum 3

 4.6 Procedures for Meetings 3

ARTICLE V. VOTING 3

 5.1 Voting Rights 3

 5.2 Voting Options 4

 5.3 Proxies 6

ARTICLE VI. BOARD OF DIRECTORS 6

 6.1 Number 6

 6.2 Election of the Board of Directors 6

 6.3 Term of Office 6

 6.4 Place of Meetings 6

 6.5 Regular Meetings 6

 6.6 Special Meetings Notice 6

 6.7 Quorum 8

 6.8 Attendance by Telephone or Video 8

 6.9 Action by Directors Without a Meeting 8

6.10	Resignations	8
6.11	Removal of Directors.....	8
6.12	Vacancies on the Board.....	9
6.13	Compensation	9
6.14	Non-Liability of Officials and Indemnification.....	9
6.15	Parliamentary Guide.	10
ARTICLE VII. POWERS AND DUTIES OF THE BOARD OF DIRECTORS		10
7.1	Authority of the Board	10
7.2	Powers of the Board.....	10
7.3	Duties of the Board.	11
7.4	Management Contract.....	11
7.5	Fidelity Bonds.	12
ARTICLE VIII. OFFICERS.....		12
8.1	Selection	12
8.2	President	12
8.3	Vice President.....	12
8.4	Secretary	12
8.5	Treasurer	12
8.6	Compensation	13
8.7	Removal.....	13
8.8	Vacancies.....	13
8.9	Special Appointments	13
ARTICLE IX. COMMITTEES		13
9.1	Standing Committees.....	13
9.2	Organization of Committees	14
ARTICLE X. PROCEDURE FOR AMENDMENT		14
ARTICLE XI. GENERAL PROVISIONS		14
11.1	Conflicting Provisions	14
11.2	Designation of Fiscal Year	14
11.3	Books and Records	14
11.4	Singular Includes Plural.	14
11.5	Captions.....	14
CERTIFICATION.....		15

**AMENDED AND RESTATED BYLAWS OF
CANOA HILLS TOWNHOMES, INC**

**ARTICLE I.
INTRODUCTION [NEW]**

1.1 Amendment and Restatement of Bylaws. These Amended and Restated Bylaws (these “Bylaws”) of Canoa Hills Townhomes, Inc., an Arizona nonprofit corporation (the “Association”), hereby amend and restate in their entirety all previous Bylaws of the Association. The previous Bylaws include but are not limited to the Bylaws recorded in the office of the Pima County Recorder, Sequence 92168595, which are of no further force or effect. Prior acts and actions taken in accordance with prior Bylaws are hereby validated and saved following adoption of these Bylaws. Any reference herein made to the Association’s Bylaws will be deemed to refer to these Bylaws.

1.2 Declaration. The use of Canoa Hills Townhomes for the benefit of the Members is governed by that certain Declaration of Establishment of Conditions, Covenants, and Restrictions for Canoa Hills Townhomes, recorded on November 10, 1992, Sequence 92168594, office of the Pima County Recorder (the “Declaration”). All references to the Declaration shall include any amendments.

**ARTICLE II.
NAME, PRINCIPAL OFFICE, AND DEFINITIONS**

2.1 Name. The name of the corporation is Canoa Hills Townhomes, Inc.

2.2 Principal Office. The principal office of the Association shall be located in Green Valley, Pima County, Arizona, but meetings of the Members and Directors may be held at such places within Pima County, Arizona as may be designated by the Board of Directors.

2.3 Definitions. The words used in these Bylaws shall be given their normal, commonly understood definitions. Capitalized terms shall have the same meaning as set forth in the Declaration, unless the context indicates otherwise.

2.4 Community Documents. The term “Community Documents” shall refer to the Declaration, the Articles, the Bylaws and the Rules. **[NEW]**

**ARTICLE III.
MEMBERSHIP**

3.1 Members. Each Owner of a Lot shall be a Member of the Association.

3.2 Restrictions and Qualifications. Membership in the Association is subject to the following restrictions and qualifications:

3.2.1. The transfer of title to any Lot automatically transfers the Membership to the new Owner.

3.2.2. A Member must be in good standing with the Association. This means that the Member must be current in the payment of annual and special assessments imposed by the Association; and any other sums which are due to the Association from the Member, before such person is entitled to the rights and privileges of Membership, including the right to vote on any Association matter and the right to serve on the Board of Directors. **[NEW]**

3.2.3. The privileges of Members shall be to vote (in accordance with the Declaration), to hold office, and to enjoy or benefit from the Common Areas, subject to the Community Documents. **[NEW]**

ARTICLE IV. **MEETINGS OF MEMBERS**

4.1 Annual Meetings. The Annual Meeting of the Members shall be held in March each year at a date, time, and place designated by the Board of Directors.

4.2 Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board, or upon written demand signed by Members having at least 25% of the total votes held by Members in good standing. The Members' meeting demand must be delivered to any corporate officer with a statement describing the purpose(s) for which the meeting is to be held. The meeting shall be scheduled by the Board within the ensuing 30 days. The close of business on the day before delivery of the demand for a special meeting shall be the record date for the purpose of determining whether the demand for the special meeting has been signed by Members having at least 25% of the total votes in the Association held by Members in good standing. The only agenda item(s) at a special meeting shall be those stated as the purpose of the meeting in the notice described in Section 4.3 and in the Members' written demand, if any.

4.3 Notice of Meetings. Written notice of each meeting of the Members shall be given by or at the direction of the Secretary or person authorized to call the meeting, by mailing or hand delivering a copy of the notice to each Member, at least 10 but not more than 50 days before such meeting. The notice of the meeting must be addressed to the Member at the address which is reflected in the Association's books and records, or which is supplied by the Member to the Association for the purpose of such notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

4.4 Adjournment of Meeting. When a meeting is adjourned to another time or place, it is not necessary to send another notice to the Members of the adjourned meeting if the time and place of the meeting are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Association may transact any business which might have been transacted at the original meeting. However, if the adjournment is for more than 30 days, a notice of the adjourned meeting shall be given to each Member. By attending a meeting, a Member

waives any right he/she may have to object to the meeting on the basis that the meeting was not noticed in accordance with the Bylaws or statutes of the State of Arizona.

4.5 Quorum. Except as otherwise provided in the Community Documents, the presence in person or by absentee ballot of Members eligible to cast at least 20% of the votes in the Association, shall constitute a quorum at any meeting of the Members. If a quorum is not present at any meeting, the Members who are entitled to vote at the meeting can vote to adjourn the meeting in accordance with the applicable provisions of Section 4.4.

4.6 Procedures for Meetings. The President shall preside over all meetings of the Members. If the President is not present, then the Vice President shall preside over the meeting. The Secretary (or his/her designee) shall attend each meeting of the Members and take and prepare minutes reflecting the actions taken at the meeting. If the Secretary (or his/her designee) is not present, then the Chair of the meeting shall appoint another person or officer to act as the recording secretary and to perform the functions of the Secretary. The presiding officer may designate the Association's Attorney as the presiding officer at any meeting of Members at his/her discretion. Association meetings may be held by an online digital conference platform, using the same requirements that apply to in-person meetings. **[NEW]**

ARTICLE V.
VOTING [NEW]

5.1 Voting Rights. When more than one person holds an interest in any Lot, the vote for that Lot shall be exercised as agreed upon by the owners, but in no event shall more than one vote be cast for any one Lot. If the owners of a Lot cannot agree on how to cast any vote, their vote will be prorated among them in accordance with their percentages of ownership. If any Member casts a vote on a particular matter, it will conclusively be presumed for all purposes that the person casting the vote was acting with the authority and consent of all of the owners of the Lot, unless an objection by any other owner is made at the time the vote is cast. In the event that more than the allocated vote is cast for a particular Lot, none of the votes shall be counted for that Lot and all of the votes cast for the Lot shall be deemed void.

5.1.1. At any meeting of the Association, the Members in good standing, as defined in Section 3.2.2, shall be entitled to vote on each matter brought before the membership. A majority of the votes cast by the Members at such meeting, provided there is a quorum, shall be the act of the Membership, except as otherwise provided in the Community Documents or by statute.

5.1.2. Voting for the Members of the Board of Directors shall take place by secret written ballot, electronic voting, or by voting in-person or by secret absentee ballot at the Annual Meeting in accordance with these Bylaws. The results shall be made known upon the tabulation and certification of the ballots.

5.2 Voting Options.

5.2.1 At Meetings: Absentee Ballots. The Board shall provide for votes to be cast in person or by absentee ballot at any meeting of the Association. Ballots, envelopes and related material, including sign-in sheets if used, shall be retained in electronic or paper format and made available for Member inspection for at least one year after completion of the election. When absentee ballots are used, the following procedures shall apply:

- (a) The ballot shall set forth each proposed action to be taken at the meeting.
- (b) The ballot shall provide an opportunity to vote for or against each proposed action.
- (c) The ballot is valid for only one specified election or meeting of the Members and expires automatically after the completion of the election or meeting.
- (d) The ballot must specify the time and date by which the ballot must be delivered to the Board in order to be counted. The due date must be at least seven days after the date that the Board delivers the unvoted ballot to the Member. Ballots received after this date shall not be counted.
- (e) The completed ballot shall contain the name, address and signature of the person voting, except that if the vote is by secret ballot, only the envelope shall contain the name, address and signature of the voter.
- (f) Votes cast by absentee ballot or other form of delivery, including the use of email and fax delivery, are valid for the purpose of establishing a quorum for the vote or election.
- (g) The ballot cannot authorize another person to cast votes on behalf of the Member.
- (h) The ballot cannot be revoked or changed once it is delivered to the Association.

5.2.2 Without a Meeting: Written Ballot. Any action that the Association Members may take at any annual or special meeting may be taken without a meeting if the Association delivers a written ballot to every Member entitled to vote on the matter. A written ballot cannot be revoked or changed after it is delivered to the Association.

- (a) A written ballot shall:

- 1) Set forth each proposed action.
- 2) Provide an opportunity to vote for or against each proposed action.

(b) Approval by written ballot is valid only if both:

- 1) The number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action.
- 2) The number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

(c) All solicitations for votes by written ballot shall:

- 1) Indicate the number of responses needed to meet the quorum requirements.
- 2) State the percentage of approvals necessary to approve each matter other than election of Directors.
- 3) Specify the time by which a ballot must be delivered to the Association in order to be counted, which time shall not be less than 10 days after the date that the Association delivers the ballot.

5.2.3 Electronic Voting. After providing notice to Members that a vote shall be conducted by electronic means, a written ballot may be delivered through an online voting system. The notice to Members shall include a reasonable procedure by which a Member may obtain and cast a ballot through some other form of delivery, including United States mail delivery and fax transmission. The online voting system must do all of the following:

- (a) Authenticates the member's identity.
- (b) Authenticates the validity of each electronic vote to ensure that the vote is not altered in transit.
- (c) Transmits a receipt to each member who casts an electronic vote.
- (d) Stores electronic votes for recount, inspection and review purposes.

5.2.4 Voting Procedures.

- (a) Voting shall proceed under supervision of the Board of Directors.
- (b) The ballots shall remain sealed until the voting is closed, at which time they shall be opened and the votes tabulated.
- (c) When tabulation of ballots is finished, the results shall be announced to the Membership either at a meeting or, if written ballots are used in the absence of a meeting, by written notification to the Members.
- (d) In the event of a tie vote, there shall be a coin toss to break the tie.

5.3 Proxies. Votes may not be cast pursuant to a proxy at any Association meeting.

ARTICLE VI.
BOARD OF DIRECTORS

6.1 Number. The affairs of the Association shall be managed by a Board of Directors consisting of five members, all of whom must be Members in good standing, as defined in Section 3.2.2. Co-owners of Lots shall not be entitled to serve on the Board of Directors at the same time. All Directors shall have all of the rights, remedies, privileges and authority accorded to Directors of the Association by the Community Documents and by applicable law.

6.2 Election of the Board of Directors. Directors shall be elected in accordance with Article V of these Bylaws. The candidates receiving the highest number of votes up to the number of Directors needed, shall be deemed to be elected. Cumulative voting and write-in voting are not permitted. If the number of candidates for open Directors' positions is equal to or less than the number of openings, no election will be held. The Board will declare the candidates elected by acclamation. Any unfilled positions will be filled per Section 6.12. Prior to the annual election each year, the Board shall organize and hold the election.

6.3 Term of Office. Directors shall be elected for a term of three years. After any election, if staggered terms have not been preserved, the Board may give one or more Directors one-year or two-year terms to restore staggering.

6.4 Place of Meetings. The Board may hold its meetings at any place designated by the Board of Directors.

6.5 Regular Meetings. Regular meetings of the Board will be held at least four times a year without notice to the Directors, other than announcement at the close of the previous meeting, and with notice to Association Members in accordance with applicable law.¹ Notice to Members of a meeting of the Board is not required if emergency circumstances require action by the Board before notice can be given. The minutes of the emergency meeting shall state the reason necessitating the emergency meeting. The minutes of the emergency meeting shall be read and approved at the next regularly scheduled meeting of the Board. The failure of any Member to receive actual notice of a Board meeting does not affect the validity of any action taken at that meeting.

6.6 Special Meetings Notice. Special meetings of the Board shall be held whenever called for in writing, by the President of the Association or by any three members of the Board of Directors other than the President. The notice of any special meeting of the Board of Directors

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

shall state the time, place and purpose of the meeting. This stated purpose shall be the only business addressed at the special meeting. Notice of any special meeting shall be sent to each Director not later than three days prior to the scheduled time of the meeting either by U.S. mail, email, fax, or any other form of recorded communication; by telephone; or delivered personally. Notice of special meetings of the Board also shall be given to the Association Members in accordance with applicable law.¹ A written waiver of notice, whether given before or after the meeting to which it relates, shall be the equivalent of giving proper notice to the Directors who sign the waiver. Attendance of a Director at a special meeting of the Board shall constitute a waiver of notice of such meeting, except when he/she attends the meeting for the express purpose of objecting to the transaction of any business or because the meeting is not lawfully called or convened.

6.7 Open Meeting Law. Section 33-1804 of the Arizona Planned Communities Act requires all meetings of the Board to be open to Members and their designated representatives unless the meeting is limited to the consideration of one or more of the following:

6.7.1 Legal advice from an attorney for the board or the association. On final resolution of any matter for which the board received legal advice or that concerned pending or contemplated litigation, the board may disclose information about that matter in an open meeting except for matters that are required to remain confidential by the terms of a settlement agreement or judgment.

6.7.2 Pending or contemplated litigation.

6.7.3 Personal, health or financial information about an individual member of the association, an individual employee of the association or an individual employee of a contractor for the association, including records of the association directly related to the personal, health or financial information about an individual member of the association, an individual employee of the association or an individual employee of a contractor for the association.

6.7.4 Matters relating to the job performance of, compensation of, health records of or specific complaints against an individual employee of the association or an individual employee of a contractor of the association who works under the direction of the association.

6.7.5 Discussion of a member's appeal of any violation cited or penalty imposed by the association except on request of the affected member that the meeting be held in an open session.

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

6.7 Quorum. A majority of the Board present at any meeting of the Board shall constitute a quorum for the transaction of business at such meeting. Except as otherwise stated in these Bylaws, and except as provided for by law, the vote of a majority of the Directors present at any meeting where a quorum is present shall be the act of the Board. In the absence of a quorum, a majority of the Directors present at the meeting may adjourn the meeting to another time or place.

6.8 Attendance by Telephone or Video. A quorum of the Board may meet by means of a telephone conference or video conference if a speakerphone, microphone, or other equipment is available in the meeting room or otherwise that allows Board members and Lot Owners to hear all parties who are speaking during the meeting. **[NEW]**

6.9 Action by Directors Without a Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all of the members of the Board of Directors consent, in writing, to such action. Such consents shall be announced at and filed with the minutes of the next Board meeting. Any action by written consent has the same force and effect as any other vote of the Directors. Action without a meeting may be taken between Board meetings if Board action is required for Association business.

6.10 Resignations. Any Director may resign at any time by giving notice of his/her resignation to the Board of Directors. Any resignation becomes effective at the time specified in the notice, if the time is not stated in the notice, it shall take effect immediately upon its receipt by the President or the Secretary. Unless otherwise specified in the notice, the acceptance of such resignation is not necessary to make it effective.

6.11 Removal of Directors. The Members, by a majority vote of Members entitled to vote and voting on the matter at a meeting of the Members called pursuant to these Bylaws, at which a quorum is present, may remove any Director from the Board with or without cause. For purposes of calling for removal of a Director by the Members, the following apply:

6.11.1. On receipt of a petition that calls for removal of a Director and that is signed by the Members entitled to cast at least 25% of the votes in the Association, the Board shall call and provide written notice of a special meeting of the Association as prescribed by these Bylaws.

6.11.2. The special meeting shall be called, noticed and held within 30 days after the Board's receipt of the petition, which shall be the only business addressed at the meeting.

6.11.3. For purposes of a special meeting called pursuant to this Section, a quorum is present if the number of Members to whom at least 20% of the votes in the Association is allocated is present at the meeting in person or by absentee ballot.

6.11.4. If a civil action is filed regarding the removal of a Director, the prevailing party in the civil action shall be awarded its reasonable attorney fees and costs.

6.11.5. The Board shall retain all documents and other records relating to the proposed removal of any Director for at least one year after the date of the special meeting and shall permit Members to inspect those documents and records pursuant to these Bylaws and applicable law.

6.11.6 A petition that calls for the removal of the same Director shall not be submitted more than once during each term of office for that Member.

6.12 Vacancies on the Board.

6.12.1 After Removal Action. If less than a majority of the Directors are removed in accordance with Section 6.11 of these Bylaws, the remaining Directors shall appoint a successor to fill each vacancy for the remainder of the term. If more than a majority of the Directors are removed, the Nominating Committee shall organize an election to replace the removed Directors, who shall remain in office (but shall take no action other than to maintain the established day-to-day operations of the Association) until the replacement Directors are elected and qualified. This election must be held no later than thirty (30) days after the meeting at which the Directors were removed.

6.12.2 Absences or Delinquency. Any Director who has three consecutive unexcused absences from Board meetings, or is more than 90 days delinquent (or is the representative of a Member who is delinquent) in the payment of any assessment or other charge due the Association, without being excused by the Board for good cause, shall be deemed to have resigned from office and the Board may appoint a successor to fill the vacancy for the remainder of the term.

6.12.3 Death, Disability or Resignation. In the event of the death, disability, or resignation of a Director, the Board may declare a vacancy and appoint a successor to serve for the remainder of the vacating Director's term.

6.12.4 Replacement Director. Any Director who the Board appoints shall be a Member in good standing in accordance with Section 3.1(c) of these Bylaws.

6.13 Compensation. No Director shall receive compensation for any service he/she may render to the Association unless such compensation is approved by a majority of the Eligible Votes cast in a duly-held Association election. However, any Director may be reimbursed for his/her actual expenses incurred in the performance of his/her duties.

6.14 Non-Liability of Officials and Indemnification. The Association shall indemnify, to the fullest extent permitted by law, every officer, director and committee member, against any and all expenses, including attorneys' fees, reasonably incurred or imposed upon, any such person, in connection with any action, suit or other proceeding (including settlement of any suit or proceeding if approved by the then Board of Directors) to which he/she may be made a party

by reason of being or having been an officer or director. This provision shall not be deemed to include travel expenses to attend Association meetings or legal proceedings and shall only include reasonable actual expenses. Neither officers, directors, nor committee members shall be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The officers, directors and committee members shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association. Any right to indemnification provided for herein shall not be exclusive of any of the rights to which any officer, director or committee member, or former officer, director or committee member, may be entitled. The Association shall, as a common expense, maintain adequate general liability and Officer's and Director's Liability insurance, which also includes committee members, to fund this obligation.

6.15 Parliamentary Guide. Robert's Rules of Order Revised will generally be the Association's parliamentary guide.

ARTICLE VII.
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

7.1 Authority of the Board. The Board of Directors has 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 Community Documents. The Board has the power to do any and all lawful things which may be authorized, required or permitted to be done by the Association under and by virtue of the Community Documents and applicable law, and to do and perform any and all acts which may be necessary or proper for or incidental to, the exercise of any of the express powers of the Association.

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

7.2.1 Adopt and publish rules and regulations governing the use of the Common Areas, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

7.2.2 Exercise for the Association all powers, duties and authority vested in or delegated to this Association, and not reserved to the membership by other provisions of these By-laws, the Articles of Incorporation, or the Declaration;

7.2.3 Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

7.2.4 Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

7.2.5 To establish, assess and collect assessments;

7.2.6. To borrow money on behalf of the Association when required for the improvement, operation, upkeep or maintenance of the Common Areas, or for any other purpose. However, the construction of new recreational facilities or other improvements on the Common Areas, and/or the incurrence of debt or liability on behalf of the Association shall require the prior approval of Members holding 2/3rds of the votes in the Association. **[NEW]**

7.2.7 To appoint and remove at pleasure all agents and employees of the Association, prescribe their duties, fix their compensation, and require of them such securities or fidelity bond as it may deem prudent.

7.3 Duties of the Board.

7.3.1 Cause to be kept a complete record of all of its acts and corporate affairs, and to present a statement thereof to the Members at the Annual Meeting of the members;

7.3.2 Supervise all officers, agents and employees of this Association, and see that their duties are properly performed;

7.3.3 As more fully provided in the Declaration, to:

- (a) Fix the amount of the assessment against each lot.
- (b) Send written notice of the assessment to every owner subject thereto.
- (c) Foreclose the lien against any property for which the assessments are not paid, or bring an action at law against the Owner personally obligated to pay the same.

7.3.4 Procure and maintain adequate liability and hazard insurance on property owned by the Association;

7.3.5 Cause officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

7.3.6 Cause the Common Areas to be maintained; and,

7.3.7 Maintain all commonly-used equipment.

7.4 Management Contract. Any agreement for professional management of the subdivision shall not exceed one year, but may be renewable for successive one-year periods upon agreement of the parties. Any such agreement shall provide for termination by either party without cause and without payment of a termination fee on 30 days written notice. **[NEW]**

7.5 Fidelity Bonds. The Association shall purchase and maintain in force, if available, fidelity coverage against dishonest acts on the part of directors, officers, managers, trustees, employees or volunteers responsible for handling funds belonging to or administered by the Association. Such fidelity bonds or insurance shall name the Association as the named insured and shall be written in an amount sufficient to provide protection that is at least 1.5 times the Association's estimated annual operating expenses and reserves. In connection with such coverage, an appropriate endorsement to the policy to cover any persons who serve without compensation shall be added, if the policy would not otherwise cover volunteers. **[NEW]**

ARTICLE VIII.

OFFICERS

8.1 Selection. The officers of the Association shall be a President, Vice President, Secretary and Treasurer. The President and Vice President must be Directors. At the first Board meeting held after the Annual Meeting each year, the Directors shall elect the officers of the Association, who shall serve during that calendar year and until their successors are chosen. Officers are not prohibited from succeeding themselves in office, and one person may hold more than one office, except President and Treasurer.

8.2 President. The President shall be the chief executive officer of the Association. He/She shall preside at all meetings of the Association and Board of Directors. He/She shall have all of the general powers and duties which are usually vested in the office of President of a corporation. He/She shall assure that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and agreements; and shall co-sign all promissory notes.

8.3 Vice President. The Vice President has such powers and performs such duties as the President or the Board may from time-to-time prescribe. At the request of the President, or in case of his/her absence or inability to act, the Vice President 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. If neither the President or the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis.

8.4 Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and of the Association; the Secretary shall have charge of such books and papers as the Board of Directors shall direct, and shall in general perform all the duties incident to the office of Secretary.

8.5 Treasurer. The Treasurer is responsible for supervising all of the funds and securities of the Association, and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association unless such function is delegated by the Board of Directors to a trust company, a bank or a professional property management company. The Treasurer shall be responsible for the deposit of all monies and other valuable effects which he/she personally collects in the name and to the credit of the

Association in such depositories as may from time to time be designated by the Board of Directors. All funds of the Association over which the Treasurer has direct control shall only be withdrawn upon his/her signature; the Board may require the signature of one other member of the Board for disbursement of Association funds. The Treasurer shall sign all promissory notes of the Association.

8.6 Compensation. No officer shall receive compensation for any service he/she may render to the Association unless such compensation is approved by a majority of the Members entitled to vote in a duly-held Association election. However, any officer may be reimbursed for his/her actual expenses incurred in the performance of his/her duties.

8.7 Removal. Any officer may be removed from office by the majority vote of the Directors at any regular meeting or special meeting called for that purpose, whenever, in the Board's judgment, the best interests of the Association will be served by the removal. The removal of a person as an officer does not constitute a removal of that person from the Board of Directors, unless he/she is removed from the Board by the Members or Directors, as set forth herein.

8.8 Vacancies. If any office becomes vacant by removal, death, resignation, retirement, disqualification, or any other cause, the majority of the Directors may elect an officer from among the Directors to fill that vacancy, and such officer shall hold office until the election of his/her successor.

8.9 Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time-to-time, determine. No such officers shall receive compensation for duties performed, but may receive reimbursement of actual expenses.

ARTICLE IX.

COMMITTEES [NO CHANGE]

9.1 Standing Committees. The Standing Committees of the Association shall be:

9.1.1 Maintenance Committee: The Maintenance Committee shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the common property of the Association and shall perform other functions as the Board, in its discretion, determines.

9.1.2 Audit Committee: The Audit Committee shall make an annual audit of the Association's books and approve the financial statements to be presented to the membership at its annual meeting.

9.1.3 Architectural Committee: The Architectural Committee shall approve or disapprove plans and specifications for any structures to be erected on any Lot, and any action relative thereto. The Architectural Committee shall watch for any proposals, progress or activities which may adversely affect the residential value of the properties and shall so advise the Board of Directors for appropriate action.

9.2 Organization of Committees. Unless otherwise provided herein, each committee shall consist of a Chairman and two or more members and shall include a member of the Board of Directors. The committees shall be organized by the Board of Directors within 30 days following each Annual Meeting to serve until their successors are appointed. The Board of Directors may create such other committees as it deems desirable. Any committee member may be removed from a committee, with or without cause by a majority vote of the Board, provided a quorum is present.

ARTICLE X.
PROCEDURE FOR AMENDMENT

These Bylaws may be amended by the President and Secretary of the Association certifying that such amendment has been approved by two-thirds of the votes submitted (with or without an Association meeting) provided the quorum requirement is met. Amendment of the Bylaws is effective upon its execution by the President and Secretary of the Association.

ARTICLE XI.
GENERAL PROVISIONS

11.1 Conflicting Provisions. In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

11.2 Designation of Fiscal Year. The fiscal year of the Association shall begin on the 1st day of January and end on the last day of December of every year.

11.3 Books and Records. The Community Documents, together with the books and records of the Association, shall be available for inspection by any Member during reasonable business hours at the principal office of the Association with at least 10 working days' prior written notice.

11.4 Singular Includes Plural. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine or neuter shall each include the masculine, feminine and neuter.

11.5 Captions. All captions and titles used in these Bylaws are intended solely for the convenience of reference purposes only and in no way define, limit or describe the true intent and meaning of the provisions hereof

CERTIFICATION

The undersigned President of CANOA HILLS TOWNHOMES, INC., an Arizona nonprofit corporation does hereby certify that the foregoing Bylaws constitute the official Bylaws of said Association, as duly adopted by the Association on the _____ day of _____ 2022.

DATED this _____ day of _____ 2022.

CANOA HILLS TOWNHOMES, INC.,
an Arizona non-profit corporation

By: _____
Its: President

ATTEST:

Secretary

STATE OF ARIZONA)
)ss.
County of Pima)

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me this _____ day of _____ 2022, by _____ as President of Canoa Hills Townhomes, Inc.

Notary Public

STATE OF ARIZONA)
)ss.
County of Pima)

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me this _____ day of _____ 2022, by _____ as Secretary of Canoa Hills Townhomes, Inc.

Notary Public