

**THIRD AMENDED AND RESTATED BY-LAWS  
OF**

**Sunflower Community Association  
An Arizona non-profit corporation**

Adopted: December 11, 2008

**ARTICLE I  
GENERAL PROVISIONS**

- 1.1. Name. The name of this non-profit corporation ("Association") is Sunflower Community Association.
- 1.2. Principal Office. The principal office of this corporation is 9401 N. Sunflower Park Drive; Tucson, AZ 85743.
- 1.3. Defined terms. Terms used but not defined in these Third Amended and Restated By-Laws ("By-Laws") shall have the meanings specified in the Second Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Sunflower recorded on February 12, 2008 in Sequence No. 20080290095, Official Records of Pima County, Arizona ("Declaration").
- 1.4. Conflicting Provisions. If there is any conflict between the Articles of Incorporation ("Articles") for the Association and these By-Laws, the terms of the Articles shall control. In the case of any conflict between the Declaration and these By-Laws, the Declaration shall control. This provision shall be amended or repealed only in accordance with the most stringent amendment provision regarding amendment or repeal then contained in Arizona Law, these By-Laws, the Articles and the Declaration.
- 1.5. Designation of Fiscal Year. The fiscal year of the Association shall be determined by the Board.
- 1.6. Books and Records. The books and records of the Association shall be available for inspection by any Owner of a Lot (each a "Member") or the Member's authorized agents during reasonable business hours for a proper purpose at the principal office of the Association. The books and records of the Association may be withheld from disclosure for any of the reasons specified in Arizona Law.
- 1.7. Members and Members Eligible to Vote. The term "Member" as used in these By-Laws shall have the same meaning as the term is defined in Section 1.24 of the Declaration which states that only Owners shall be Members of the Association. Whenever the term "Members Eligible to Vote" is used in these By-Laws, (a) the term identifies that while there may be more than one Member (Co-Owners) associated with a Lot there shall be only one vote per Lot, and (b) it also refers to those Members whose voting rights have not been suspended or revoked in accordance with the Declaration or Arizona Law.
- 1.8. Amendment. These By-Laws may be amended by an affirmative vote of not less than two-thirds (2/3) of the votes cast by the Members Eligible to Vote, pursuant to Arizona Law, where a quorum requirement is met. Such a vote may be initiated by the Board or by a petition signed by at least twenty-five percent (25%) of the Members Eligible to Vote (one Member signature per Lot).

- 1.9. Open Meetings. The Board shall hold its meetings open to the Members in accordance with Arizona Law. The Board also may suspend the right of a Member to attend Board meetings for violations of the community Documents, or for disruptive behavior at a Board meeting. The Board may otherwise suspend the rights of a Member to use the common elements for violations of the Governing Documents. Any such suspension shall conform to Arizona Law.
- 1.10. Exemption of Private Property. The private property of each and every officer, director, and Member of this Association at all times is exempt from all debts and liabilities of the Association.

## **ARTICLE II** **MEETINGS OF MEMBERS**

- 2.1. Annual Members Meeting. The annual meeting of the Members shall be held each year at a date and time fixed by the Board, which date shall be no later than sixty (60) days after the close of the Association's fiscal year. The meeting shall be held within the Property or at such other suitable place within Pima County as may be designated by the Board.
- 2.2. Special Member Meetings. Special meetings of the Members may be called at any time by the President or by a majority of the Board or by a written request signed by at least twenty-five percent (25%) of the Members Eligible to Vote. Such request shall state the purpose or the purposes of the proposed meeting. The notice of the special meeting must conform to the request for the special meeting. No business may be conducted at the special meeting that is not stated in the notice.
- 2.3. Notice of Member Meetings. Written notice of each meeting of the Members shall be given by the Secretary by hand delivery, e-mail, facsimile, conspicuous posting or by mailing a copy of each notice, postage prepaid, at least ten (10) days and not more than fifty (50) days before the meeting to each Member Eligible to Vote at that meeting addressed to the Member's address last appearing on the books of the Association or supplied by the Member to the Association for the purpose of notice. The notice must specify the place, day, and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. The business transacted at any meeting of Members shall be limited to the purposes stated in the notice. By attending a meeting, a Member waives any right to object to any business conducted at the meeting on the basis that proper notice of the meeting was not given in accordance with these By-Laws or the laws of the State of Arizona. The failure of any Member to receive actual notice of a meeting of the Members does not affect the validity of any action taken at that meeting.
- 2.4. Member Quorum. Except as otherwise provided in the Articles, the Declaration, or these By-Laws, the presence (at the beginning of the meeting) in person or by mail of twenty percent (20%) or more of the Members Eligible to Vote constitutes a quorum for the purposes of holding a duly called and noticed meeting of the Members. A Member shall be deemed to be present by mail, if the Association has received a ballot from the Member by mail, facsimile, electronic transmission or hand delivery.
- 2.5. Cumulative and Proxy Voting. Cumulative voting shall not be permitted. Proxy voting shall not be permitted.
- 2.6. Eligibility. The Membership of the Association shall consist of all Owners of Lots. Membership in the Association is mandatory. No Owner may relinquish or terminate a Membership in the Association, except by transferring a Lot. By accepting a deed to a Lot or otherwise becoming an Owner, each Owner enters into a contract with the Association and the other Owners whereby the

Owner becomes a Member of the Association and is bound by the terms of the Declaration, Rules and Regulations, Articles and By-Laws, all as may from time to time be amended.

- 2.7. Joint Ownership. When more than one person is the Owner of any Lot, all Owners shall be considered Members in the Association. The vote for a multiple-Owner Lot shall be exercised as they, among themselves, determine; however, no more than one (1) vote may be cast with respect to any Lot. The votes for each Lot must be cast as a whole unit. Fractional votes are not allowed. If joint Owners are unable to agree among themselves as to how their vote or votes are to be cast, they shall lose their right to vote on the matter in question. If any Owner casts a ballot representing a certain Lot, it shall thereafter be conclusively presumed for all purposes that the Owner was acting with the authority and consent of all other Owners of the same Lot. If more than one ballot is cast for a particular Lot, none of the votes for the particular Lot shall be counted, and all of the votes for the particular Lot shall be deemed void.
- 2.8. Corporate Ownership. If any Lot is owned by a corporation, partnership, limited liability company, association, trust or other legal entity, that legal entity shall be the Member and that legal entity must designate, in writing, at the time of acquisition of the Lot, an individual who has the power to vote for the Lot. In the absence of a designation and until a designation is made, the chief executive officer, trustee or managing partner or managing Member, as applicable, of the corporation, partnership, limited liability company, association, trust or other legal entity shall have the power to cast the vote for the Lot. If there is no chief executive officer or managing partner or managing Member, the Board shall have the power to designate the person authorized to vote.
- 2.9. Suspension of Rights. The rights of any Member, as contained in Arizona Law or the Governing Documents, may be suspended by the Board. All suspensions must be in accordance with procedures established in the Governing Documents and Arizona Law.
- 2.10. Majority. As used in these By-Laws, the term "majority" shall mean those votes, Members, or other group, as the context may indicate, totaling more than fifty percent (50%).
- 2.11. Voting and Irregularities. All approvals must be affirmatively given and may not be made in the negative or based on non-responses. Any Member who fails to object to any perceived or actual irregularity no more than five (5) business days after a meeting or election (whether procedural, substantive, parliamentary or technical) forever waives that claim.

**ARTICLE III**  
**BOARD OF DIRECTORS**

- 3.1 Directors and Qualifications. The affairs of this Association shall be managed by the Board. The directors shall be elected by the Members Eligible to Vote. Elections for the Board may be conducted only by secret ballot at, in the discretion of the board: (i) an annual meeting of the Members; or (ii) by secret ballot by mail and pursuant to Arizona Law. The Board may include only one identification indicia either on the ballots or on interior envelopes (not the stamped, addressed mailer envelopes) to authenticate the ballots. Identification indicia in accordance with Arizona Law shall not be deemed to violate the secret ballot requirement above. Cumulative voting shall not be permitted. Proxy voting shall not be permitted.

The qualifications of any director or person nominated for the Board are as follows:

The person shall

- (1) Be a Member (Owner) of the Association,

- (2) Be in good standing with the Association and
- (3) Be at least fifty (50) years of age.

Also, Co-Owners of a Lot cannot serve on the Board of Directors at the same time. A person cannot serve four consecutive terms as a director, as defined in Section 3.3. After serving three consecutive terms as a director, a person must wait at least one (1) year before serving additional terms as either an elected or appointed director. Lessees are not eligible to serve as directors. Any director who is more than thirty (30) days delinquent on any assessment payment (and specifically excluding sanctions, fines and penalties) shall not be eligible to serve as a director. Any director who becomes so delinquent shall, by operation of these By-Laws, be automatically removed from the Board, and that director seat shall be vacant.

By a majority vote, the Board may enact a code of conduct for directors. The code of conduct may permit the Board to remove a director for a violation of the code of conduct.

The Board shall be comprised of not less than five (5) and no more than seven (7) directors. The Board of Directors has the authority to determine the number of directors prior to the next election. Each director shall have one equal vote.

### 3.2. Nomination and Election Committee.

3.2.1. Nomination. Nomination for the election to the Board shall be made in accordance with rules and procedures established by the Board, provided that the Board must include any eligible Member on a ballot who presents the Board with a nomination petition signed by at least fifty (50) Members (one Member signature per Lot), and which petition is submitted to the Board no less than forty-five (45) days before the date the ballots are mailed to the Members. The Board shall establish the rules and procedures for the process of nominations of directors to be elected annually no later than seventy-five (75) days before the date of the elections. In the event the Board neglects to establish such rules and procedures, the rules and procedures used in the immediate previous year's election shall be applied. The Board shall accept for nomination at least the number of candidates needed to fill the open positions plus one (1). If there are not enough candidates needed to fill the open positions plus one (1), the Board may extend the application deadline for up to ten (10) additional days. The names of each candidate shall be made public as soon as the applicant is approved. Review for approval shall be completed in three (3) business days. Write-in ballots are not permitted. Nominations from the floor are not permitted for the annual election of directors.

3.2.2. Election Committee. An Election Committee may be established by the Board to administer the election of the directors. The Election Committee shall perform such function as determined by the Board.

3.2.2.a. In the event of a tie vote among the candidates a recount shall be conducted. If a tie prevails, the tie shall be resolved by lot, as agreed to by the candidates involved in the tie vote and in their presence.

3.3. Term of Office. Directors elected at the annual election shall begin their respective terms of office immediately after the election. The Board shall hold an organizational meeting within thirty (30) days after the newly elected directors take office. The directors shall be elected for staggered two (2) year terms, provided that directors shall hold office until their respective successors take office. Directors may serve up to three (3) consecutive terms. In the event of vacancies or any other event that disrupts the staggering of the terms, the Board shall have the authority to adjust the terms of open seats on the Board to assure the staggering of terms.

3.4. Removal and Resignation. Any director may resign at any time by giving written notice to the Board, the President, or the Secretary. The resignation shall be effective as of the date of its receipt or the date specified by the resigning director in the notice.

3.4.1. Removal by the Board. The Board may remove a director for any of the following reasons: (a) self-dealing; (b) engaging in a duality of interest transaction; (c) violation of any code of conduct enacted by the Board; or (d) breach of fiduciary duty.

3.4.1.a. Deliberations on Duality of Interest Matters. No director may deliberate or vote on any matter of Association business in which the director has a personal interest.

3.4.1.b. Enforcement. By a majority vote of those directors who are not accused of violating Section 3.4.1 above, the Board may remove a director accused of violating Section 3.4.1. The accused director shall be afforded at least ten (10) days written notice of the date and time of the Board's deliberation on the proposed removal. The Board shall allow the accused director to present a defense of at least a one-half hour oral presentation. The Board shall also permit others to speak on behalf of the accused director within the one-half hour, and the Board shall consider any written materials submitted by the accused director. Any dispute relating to a removal pursuant to this Section 3.4.1 shall be resolved pursuant to Article VI below. The accused director shall be removed during the pendency of the proceedings conducted pursuant to Article VI below. By a majority vote, the Board shall appoint a director to take the seat of a director removed pursuant to this Section 3.4.1. The replacement director shall serve until the next election of directors.

3.4.2. Removal by Operation of These By-Laws. As determined by a majority vote of the Board of Directors in its sole and absolute discretion, a director shall automatically be removed by operation of these By-Laws for the following reasons: 1) unexcused absences from three (3) consecutive Board meetings; 2) a delinquency in assessments (and not fines, penalties or sanctions) that persist for more than thirty (30) days; and 3) conviction of a felony, and which conviction occurred less than ten (10) years before removal. By a majority vote, the Board shall appoint a director to take the seat of a director removed pursuant to this Section 3.4.2. The replacement director shall serve until the next election of directors.

3.4.3. Removal by the Members. Any one or more of the directors may be removed from the Board with or without cause by a majority vote of at least a twenty percent (20%) quorum of the total Members Eligible to Vote. The membership may petition to have a special Members meeting (Section 2.2) called for the purpose of removing any or all of the directors. The petition must be signed by at least one hundred (100) of the Members Eligible to Vote (only one Member signature per Lot shall be allowed). Upon receipt of such petition, the Board must schedule, notice and hold a meeting of the Members within thirty (30) days of receipt of the petition. The notice of the meeting must state that the purpose of the meeting is to remove director(s) in accordance with Arizona Law. The Secretary must provide any director who is the subject of a removal vote no less than twenty (20) days notice. For purposes of a special meeting called pursuant to this Section 3.4.3, a quorum is present if twenty percent (20%) of the total Members Eligible to Vote are present in person or by absentee ballot.

Successor(s) must be elected by the Members to fill the vacancies created for the remaining and unexpired term(s). The successor(s) shall be Members Eligible to Vote, and shall be otherwise qualified pursuant to Section 3.1 above.

- 3.5. Compensation. No director shall receive compensation for any service rendered to the Association; however, any director may be reimbursed for actual expenses incurred in the performance of duties, as approved in advance in writing by the Board.
- 3.6. Vacancies on the Board. Vacancies on the Board caused by any reason, other than the removal of a director in accordance with the provisions of Section 3.4.3 of these By-Laws, shall be filled by an appointment by the remaining directors at the first regular or special meeting of the Board held after the occurrence of the vacancy, even though the directors present at the meeting may constitute less than a quorum. Each person so appointed shall serve until the next election of the Board of Directors. Notwithstanding the above, at no time shall a majority of the Board be comprised of appointed rather than elected directors.
- 3.7. Notice to Members of Board Meetings. Notice of any regular or special meetings of the Board shall be given according to Arizona Law. The Board shall provide notice to the Members of emergency meetings of the Board in accordance with Arizona Law.
- 3.8. Regular Board Meetings. Regular meetings of the Board may be held at the time and place determined from time to time by the Board. All Board meetings must be held in Pima County, Arizona. Regular Board meetings must be held at least once during each fiscal year and must comply with Section 1.9 of these By-Laws.
- 3.9. Special Board Meetings. Special meetings of the Board may be called by the President on at least two (2) business days notice to each director, given in writing by hand delivery, mail, telecopy, facsimile, or other method reasonably designed to be timely received. This notice must state the time, place, and purpose of the special meeting. The Board shall provide notice of special meetings to the Members in accordance with Arizona Law. Special meetings of the Board may be called by the Secretary in like manner and on like notice upon the written request of the President, or a majority of the directors.
- 3.10. Quorum of Directors. A majority of the directors present at the beginning of the meeting shall constitute a quorum for the transaction of business. Unless otherwise specified by these By-Laws, the Articles, or the Declaration, every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded conclusively as the act of the Board. If a quorum is not present at any meeting, the directors eligible to vote at the meeting shall have the power to adjourn and reschedule the meeting to another date and time until a quorum is present. If a director notifies the Secretary or manager five (5) days before a Board meeting, a director shall be permitted to attend any Board meeting by teleconference or videoconference. The Board shall mail, express mail or fax any and all written material that will be a subject of deliberation to the requesting director to assure receipt before the Board meeting. The Board shall make available a speakerphone if a director requests to deliberate by teleconference. Any such meeting at which a quorum is present shall constitute a meeting of the Board.
- 3.11. Powers and Duties of the Board. The Board shall have all of the powers necessary for the administration of the affairs of the Association and may exercise all rights and powers granted to the Association under the Governing Documents and may perform all acts and make all decisions that are not required by the Governing Documents to be exercised or performed by the Members. Specifically, but without limitation of the previous sentence, the Board shall have the following powers:
- (1) Open bank accounts on behalf of the Association and designate the signatories of the Association;

- (2) Make or contract for the making of repairs, additions, improvements, and alterations of the Common Areas, in accordance with (and as specified in) the Declaration, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;
- (3) In the exercise of its sole discretion, enforce by legal means the provisions of the Declaration including, without limitation, the collection of any assessments;
- (4) Designate, hire, and dismiss the personnel necessary for the maintenance, operation, repair, replacement of the Common Areas and provide services for the Members, and, where appropriate, provide for the compensation of the personnel and for the purchase of equipment, supplies, and material to be used by the personnel in the performance of their duties;
- (5) Provide for the operation, care, upkeep, and maintenance of all of the Common Areas and any other areas within the Properties that the Association is permitted or required to maintain;
- (6) Prepare, amend, and adopt an annual budget for the Association before the commencement of each fiscal year;
- (7) Adopt and publish rules and regulations governing the use of the Common Areas and facilities, and the personal conduct of the Members and Qualified Occupants, and their family members, guests, lessees, and invitees; and establish penalties for infractions of the provisions of the Governing Documents in accordance with the provisions of Arizona Law;
- (8) Suspend the voting rights and the right to the use of the Common Areas of a Member during any period in which the Member is in default in the payment of any assessment or other amounts due under the terms of the Declaration, and establish notice and hearing requirements in accordance with the provisions of Arizona Law;
- (9) Exercise, on behalf of the Association, all powers, duties, and authority vested in or delegated to the Association and not reserved to the Members by Arizona Law or the provisions of the Declaration;
- (10) Regulate the appearance and maintenance of the Lots, improvements on the Lots and the Properties;
- (11) Employ, hire, and dismiss all employees of the Association as the Board deems necessary, and to prescribe their duties and their compensation;
- (12) Hire, employ, or terminate a manager, whether as an independent contractor or as an employee and delegate to that manager the power to perform all services and duties as the Board may direct;
- (13) Keep or cause to be kept a complete record of all acts of the Board and all corporate affairs and to establish procedures for inspections of the books and records of the Association by Members with a proper purpose for inspection, including establishing a reasonable fee (payable in advance) for all copies requested by a Member of the books and records;

- (14) As more fully provided in the Declaration and in accordance with Arizona Law, to: (i) fix the amount of the annual and special assessments against each Lot; (ii) send written notice of each assessment to every Owner subject to an assessment; (iii) assess a late charge for any late payments; (iv) record a notice and claim of lien against any Lot for which assessments are not paid; and (v) enforce, through foreclosure or any other permitted action, the Association's lien or the personal obligation of the Owner to pay assessments;
- (15) Issue, or cause an appropriate officer to issue, to any appropriate person, any disclosure statement required under Arizona Law or any payment statement required under Arizona Law, subject to the right of the Board to impose a reasonable charge for the issuance of these statements;
- (16) Procure and maintain commercial general liability, hazard, and other insurance coverage in the amounts as required or permitted by the Declaration;
- (17) Cause the Common Areas to be maintained, as more fully set forth in the Declaration, and to pay all taxes levied on the Common Areas;
- (18) Institute, defend, and intervene in any litigation or administrative proceedings in its own name or on behalf of the Owners;
- (19) Borrow money, and with the consent of two-thirds (2/3) of the total Members Eligible to Vote (and not two-thirds (2/3) of a quorum of the Members), to mortgage, pledge, deed in trust, or grant a security interest in any or all of the Common Areas;
- (20) Enter into and perform contracts of any kind incidental to the performance of the Association's duties;
- (21) Own, operate, and maintain all other property of the Association;
- (22) Enact rules and/or resolutions establishing charter clubs, and the composition and rules of the charter clubs;
- (23) Verify that the Association remains in compliance with State and Federal Laws, including the Fair Housing Amendment Act of 1988. At least once every two (2) years the Board shall verify Age Qualified Residents for each Lot by reliable surveys, affidavits, and documentary evidence, etc., as stated in the CC&R's, Sections 2.3 Age Restriction;
- (24) Verify at least once annually that the Rental and Lease Restrictions are being followed as defined in the CC&R's, Section 12.5; and
- (25) Decline to enforce any provision of the Governing Documents if, in the discretion of the Board, enforcement of the provision would create a substantial hardship on a Member or the community, would be contrary to law, or would otherwise be impracticable.

3.12. Committees of the Board. If required in the Declaration, the Board shall appoint an Architectural Review Committee ("ARC"). Additionally, the Board may appoint committees to study or make recommendations on specific business of the Association. The Board may adopt rules or resolutions relating to the composition, jurisdiction and procedures of the committees. Unless



required by Arizona Law, committee meetings are not subject to the open meeting requirements of Section 1.9 of these By-Laws. Except as otherwise contained in the Articles or Declaration, no committee may bind the Association to any obligation, but may only make recommendations to the Board.

3.12.1. Establishment of Committees. The Board may establish committees to assist in carrying out the duties and fulfilling the purpose of the Association. After the Board is constituted, following the Annual Meeting, it shall review the efficacy of each of the existing committees. The Board shall then designate the committees to operate during the coming year. The Board may adjust a committee's areas of responsibilities and purposes, may terminate existing committees and/or may create new committees, both Standing and Ad Hoc. All committee members shall be Members in good standing and serve at the pleasure of the Board, and be at least fifty (50) years of age.

3.12.2. Committee Officers. Committee members shall elect their Chair and Vice-Chair and a committee Secretary, who shall record minutes and maintain a permanent record of all committee meetings. The Vice-Chair shall assume the duties of the Chair in his/her absence, either temporarily or for the duration of the term of the committee, if necessary.

3.12.3. Committee Liaisons. The Board shall designate a director to serve as liaison to each committee. The function of the Board liaison is to remain informed of the work of the committee, and to be the principal point of contact for communications between the Board and the committee. The liaison shall not have committee voting rights.

3.12.4. Quorum. At any meeting of a duly-authorized committee, a majority of the total number of committee members constitutes a quorum.

3.12.5. A Member may serve on only one (1) Standing Committee and three (3) additional committees of the Board at any given time.

#### **ARTICLE IV** **OFFICERS AND THEIR DUTIES**

- 4.1. Enumeration of Officers. The principal officers of the Association shall be the President, the Vice President, the Secretary and the Treasurer. All principal officers must be directors.
- 4.2. Election of Officers. The election of officers shall be by the Board.
- 4.3. Officer Term. The officers of the Association shall be elected annually by the Board, and each officer shall hold office for one (1) year unless an officer sooner resigns, is removed by a majority vote of the Board, or is otherwise disqualified to serve. Except as otherwise provided herein, officers shall hold office until their successors are chosen and qualify. Officers may serve successive terms.
- 4.4. Special Appointments. The Board may elect any other officers as the affairs of the Association may require, each of whom shall hold office for the period, have the authority, and perform the duties as the Board may determine from time to time.
- 4.5. Resignation and Removal of Officers. Any officer may be removed from office with or without cause by majority affirmative vote of the Board. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Any officer resignation shall take

effect on the date of receipt of the resignation notice. Acceptance of the resignation is not necessary. Any officer who is removed or who resigns pursuant to the Section 4.5 remains a director on the Board unless removed pursuant to Section 3.4.

- 4.6. Vacancies in Offices. A vacancy in any office may be filled by a majority vote of the Board. The officer appointed to the vacancy shall serve for the remainder of the term of the officer replaced.
- 4.7. Multiple Offices. The office of the Treasurer and Secretary may be held simultaneously by the same person. One person may not simultaneously hold more than one of any of the other offices, including special offices created pursuant to Section 4.4 of these By-Laws.
- 4.8. Powers and Duties of Officers. In addition to powers and duties delegated to the officers by the Board, the powers and duties of the officers are as follows:
- (1) President. The President shall preside at all meetings of the Board and the Members, ensure that orders and resolutions of the Board are carried into effect; and, at the direction of the Board, engage in the general management of the business of the Association.
  - (2) Vice President. The Vice President shall act in the place and stead of the President in the event of the President's absence, inability, or refusal to act, and shall exercise and discharge other duties as may be required of the Vice President by the Board. If neither the President nor Vice President is able or willing to act, the Board shall appoint some other member of the Board to do so on an interim basis.
  - (3) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal, if any, of the Association; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and perform all other duties as required by the Board.
  - (4) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse all funds as directed by resolution of the Board; keep proper books of account; prepare an annual budget and a statement of income and expenditures of the Association; and, in general, perform all the duties incident to the office of the Treasurer or as required by the Board.
- 4.9. Delegation of Duties. The Treasurer and Secretary may delegate any or all of their powers and duties to an agent of the Association. In the event of such delegation, the Treasurer and Secretary shall maintain responsibility for the agent's exercise of the Treasurer's and Secretary's powers and duties. The Association shall indemnify the Secretary and the Treasurer for any liability associated with the delegation of duties.

## **ARTICLE V** **INDEMNIFICATION**

- 5.1. Indemnification. The Association has the power and authority to indemnify any past or present Member, officer, director, incorporator, employee, or agent of the Association to the fullest extent

permitted by Arizona Law. This power of indemnification extends to third-party actions and derivative actions, and includes indemnification for attorney fees, court costs, and other related expenses, in addition to indemnification for judgment amounts.

- 5.2. Procedure. The circumstances and procedures for effecting an indemnification by the Association shall be governed by Arizona Law.
- 5.3. Scope of Article. The indemnification provided by this Article V is not exclusive of any other rights to which those indemnified may be entitled under any agreement approved by the Members or a majority of the disinterested directors or otherwise, both as to an action in the person's official capacity and as to an action in another capacity while holding the office.
- 5.4. Liability. So long as they have acted in good faith on the basis of information actually possessed, neither the Architectural Review Committee nor any member of the Architectural Review Committee nor the Board nor any director or officer shall be liable to the Association, any Owner, or to any other party for any damage, loss, or prejudice suffered or claimed on account of: (i) the approval or disapproval of any plans, drawings, or specifications, whether or not defective; (ii) the construction or performance of any work, whether or not pursuant to the approved plans, drawings, and specifications; (iii) the development of any portion of the Properties; (iv) the execution and filing of any estoppel certificate, whether or not the facts in the estoppel certificate are correct; (v) any act or failure to act by the Association, Board, or Architectural Review Committee; or (vi) the failure to provide a statement or an accurate statement of the matters required under Arizona Law.

## **ARTICLE VI** **DISPUTE RESOLUTION**

All disputes relating to any matter contained in these By-Laws shall be resolved according to the procedures contained in Article XV of the Declaration, which is incorporated in, and conformed to, these By-Laws by this reference.

## **ARTICLE VII** **NOTICE**

Any notice required to be given under any of the Governing Documents shall, if given by the Association, be given as stated in the Governing Documents. If the Governing Documents are silent on notice, the Association may provide the notice by any reasonable means as chosen by the Board. Any notice required to be given under any of the Governing Documents shall, if given by any Member, be given by United States mail, return receipt requested. Any such notice shall be effective on the date of receipt.

I certify that the foregoing By-Laws were duly adopted by the Members of the Association as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Secretary

STATE OF ARIZONA    )  
                                  ) ss:  
County of Pima        )

The foregoing instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, the Secretary of the Sunflower Community Association, Inc., who executed the foregoing on behalf of the corporation, being authorized so to do for the purposes therein contained.

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Notary Seal and Expiration