

# Carefree Ranch Homeowners Association Bylaws



*Carefree Ranch Homeowners Association*

*P.O. Box 5720*

*Mesa, AZ 85211*

PREFERRED COMMUNITIES  
"LOVING WHERE YOU LIVE."



AMENDED AND RESTATED BYLAWS  
OF  
CAREFREE RANCH OWNERS ASSOCIATION

ARTICLE I. OFFICES

The principal office of the Corporation in the State of Arizona shall be located in the County of Maricopa. The Corporation may have such other offices within the State of Arizona as the Board of Directors may designate or as the business of the Corporation may require from time to time.

ARTICLE II. MEMBERS

Section 1. ANNUAL MEETING. The annual meeting of the members shall be held during the last fifteen (15) days of March or the first fifteen (15) days of April of each year in Maricopa County, Arizona at a time and place specified in a notice from the Board of Directors to the members, 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 shall be a legal holiday in the State of Arizona, such meeting shall be held on the next succeeding business day. If the election of directors shall not be held on the day designated herein for any annual meeting of the members, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as conveniently may be.

Section 2. SPECIAL MEETINGS. Special meetings of the members, or any purpose or purposes, unless otherwise prescribed by statute, may be called by the President or by the Board of Directors, and shall be called by the President at the request of the holders of not less than twenty-five percent of the members eligible to vote.

Section 3. PLACE OF MEETING. The Board of Directors may designate any place in Maricopa County, Arizona as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the principal office of the Corporation in Maricopa County, Arizona.

Section 4. NOTICE OF MEETING. Written notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten nor more than fifty days before the date of the meeting, either personally or by mail, by or at the direction of the President, or the Secretary, or the persons calling the meeting, to each member. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the books of the corporation, with postage thereon prepaid.

Section 5. ELIGIBILITY TO VOTE. Each person or persons owning of record a lot in The Ranch Highlands or Lone Mountain subdivisions shall be a member of the Corporation and

shall be entitled to all the rights and privileges of such membership, except that only one vote shall be permitted with respect to each lot. If more than one person is the record owner of a lot, such as husband and wife, then such persons shall designate one of their number to exercise the voting rights with respect to such lot and shall advise the Secretary of the Corporation of the name of such person. Such designation may not be changed more than once a year except in the event of the death or incompetency of such designated person or a sale of his interest in the lot.

Section 6. CLOSING OF BOOKS OR FIXING OF RECORD DATE. For the purpose of determining members entitled to notice of or to vote at any meeting of members or any adjournment thereof, or members for any other purpose, the Board of Directors of the Corporation may provide that the Corporate books shall be closed for a stated period but not to exceed, in any case, fifty days. If the books shall be closed for the purpose of determining members entitled to notice of or to vote at a meeting of members, such books shall be closed for at least ten days immediately preceding such meeting. In lieu of closing the books, the Board of Directors may fix in advance a date as the record date for any such determination of members, not less than ten days prior to the date on which the particular action, requiring such determination of members, is to be taken. If the books are not closed and no record date is fixed for the determination of members entitled to notice of or to vote as a meeting of members, the date of which notice of the meeting is mailed shall be the record date for such determination of members. When a determination of members entitled to vote at any meeting of members has been made as provided in this section, such determination shall apply to any adjournment thereof except where the determination has been made through the closing of the books and the stated period of closing has expired.

Section 7. VOTING LISTS. The Secretary of the Corporation shall make a complete list of the members eligible to vote at each meeting of members or any adjournment thereof, arranged in alphabetical order, with the address of each. Such list shall be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any member during the whole time of the meeting for the purposes thereof.

Section 8. QUORUM. Twenty-five percent (25%) of the members of the Corporation entitled to vote, represented in person or by absentee ballot, shall constitute a quorum at a meeting of members. If less than a quorum of the members are present at a meeting, a majority of those present may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified. The members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 9. PROXIES. In accordance with Arizona law, voting by proxy shall not be permitted. Members shall be allowed to vote in person and by absentee ballot.

Section 10. VOTING BY MEMBERS. Subject to the provisions of Sections 5 and 12 of

this Article II, the owner or owners of each lot in The Ranch Highlands and Lone Mountain subdivisions shall be entitled to one vote upon each matter submitted to a vote at a meeting of members.

Section 11. VOTING OF SHARES BY CERTAIN HOLDERS. A membership standing in the name of another corporation may be voted by such officer, agent or proxy as the bylaws of such corporation may prescribe, or, in the absence of such provision, as the board of directors of such corporation may determine.

A membership held by an administrator, executor, guardian or conservator may be voted by him without a transfer of such membership into his name. A membership standing in the name of a trustee may be voted by him, but no trustee shall be entitled to vote a membership held by him without a transfer of such membership into his name.

A membership standing in the name of a receiver may be voted by such receiver, and a membership held by or under the control of a receiver may be voted by such receiver without the transfer thereof into his name if authority so to do be contained in an appropriate order of the court by which such receiver was appointed.

Section 12. INFORMAL ACTION BY MEMBERS. Any action required to be taken at a meeting of the members, or any other 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, shall be signed by all of the members eligible to vote with respect to the subject matter thereof.

Section 13. CUMULATIVE VOTING. Cumulative voting shall not be permitted.

Section 14. MAJORITY VOTE. The vote of a majority of the voting power entitled to be cast by the members present or represented by absentee ballot, at a meeting where quorum is present, shall be necessary unless a greater percentage is required by law, by the Declaration, by the Articles of Incorporation, or by these Bylaws.

### ARTICLE III. BOARD OF DIRECTORS

Section 1. GENERAL POWERS. The business and affairs of the Corporation shall be managed by its Board of Directors.

Section 2. NUMBER, TENURE AND QUALIFICATIONS. The number of Directors shall be at least three, which number may be increased or decreased by the Board. Each director shall hold office until the next annual meeting of members and until his successor shall have been elected and qualified. Directors must be Owners, spouses of Owners, or if the Owner is a corporation, partnership, trust, or other entity, the Director must be a representative thereof.

Section 3. REGULAR MEETINGS. A regular meeting of the Board of Directors shall be held without other notice than this Bylaw immediately after, and at the same place as, the annual meeting of members. The Board of Directors may provide, by resolution, the time and place, within Maricopa County, Arizona, for the holding of additional regular meetings without other notice than such resolution.

Section 4. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the President or any two directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place, within Maricopa County, Arizona, as the place for holding any special meeting of the Board of Directors called by them.

Section 5. NOTICE. Notice of any special meeting shall be given at least two days previously thereto by written notice delivered personally or mailed to each director at his business address, or by telegram, fax, or electronic mail. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting. Meetings of the Board of Directors may be held by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in such manner shall constitute presence in person at such meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 6. QUORUM. A majority of the number of directors fixed by Section 2 of this Article III shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

Section 7. 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.

Section 8. ACTION WITHOUT A MEETING. Any action that may be taken by the Board of Directors at a meeting may be taken without a meeting if a consent in writing, setting forth the action so to be taken, shall be signed before such action by all of the directors.

Section 9. VACANCIES. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of

directors may be filled by election by the Board of Directors for a term of office continuing only until the next election of directors by the members.

Section 10. COMPENSATION. By resolution of the Board of Directors, each director may be paid his expenses, if any, of attendance at each meeting of the Board of Directors. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 11. PRESUMPTION OF ASSENT. A director of the Corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his 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 registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

#### ARTICLE IV. OFFICERS

Section 1. NUMBER. The officers of the Corporation shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, and a Treasurer, each of whom shall be elected by the Board of Directors. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. ELECTION AND TERM OF OFFICE. The officers of the Corporation to be elected by the Board of Directors shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided.

Section 3. REMOVAL. Any officer or agent may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not by itself create contract rights.

Section 4. VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. PRESIDENT. The President shall be the principal executive officer of the

Corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Corporation. He shall, when present, preside at all meetings of the members and the Board of Directors. He may sign, with the Secretary or any other proper officer of the corporation thereunder authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other 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 corporation, or shall be required by law to be otherwise signed or executed,; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. THE VICE PRESIDENTS. In the absence of the President or in the event of his death, inability or refusal to act, the Vice President (or in the event there by more than one Vice President, the Vice Presidents in the order designated at the time of their election or in the absence of any designation, then in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President.

Section 7. THE SECRETARY. The Secretary shall: (a) keep the minutes of the proceedings of the members and of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the Corporation if one should be adopted by the Corporation and see that the seal of the Corporation is affixed to all documents the execution of which on behalf of the Corporation under its seal is duly authorized; (d) keep a register of the postoffice address of each member which shall be furnished to the Secretary by such member; (e) sign with the President, or a Vice President, documents to which the Corporation is a party; (f) have general charge of the books of the Corporation; and (g) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 8. THE TREASURER. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the Corporation; (b) receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article V of these Bylaws; and (c) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine.

Section 9. ASSISTANT SECRETARIES AND ASSISTANT TREASURERS. The Assistant Secretaries, when authorized by the Board of Directors, may sign with the President or a Vice President such documents as may be authorized by the Board of Directors. The Assistant

Treasurers shall respectively, if required by the Board of Directors, give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Secretaries and Assistant Treasurers, in general, shall perform such duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the President or the Board of Directors.

Section 10. SALARIES. No salaries shall be paid to the officers unless authorized by the members.

#### ARTICLE V. CONTRACTS, LOANS CHECKS AND DEPOSITS

Section 1. 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 Corporation, and such authority may be general or confined to specific instances.

Section 2. LOANS. No loans shall be contracted on behalf of the Corporation and no evidences 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.

Section 3. CHECKS, DRAFTS, ETC. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 4. DEPOSITS. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

#### ARTICLE VI. FISCAL YEAR

The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December each calendar year.

#### ARTICLE VII. CORPORATE SEAL

The Board of Directors may, but need not, provide a corporate seal which shall, if provided by the Board of Directors, be circular in form and shall have inscribed thereon the name of the Corporation and the state of incorporation and the words, "Corporate Seal."



ARTICLE VIII. WAIVER OF NOTICE

Whenever any notice is required to be given to any member or director of the Corporation under the provisions of these Bylaws or under the provisions of the Articles of Incorporation, a waiver thereof in writing, signed by the persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE IX. AMENDMENTS

These Bylaws may be amended in the manner specified in Article VI of the Articles.

The President of the Association hereby certifies that these Bylaws have been approved by the required percentage of the members.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2006.

\_\_\_\_\_  
President, Carefree Ranch Owners Association