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AMENDED AND RESTATED BYLAWS OF SUNLAND VILLAGE EAST ASSOCIATION

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Address: 2145 South Farnsworth Drive
City/State/Zip: Mesa, AZ 85209

(Updated 3/21/24)

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AMENDED AND RESTATED BYLAWS
OF
SUNLAND VILLAGE EAST ASSOCIATION

The Association hereby does completely amend, restate, supersede and replace the Sunland Village East Amended and Restated Bylaws and the First Amendment and changes thereto, all of which were respectively recorded as Instruments numbered 1996-0467575, 2005-0625954, 2007-1159663, 2008-0262487, 2010-0932044, 2011-0812116, 2013-0057704, 2015-0125189, 2015-0501433, 2016-0251351, 2018-0932820, 2020-0565951, 2023-0287744 in the official records of Maricopa County, Arizona to read as this instrument.

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AMENDED AND RESTATED BYLAWS
OF
SUNLAND VILLAGE EAST ASSOCIATION

ARTICLE 1
PURPOSE AND DEFINITIONS

1.1 General

1.1.1 The name of this Corporation, herein referred to as the Association, shall be the SUNLAND VILLAGE EAST ASSOCIATION.

1.1.2 The general office for the transaction of business of the Association shall be 2145 S. Farnsworth Drive, Mesa, Arizona 85209. This address may be changed by the Board of Directors to effectively carry out the business of this Association.

1.1.3 The Association's fiscal year shall be from January 1 through December 31, unless the Board establishes a different fiscal year by resolution.

1.2 Purpose

1.2.1 The purpose for which this Association is organized is to conduct the lawful affairs for which corporations may be incorporated under the Arizona Revised Statutes as amended from time to time.

1.2.2 The Association shall conduct the affairs of, and shall constitute the Homeowners Association in Sunland Village East (SVE) and, as such, the Association shall make and collect assessments, execute the Governing documents, and maintain, operate and pay the expenses of the Association's Facilities. The Association shall perform the acts and duties required by its Governing Documents.

1.2.3 Notwithstanding anything herein to the contrary, the Association shall be operated exclusively for nonprofit purposes and shall be operated to qualify as a Homeowners Association under the Internal Revenue Code (IRC) and other applicable Federal, State and Local laws as amended from time to time.

1.2.4 The duration of this Association shall be perpetual.

1.3 Definitions

1.3.1 **Assessment:** An annual or special assessment levied by the Association pursuant to the Governing Documents.

1.3.2 **Association:** Sunland Village East Association, an Arizona Nonprofit Corporation.

1.3.3 Association Office: The general business office of the Association.

1.3.4 **Board:** The Board of Directors of the Association.

1.3.5 **Committees:** Members appointed by the Board to perform a specific task or tasks for the Association.

1.3.6 **Community and Association** Facilities, **and Common Areas:** The buildings, land, equipment, and all property owned by the Association in Common for the use and benefit of the Members.

1.3.7 Cumulative Voting: On each ballot, a voter may vote as many times as there are seats to be filled and the voter may either give his/her votes to one candidate, or distribute them among several candidates. This method of voting is not allowed in accordance with Paragraph 6.1.2 of these Bylaws.

1.3.8 **Directors:** Members of the Board

1.3.8.1 Exclusively for Nonprofit **Purposes:** When used in the Articles, RCC&Rs and these Bylaws shall mean that the Association shall be operated so it qualifies as a tax exempt Homeowners Association under the Internal Revenue Code (°RC) and all other applicable Federal, State and Local laws as amended from time to time and that unrelated business income shall not exceed limits imposed by said laws.

1.3.9 **Fee (s):** Fixed charge(s) payable pursuant to the Governing Documents for various activities of the Association or for the use of certain Association Facilities as established by the Board.

1.3.10 Governing **Documents:** The Association's RCC&Rs, Articles of Incorporation, these Bylaws, and the Rules and Regulations of the Association, as amended or supplemented from time to time.

1.3.11 Individuals:

.1 **Houseguest:** A person (and the person's spouse and children) regardless of the age of any such person (or of the person's spouse or children), who occupies a Residential Unit for less than thirty (30) days during a twelve (12) month period with a Resident who is a relative or close friend of that person where both of the following apply: (a) the person pays no rent or similar compensation, and (b) the Resident is living in the Residential Unit at that time and is not away on vacation or business, or is not living in the Residential Unit at that time because of being in a hospital, nursing home or similar facility.

.2 **Member:** An Owner of Record of Units who shall have the right to vote on Association matters and for the election of the Board.

.3 Member in **Good Standing:** A Member whose voting rights have not been suspended.

.4 **Non-Member Occupant: A person** who occupies a Residential Unit for more than thirty (30) days in a calendar year but who is not a Member of the Association.

.5 **Non-Resident Owner:** An Owner of a Residential Unit who does not reside in SVE.

.6 **Occupant:** A person actually residing in or occupying a Residential Unit in Sunland Village East regardless of the length or duration of the occupancy. Such term includes, without limitation, servants and houseguests.

.7 **Owner:** The record Owner, whether one or more persons or entities of fee simple Title to a Lot or Condominium.

.8 [illegible]
joint venture, limited liability company, or other legal entity.

.9 **Renter:** A person who occupies a Residential Unit under an oral or written lease with the Owner of the Unit and is paying rent or other compensation to the Owner of the Unit

.10 **Resident:** An occupant other than (a) Servant, (b) a Houseguest, (c) a person under forty-five (45) years of age occupying a Residential Unit with his or her parent(s), or (d) a person who occupies all or any part of a Residential Unit in violation of either Paragraph 4.1.8 or 4.1.9 of the RCC&Rs, dealing with age Restrictions.

.11 **Guest:** An individual invited by a resident and in the company of a resident that uses an association facility. Each resident is allowed one (1) guest at any given time. This one on one restriction does not apply to immediate family members (parents, siblings, children, grandchildren, or great grandchildren)

1.3.12 Long Term Debt: Debt incurred for which scheduled repayment exceeds one (1) year.

1.3.13 Lot: A parcel of land designated as a Lot on a recorded subdivision plat or any amendment or supplement thereto covering all or any part of Sunland Village East as described in the RCC&Rs, Article 1.

1.3.14 Wilorityaf Members: Members casting more than fifty percent (50%) of the votes with respect to a matter submitted to a vote of the Members.

1.3.15 Manager: The individual or entity employed by the Board to manage and administer the operations of the Association and to carry out the policies and directives of the Board.

1.3.16 Petition: A formal written document requesting a right, benefit or action signed by voting Members in Good Standing and submitted to the Board.

1.3.17 Proxy: A power of attorney given by a voting Member authorizing a specified person to vote in the place of the voting Member.

1.3.18 Quorum: The minimum number of ballots properly returned in accordance with Paragraph 6.5.6 of these Bylaws or a majority of the Board at a meeting for the valid transaction of Association business.

1.3.19 RCC&Rs: The current Amended and Restated Declaration of Restrictions, Covenants, Conditions and Reservations for Sunland Village East recorded with the County Recorder of Maricopa County, Arizona; as such declarations may be amended from time to time.

1.3.20 Residential Unit: A house, a unit within a Condominium.

1.3.21: SVE Capital Reserve Replacement Fund: Money set aside in a separate account for the purpose of effecting non-annual repair, improvement or replacement of Association facilities as determined by the Board. This is the only reserve fund to be used to satisfy the reserve requirements specified in the periodic Capital Reserve Studies mandated in section 8.1.1.12.

1.3.22: SVE Capital Funds: All Capital Contribution Fees are to be deposited to this fund and shall not be used for maintenance. This money set aside in comingled accounts and designated for specific purposes and recorded separately as follows: (Ref. Bylaw 8.4.1.3 and 4.3.2.2.)

.1 Capital Project Fund: Money to be used for New Project Expenditures, other than buildings, as determined by the Board. Fifty percent (50%) of the Capital Contribution Fees are to be deposited to this fund.

.2 Capital Improvement Fund: Contributions toward remodeling, building, major equipment or other purposes as specified by individual donors or in the absence of such specification, as determined by the Board.

.3 Capital Contribution Fund: Money to be used for construction of new buildings or adding new square footage to an existing building subject to dollar limits identified in Bylaw 8.4.1.3. The money may also be used for all other remodeling, acquisition of land or buildings, if approved by a majority of a quorum vote of owners. Fifty percent (50%) of the Capital Contribution Fees are to be deposited to this fund.

ARTICLE 2
GOVERNANCE STRUCTURE

2.1 General

2.1.1 The affairs of the Association shall be governed by the Board and administered by the Manager. The Board shall be the policy making and decision making body of the Association. The Manager, under the direction and supervision of the Board, shall be responsible for carrying out the policies and directives of the Board.

2.2 Board of Directors

2.2.1 The Board of Directors shall be composed of seven (7) Members in Good Standing and elected by the Membership or appointed by the Board in accordance with the provisions of these Bylaws. The purpose, duties, functions, responsibilities and limitations of the Board shall be as provided in Article 8 of these Bylaws.

2.3 Manager

2.3.1 Responsibility for management and administration of the Association shall be vested in a Manager, who shall be employed by and serve at the pleasure of the Board. The Manager shall not be a resident of SVE.

2.3.2 The Manager shall provide each Director with the copies of agenda and documentation pertaining to agenda items at least twelve (12) hours prior to the meetings when possible.

ARTICLE 3
USE OF ASSOCIATION FACILITIES

3.1 Persons Entitled to Use Association Facilities

3.1.1 Upon payment of fees and under conditions as may be established, the following shall have the right to use the Association Facilities:

.1 Members;

.2 Houseguests of Members;

.3 Non-Member Occupants of a Residence owned by one or more Members;

.4 Renters, whose use has been delegated by Owners through written notice filed with the Association office. Each notice shall contain name(s), age(s), **contact information, description and license** number{s) of tenant vehicie(s), duration of lease and Owner's current address. During the time period of such delegation, an Owner of a rented Residential Unit shall not be entitled to use the Association facilities associated with that rental Unit until written revocation of such delegation has been filed with the Association office;

.5 Non-Resident individuals participating in Association approved leagues, meets, games and tournaments. Prior to participation, Non-Resident individuals shall sign a waiver of liability, to be filed with the Association office. Responsibility for having the waivers signed shall be the duty of the sponsoring club or activity;

.6 Guests in the company of residents. Assuming that there are no waiting residents to use the appropriate facility, each resident is allowed one guest at any given time.

3.2 Suspension of Right to Use Association Facilities

3.2.1 If a Member fails to pay Assessments or other amounts due to the Association under the Governing Documents within fifteen (15) days after such payment is due, the Board, without notice or hearing, shall have the right to suspend the rights of the Member and of Non-Member Occupants and Renters of the Member's Residence to use the Association Facilities until such time as all delinquent Assessments and other amounts due to the Association are paid in full.

3.2.2 If a Member, Non-Member Occupant, Renter, Houseguest, or guest violates or fails to comply with the provisions of the Governing Documents, other than the provision requiring the payment of assessments or other amounts to the Association, the Board shall have the authority to suspend the person's rights to use the Association Facilities. The Member shall be given notice of the nature of the violation and given an opportunity to be heard with respect to the violation at a hearing. If the Member requests a hearing, the hearing shall be conducted within fifteen (15) days of the request.

3.3 Policies, Regulations and Rules

3.3.1 The rights of Members, Non-Member Occupants, Renters, Houseguests, and guests to use the Association Facilities shall be subject to the policies, regulations, and rules as may be adopted by the Board.

ARTICLE 4
ASSESSMENTS, FINES AND FEES

4.1 Assessments

4.1.1 Assessment amounts may be established by the Board, in accordance with Article 10 of the RCC&Rs. Assessments shall be paid to the Association at its office.

4.1.2 Annual Assessments shall be based on the Budget and the Capital Reserve Replacement Study.

4.1.3 Special Assessments may be established for special needs after meetings in accordance with Paragraph 10.5 of the RCC&Rs.

4.1.4 Additional Occupancy Assessments shall be a percentage of the Annual Assessment per Unit, based on the number of Occupants in excess of two (2) in accordance with Paragraph 10.8 of the RCC&Rs.

4.2 Fines

4.2.1 Fines for violations of Governing Documents shall be established by the Board in accordance with Paragraph 10.13 of the RCC&Rs, and charged to Members.

4.3 Fees

4.3.1 Fees may be established by the Board in accordance with Paragraph 9.8 of the RCC&Rs.

4.3.2 The following fees shall be paid by Purchasers of Residential Units at closing of ownership transfers:

.1 Disclosure Fee for copying and distributing SVE Governing Documents and preparing Residence file for new Owners;
.2 Capital Contribution Fees for Capital Funds (Ref. Bylaw 1.3.22 and 8.4.1.3).
.3 Transfer Fee for record investigation and account charges of Residential Unit.

4.3.3 When the Owner of a Residential Unit transfers or conveys that Unit and then acquires the same (e.g.--through establishing a trust) the Capital Contribution Fee shall be waived.

4.3.4 Room Usage Fees shall be established in the "Room Usage Policy and Procedures Manual" as approved by the Board.

ARTICLE 5
MEETINGS OF THE MEMBERS

5.1 General Meeting Provisions

5.1.1 Meetings of the Members shall be open to Members of the Association and any Non-Member designated in writing by a Member as the Member's representative. Meetings shall be governed by the Arizona Open Meeting Law pursuant to ARS 33-1804.

5.1.2 Agendas for the meetings shall be established by the Board.

5.1.3 Notices of meetings, stating the date, location, time and agenda, shall be posted at least forty-eight (48) hours prior to the meeting by the following methods:
.1 posting notice on the official Association bulletin board; and,
.2 emailing notice to Members who have provided their email address to the office.

5.1.4 Objections to the notice of, or an action taken at, a meeting shall not be considered from a Member who attended the meeting unless objections are made at the meeting. A Member not in attendance may submit a written objection to the Secretary within ten (10) days following the meeting.

5.1.5 Meetings shall be conducted in accordance with a current edition of Robert's Rules of Order for guidance.

5.2 Annual Meetings

5.2.1 An Annual Meeting shall be held on the third Thursday of March each year. If that day is a legal holiday, the Annual Meeting shall be held the next day.

5.2.2 Notices of Annual Meetings, stating the date, location, time and agenda, shall be provided to members at least ten (10) days and no more than fifty (50) days prior to the meeting as follows:
.1 posting notice on the official Association bulletin board; and
.2 emailing notice to Members who have provided their email address to the office; and
.3 mailing notice to each Member at their address on file in the Association office.

5.2.2 The agenda for the Annual Meeting shall be established by the Board which shall include additional discussion items added to the agenda by a Petition signed by fifty (50) Members in Good Standing, provided such Petition is submitted to the Board not less than fifteen (15) days prior to the date of the Annual Meeting.

5.3 Annual Budget Meetings

5.3.1 An Annual Budget Meeting shall be held between October 15 and November 30 for the purpose of reviewing and discussing with the Members the budget for the next calendar year. Written

requests relating to amounts requested for inclusion in the budget on behalf of facilities, amenities, clubs and organizations shall be submitted to the Board by October 1.

5.3.2 Copies of the proposed budget for the next calendar year shall be available to Members at the Association office at least five (5) days prior to the Annual Budget Meeting and emailed, as a pdf file, five (5) days prior to the Annual Budget Meeting to members who have provided their email address to the office.

5.3.3 Every club and organization, which uses Association facilities, shall keep an annual record of income and expenditures. Only clubs and organizations, which are so designated by the Board, shall report such accounting to the Board and the Manager in a timely manner as determined by the Board. These accounts are required to maintain SVE Association records and the annual audit.

5.4 Special Meetings

5.4.1 Special Meetings of the Members may be called by the President, a quorum of the Directors, or upon written request signed by fifty (50) Members in Good Standing submitted to the Secretary.

5.4.2 The notice of a Special Meeting shall specify the purpose of the meeting. Matters not set forth in such notice shall not be considered.

5.4.3 A meeting requested by the Members shall be held within thirty (30) days of the receipt of the request.

5.4.4 All meetings of the Board of Directors shall conform to the Arizona Open Meeting Law.

ARTICLE 6
VOTING

6.1 Voting Rights

6.1.1 There shall be two (2) ballots per Residential Unit associated with Class A and Class 0 Members in accordance with Article 12 of the RCC&Rs.

6.1.2 In the election of Directors, each voting Member in Good Standing may cast as many votes per ballot as there are Directors then being elected; however, only one vote may be cast for any one candidate. Cumulative and Proxy voting shall not be allowed.

6.1.3 Memberships in the Association shall be divided into Class A, Class B, Class C and Class 0 according to Article 12 of the RCC&Rs. Only Class A and Class 0 Members in Good Standing have voting rights.

6.1.4 Notices of elections of Directors and issues to be voted upon shall be mailed to only Class A and Class 0 Members in Good Standing.

6.1.5 Voting rights shall be suspended for Members who are not in Good Standing by reason of delinquency in paying Annual Assessments or fines for more than sixty (60) days. Voting rights shall be suspended also for Members who have more than two (2) unresolved violations of the Governing Documents. Members shall be notified in writing of suspensions.

6.1.6 Member voting rights are subject to Members complying with the Election Procedures Manual and instructions supplied with their ballots.

6.2 Nominating and Election Committees

6.2.1 The Nominating Committee Chairperson shall be selected and appointed by the Board on or before the second Thursday of December. The Chairperson shall recruit his or her Committee Members. No member of the Nominating Committee shall be a current member of the Board, a candidate for the Board, a family member of a current Board member or candidate or a paid employee of the Association.

6.3 Nominating Committee

6.3.1 The Nominating Committee shall consist of three (3) to five (5) Members in Good Standing,

6.3.2 On or before January 15, the Nominating Committee shall solicit candidates, verify eligibility of every candidate and submit to the Secretary, in writing, the names and addresses of candidates who are eligible and willing to serve as Directors. The Secretary shall promptly post a list of candidates on the official Association bulletin board and by e-mail.

6.3.3 After January 15, any other person who is eligible and willing to be elected may be nominated as a candidate by a Petition, signed by fifty (50) Members in Good Standing. The petition must be delivered to the Secretary or the Nominating Committee Chairperson or Co-Chairperson of the Nominating Committee on or before noon on February 1. If the person nominated by Petition is found eligible, their name shall be submitted to the Secretary, in writing, who shall promptly post a revised list of candidates on the official Association bulletin board and by email.

6.4 Election Committee

6.4.1 The Election Committee shall consist of no more than nine (9) Members in Good Standing.

6.4.2 The Election Committee Chairperson shall be appointed by the Board on or before the second Thursday of December for the annual election of Directors or a minimum of sixty (60) days before an election for other purposes. The Chairperson shall recruit his or her Committee Members. No member of the Election Committee shall be a current member of the Board, a candidate for the Board, a family member of a current Board member or candidate, or a paid employee of the Association. The actions of the Election Committee are not subject to review by any Member of the Board except for compliance with the Election Procedures Manual. The Election Committee shall meet as such times and places as determined by the Chairperson.

6.5 General Procedure for Electing Directors

6.5.1 The voting process shall be by secret ballot and supervised by the Election Committee in accordance with the Election Procedures Manual. The Election Committee shall verify the eligibility of each voting Member by name and address prior to mailing or e-mailing ballots.

6.5.2 Ballots shall be mailed or e-mailed in February to Members in Good Standing to addresses within SVE unless Members stipulate and file with the office a different address in writing.

6.5.3 Ballots must be received before 4:00 p.m. on the Tuesday prior to the Annual meeting in order to be counted.

6.5.4 The Election Committee shall determine the place designated for return ballots. Ballots may be returned by mail or through electronic voting procedures as an absentee ballot or returned in person to an Election Committee representative.

6.5.5 Ballots received shall be deposited in a locked ballot box. Once a vote is cast, it cannot be changed. The ballot box shall remain sealed and kept in a secure place designated by the Election Committee until officially opened for tabulation by the Election Committee.

6.5.5.1 Electronic voting shall be conducted using the procedures established between the Election Committee Manager and the company providing the electronic (on-line) voting. Results of the electronic (on-line) voting will be provided to the Election Committee Manager at 4:00 pm on the Tuesday prior to the Annual Meeting and will be deposited in the locked ballot box. The results will be added to the vote count on the Thursday in which the Annual Meeting is scheduled.

6.5.6 At least twenty percent (20%) of the ballots mailed and properly returned shall constitute a quorum. The affirmative vote of a majority of a quorum shall be sufficient to take lawful action unless a larger affirmative vote is required by law or the Governing Documents of the Association.

6.5.7 If a candidate withdraws in writing to the Election Committee prior to the Election, votes cast for that candidate shall be null and void.

6.5.8 When all ballots have been counted and recorded by the Election Committee, the ballots, electronic results and supporting documents shall be placed in the ballot box and the box resealed. It shall remain sealed in the custody of the Manager for no less than One year (365 days) from the counting of the ballots. After one year (365 days), if no protest of the vote or request for recount has been filed, the ballot box shall be opened, and the voting materials destroyed by the Manager and the Election Committee. The count on the electronic ballots will also be put back in the lock box and kept for the required amount of time. AZ State Statute 33-1812.7

6.5.9 Ballots and electronic voting results for the election of Directors shall be tabulated and the results indicating the total number of ballots cast shall be delivered to the Secretary for announcement at the Annual Meeting and be posted within twenty-four (24) hours after the Annual Meeting on the official Association bulletin board and other places as may be convenient to the Members, and emailed to Members who have provided their email addresses to the office.

6.5.10 Any protest or request for recounts shall be in writing and filed with the Election Committee within seventy-two (72) hours after the results of the election have been posted. The ballot box shall remain sealed until opened for resolution by the Election Committee. Only one recount shall be conducted with respect to each election regardless of the number of requests filed with Election Committee.

6.5.11 Candidates for the Board shall be elected by plurality. The candidate(s) receiving the highest number of votes shall be elected. If there is a tie, the successful candidate shall be determined by a flip of a coin at the Annual meeting.

6.6 <u>Voting Procedure for Other Association Business</u>

6.6.1 Members shall vote by absentee ballot or ballot delivered in person or e-mailed after a minimum of two (2) Special Meetings.

6.6.2 Each of the two Special Meetings for the purpose of voting on specific matter(s) shall be divided into two parts. The first part of the meeting shall be for the purpose of informing the Membership on the subject(s) to be voted upon. The second part of the meeting shall be an open forum.

.1 After a minimum period of ten (10) days following the meetings, the ballots shall be mailed or e-mailed in a process consistent with the provisions of Article 6 of these Bylaws.

.2 The ballot for the specific matter(s) shall inform the Members of a return date and time after which the ballot will not be counted. The specified return date shall not be less than thirty (30) days after mailing.

.3 Ballots shall be tabulated and the results posted within five (5) days following the specified return date.

.4 A majority of the votes cast shall prevail provided a quorum has been attained.

.5 Ballots for voting on specific matter(s) may be included with material and ballots mailed or e-mailed to Members for the election of Directors.

ARTICLE 7
BOARD OF DIRECTORS

7.1 Number of Directors and Director Terms

7.1.1 The Board shall be composed of seven (7) Members in Good Standing who have staggered terms of office. Directors shall be elected for a term of two (2) years unless otherwise determined by the Board to re-create staggered terms. The procedure for determining which elected Director shall serve a one-year or two-year term shall be established by the Board prior to the election.

7.1.2 A Director may serve no more than two (2) terms consecutively.

7.1.3 A Director appointed to fill out a vacancy shall not be precluded from serving two (2) consecutive elected terms on the Board.

7.1.4 After serving for two (2) consecutive terms, a Director cannot serve again on the Board of Directors for a period of a full four (4) years. This Section does not preclude a Resident from being appointed by the Board as a "non-voting" Board member to assist the Board with special projects.

7.1.5 For purposes of eligibility to being elected to the Board of Directors and term limits, a Board member who resigns before the end of his or her term shall be considered as having completed their respective term of office.

7.1.6 The provisions of this Section shall apply to past and current Directors.

7.1.7 A non-voting Member of the Board shall not be subject to the term limits of these Bylaws.

7.2 Qualification of Board **Candidates**

7.2.1 To qualify as a candidate for election as a Director, the person shall be a Class A or Class 0 Member in Good Standing and a Homeowner for a period of one (1) year.

7.3 Board Meetings

7.3.1 A majority of the Directors shall constitute a quorum required to conduct the business of the Association.

7.3.2 Meetings of the Board shall be open to all Members of the Association, except that the Board may close a meeting of the Board to the Members to the extent permitted by and pursuant to ARS 33-1804 of the Planned Community Statute.

7.3.3 Regular meetings shall be held monthly at approximately the same day of the month, time, and location as determined by the Board.

7.3.4 Notices of meetings, stating the date, location, time and agenda shall be posted at least forty-eight (48) hours prior to meetings as follows:
.1 posting the notice on the official Association bulletin board, and
.2 emailing the notice to Members who have provided their email addresses to the office

7.3.5 Meetings shall be conducted in accordance with a current edition of ***Robert's Rules of Order*** for guidance.

7.3.6 The Board may conduct an Emergency Meeting without notice to the Membership. If the Board takes actions at an Emergency Board Meeting, those actions shall be recorded and placed in the minutes of the next Board Meeting to be voted on and approved. The President or any two (2) Directors may call an Emergency Meeting.

7.4 Removal from the Board

7.4.1 A Director may be removed from the Board only by a majority vote of Members pursuant to ARS 33-1813.

7.5 Vacancies

7.5.1 The Board may declare the office of a member of the Board to be automatically vacant in the event such member shall have three (3) consecutive unexcused absences from regular meetings of the Board of Directors.

7.5.2 A vacancy of the Board shall be filled by an appointee chosen by the remaining Directors within sixty (60) days of the vacancy. The appointed Director shall fill that vacancy until the next election of Directors.

7.5.3 If by reason of death, resignation or otherwise, the Association has no Directors in office, a Member in Good Standing may call a special meeting of the Members for the purpose of electing a Board pursuant to provisions of Article 6.

ARTICLE 8
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

8.1 General Powers of the Board

8.1.1 The Board shall act as the principal rules and decision making body and shall establish such policies as it deems proper and expedient in conformance with the Governing Documents and all applicable Local, State and Federal laws. Policies shall promote the objectives of the Association and shall protect the best interests and welfare of the Members. The Board shall have the powers and duties necessary for the administration of the affairs of the Association, including, but not limited to, the following:
.1 hold and administer the assets of and provide supervision of the administration of the Association;

.2 establish operating policies, make reasonable rules and regulations within their authority as outlined in the Governing Documents and publish the same, establish penalties, including, but not limited to, fines, probation and suspension of Membership privileges for an infraction thereof. Additions to or changes in policies, rules and regulations shall be conspicuously posted on the official Association bulletin board. A copy of Association policies, regulations and rules shall be available for inspection by Members at the Association Office. Copies may be purchased for a fee;

.3 employ a Manager or management firm. The Manager may be an individual, a corporation, partnership or entity, and may be either an employee of the Association or an independent contractor;

.4 levy Annual and Special Assessments in accordance with Article 4 of these Bylaws;

.5 perfect and foreclose a lien against a property for which Annual or Special Assessments are not paid, or to bring an action at law against the Member personally obligated to pay the same;

.6 establish fees to be collected from Members, Non-Member Occupants, Renters, Houseguests, and guests for the use of the Association Facilities;

.7 pay taxes and assessments, which are, or could become, a lien on the Association Facilities or any portion thereof;

.8 ensure that goods and services for the grounds, facilities and interests of the Association are provided for and maintained in a timely and professional manner;

.9 elect officers of the Association;

.10 delegate responsibilities to Committees appointed by the Board;

.11 fill vacancies on the Board as provided in Paragraph 7.5 of these Bylaws;

.12 establish and maintain a Capital Reserve Replacement Study, which shall be updated at least every four (4) years;

. 13 establish and maintain a Capital Reserve Replacement Fund in accordance with a current Capital Reserve Replacement Study, which funds are to be used pursuant to Section 1.3.21.

.14 establish and maintain a SVE Capital Improvement Fund, SVE Capital Contribution Fund and Capital Project Fund; and

.15 exercise such other powers as may be granted to the Board by the Governing Documents.

8.2 Obligations of Directors

8.2.1 Directors shall:

.1 Be reasonably available on a year-round basis for participation in the business affairs of the Association and subject to the terms of Bylaw 7.5.1.

.2 Be available physically or by electronic communication, for at least eight (8) months in the same calendar year of service. Directors appointed to office for terms of less than nine (9) months are exempt. Directors appointed to office for terms of nine (9) months or more are to be available physically or by electronic communication, for at least three-quarters (3/4) of their term.

.3 Cooperate with other Directors to ensure a quorum at Board Meetings.

.4 Serve in any capacity assigned.

8.3 Duties of the Board of Directors

8.3.1 The Board shall act in good faith and with the care that reasonably prudent persons in similar positions would exercise under similar circumstances, and in a manner the Board reasonably believes to be in the best interests of the Association. The Board shall:

. 1 elect from within, persons to serve as President, Vice President, Secretary and Treasurer;

.2 maintain Association Facilities;

.3 oversee the supervision, through the Manager, of agents and employees of the

Association and ensure that their duties are properly performed;

.4 ensure that adequate property, business and liability insurance is maintained on property owned by the Association. Insurance shall be reviewed annually. Liability insurance shall be provided for the Directors, Association employees and Board appointed committee members while engaged in Association business;

.5 establish and approve the annual budget;

.6 require a summary of the budget for each fiscal year be made available in the Association Office and posted on the official Association bulletin board and website not less than fifteen 15) days before the beginning of the fiscal year. Copies may be freely downloaded from the Association website or purchased from the Association office for a fee;

.7 require an annual independent audit of the Financial Statements to be performed within one hundred eighty (180) days after the close of the fiscal year. Copies may be purchased for a fee and be made available upon request to Members within thirty (30) days of its completion. The report shall cover the following minimum requirements:

.1 A balance sheet as of the end of the fiscal year,

.2 An operating (income) statement for the fiscal year,

.3 A consolidated statement of cash flow for the fiscal year, and

.4 A statement of the status of the Capital Reserve Replacement Fund, the Capital Project Fund, the SVE Capital Improvement Fund, and the SVE Capital Contribution Fund.

.8 maintain an open line of communication with the Members; and

.9 maintain records of contacts in writing between legal counsel and the President or the President's designee with copies to the Directors.

8.4 Limitations of Authority of the Board of Directors

8.4.1 The Board shall be prohibited from taking the following actions without the affirmative vote of a majority of the Members of the Association:

.1 incur a long-term debt, on behalf of the Association, in excess of one Hundred Thousand Dollars ($100,000.00);

.2 sell or acquire real property, except when exercising a lien on a delinquent account of other charges;

.3 expend SVE Capital Funds in excess of Two Hundred Fifty Thousand Dollars ($250,000) in a calendar year; however, these expenditure limits do not apply to funds designated and recorded for the SVE Capital Improvement Fund.

.4 The Capital Contribution Fund and Capital Project Fund limits shall be increased on January 1st each year, starting in 2025. The increase shall be the greater of 3 percent or the annual average increase in the Phoenix CPI for the previous calendar year.

.5 amend or modify these Bylaws;

.6 construct on or modify the general usage of any green belt area and or retention basin; or

.7 amend or modify the Election Procedures Manual.

8.5 Indemnification of Directors of the Association

8.5.1 To the extent that it has the power to do so under the Arizona Nonprofit Corporation Act, as it may be amended from time to time, the Association shall indemnify a person who was or is a party or is threatened to be made a party to a threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the Association, by reason of the fact that such person is or was a Director or Officer of the Association against expenses, including attorneys' fees, and against judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted, or failed to act, in good faith and manner such person reasonably believed to be in or not opposed to the best interests of the Association and, with respect to a criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

8.6 Committees

8.6.1 The Board may appoint and dissolve committees, as the Board deems appropriate for the administration and operation of the Association. Committees shall report to the Board and serve at the pleasure of the Board.

8.7 Architectural Control Committee

8.7.1 An Architectural Control Committee (ACC) shall be established by the Board to ensure compliance with the RCC&Rs and Architectural Guidelines approved by the Board. The committee shall be appointed by the Board annually and consist of five (5) to ten (10) members as follows: a Board of Director member serving as the chairperson and up to eight (8) voting Members of the Association and one member at-large.

8.7.2 The Architectural Control Committee shall prepare and revise, as needed, the Architectural Guidelines, subject to Board approval, for use by the Residents as a reference for changes to the exterior of their homes and Lots.

ARTICLE 9
OFFICERS

9.1 General

9.1.1 The Officers of the Association shall be President, Vice President, Secretary and Treasurer. Newly elected Directors shall take office, and their terms become effective, at the first Special Meeting following the Annual Election. At that meeting, the new Board shall elect from among its members the Officers to serve for the year or until their successors are elected. Officers are not prohibited from succeeding themselves in office. Officers and Directors shall serve without pay but may be reimbursed for actual expenses incurred upon presentation of an itemized statement.

9.2 President

9.2.1 In accordance with the Governing Documents and policies of the Association, duly adopted by the Board, together with applicable Local, State and Federal laws, the President shall:

.1 Preside at and conduct meetings of the Board.

.2 Be responsible for the general supervision of the affairs of the Association.

.3 Execute the Association's Governing Documents on behalf of the Association.

.4 Vote on issues that come before the Board, at his or her discretion.

.5 Insure all contracts require two (2) signatures and initials on all pages to be valid.

9.3 Vice President

9.3.1 The Vice President shall have such powers and duties as the President or as the Board may prescribe from time to time. At the request of the President, or in case of the President's absence or inability to act, the Vice President shall perform the duties of the President and when so acting, shall have the powers and the restrictions of the President.

9.4 Secretary

9.4.1 The Secretary shall be responsible for maintaining a record of the proceedings of Board Meetings. Records of these meetings shall be kept in separate books. The Secretary shall assure

that notices of meetings are duly given in accordance with the provisions of these Bylaws or as required by law.

9.5 Treasurer

9.5.1 The Treasurer, with Board oversight, shall have responsibility for supervision of the funds and securities of the Association including, but not limited to, official records, documents, ledgers and accounts involving the financial business of the Association. Original records shall be kept and maintained at the office of the Association. The Treasurer shall maintain financial statements as required and perform such other duties as ordinarily pertain to that office.

9.5.2 The Treasurer and a Director shall ensure that the Association funds are deposited on behalf of the Association in recognized banks, savings and loan associations or other financial organizations insured by the FDIC or SIPC. Association Funds may be invested in US government obligations: Treasury Bills, Notes or Government Agency obligations rated "A" or better; State or County Municipal Bonds rated "A" or better; insured money market deposit accounts, insured bank certificates of deposit; and short-duration commercial paper rated "A" or better.

9.5.3 Checks shall require two (2) signatures of duly appointed officers.

9.6 Bonding

9.6.1 Officers, Directors and Association office employees shall be bonded or be covered by fidelity insurance coverage in a sum sufficient to protect the association from loss.

9.7 Removal of an Officer

9.7.1 An Officer may be removed from office by a written resolution adopted by the majority vote of the other Directors if in the Board's judgment, the best interest of the Association will be served by the removal. The resolution shall state good cause for the removal of the Officer. After receipt of written notice, the Officer in question shall have three (3) days to respond and shall be entitled to be heard at an executive session of the Board. If removed, the Officer shall remain a Director, unless he or she is removed from the Board in accordance with Article 7 of these Bylaws.

9.8 Vacancies

9.8.1 If an office becomes vacant by death, resignation, disqualification or other cause, the majority of the remaining Directors shall select a Member of the Board to fill the vacancy within seven (7) days.

ARTICLE 10
GENERAL

10.1 Amendment

10.1.1 The RCC&Rs and Bylaws may be amended as provided in the RCC&Rs. Amendments to the Policies, Procedures, Regulations and Rules may be adopted by a majority vote of the Board after the amendments are read at two (2) consecutive regular Board meetings.

10.1.2 A written Petition presented to the Board and signed by One Thousand Members in Good Standing may propose amendments to the RCC&Rs and or Bylaws, and the reason for the

proposed change. The proposed amendments shall be presented to a vote of the owners and ballots included in the Annual Election of Board Members provided the proposed amendments were submitted in writing and read at the previous two (2) regular board meetings.

10.1.2.1 A written Petition presented to the Board and signed by One Hundred (100) Members in Good Standing may propose or oppose amendments to the Policies, Procedures, Regulations and Rules. Proposed amendments may be accepted, denied or modified at a regular meeting of Directors by a majority vote of the Board of Directors, provided the proposed amendments were submitted in writing and read at the previous two (2) regular Board meetings.

10.1.3 These Bylaws and amendments shall be duly recorded in the official records of the Maricopa County Recorder.

10.2 Conflict

10.2.1 In the event of a conflict between the Governing Documents, the order of priority for consideration shall be the RCC&Rs, Articles of Incorporation, Bylaws, and policies, procedures, and rules.

10.3 Nepotism

10.3.1 No person related to a Director or the Association Manager shall become an employee of or contract with the Association. No Director or family member shall serve concurrently on a SVE Association Board and a SVE Condo Board. Directors may serve on club boards.

10.4 Inspection of Association Records

10.4.1 Association Members in Good Standing are entitled to inspect and, for a reasonable fee, may obtain copies of the records of the Association, subject to the restrictions imposed and by following the provisions set forth and defined in the Arizona Nonprofit Corporation Act and ARS Section 33-1805, part of the Planned Community Statute.

10.5 Validation

10.5.1 If any part of these Bylaws is found to be invalid, it shall not invalidate other parts of these Bylaws.

This is to certify that the foregoing are the Bylaws of Sunland Village East Association, an Arizona Nonprofit Corporation as adopted by the board of Directors on the 21s[t] of March 2024

Dated and signed the 4[t1]day of April 2024

David Evans, President

Autom Underwood, Vice President

Gary Nault ecretary

Michael Lauer, Treasurer

Courtney Bohl der, ACC Chairman
Theod r

Carmella on d, Security

e Boehm, Member-At-Large

This instrument was recorded at the Request of:

SUNLAND VILLAGE EAST
2145 SOUTH FARNSWORTH DRIVE
MESA, AZ 85209

The recording official is directed to return This instrument or a copy to the above person

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CAPTION HEADING:

CHANGES OF THE BYLAWS

DO NOT REMOVE
This is part of the official document