

**BY-LAWS  
OF  
LAS ALTURAS ASSOCIATION**

**ARTICLE I  
DEFINITIONS**

The following definitions shall govern for purposes of these By-Laws:

A. The "Corporation" shall refer to Las Alturas Association, its successors and assigns.

B. The "Declaration" shall refer to the Declaration of Protective Covenants for the Las Alturas subdivision recorded in the office of the County Recorder of Pima County, Arizona in Docket 6199 at pages 479-488, and any amendments thereto, and any other declarations applicable to the property of an owner, as ownership is defined in the Declaration, or to the property of the Corporation.

C. The "Property" shall refer to that certain subdivision in Pima County, Arizona, known as Las Alturas and described in the map or plat of record in the office of the County Recorder, Pima County, Arizona, in Book 30 of Maps and Plats at page 19, and any amendments thereto, and any other property within Section 15, Township 13 South, Range 14 East, Gila & Salt River Base & Meridian, Pima County, Arizona, which becomes the property of an owner, as ownership is defined in the Declaration, or which becomes the property of the Corporation.

D. The "Members" shall be those persons and entities who are owners as defined in the Declaration; provided, however, that the Board of Directors may establish additional requirements for maintaining membership. Where an owner as defined by the Declaration includes more than one person or entity, such persons or entities shall be deemed one Member.

**ARTICLE II  
MEMBERS**

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

2. **Special Meetings.** Special meetings of the Members for any purpose or purposes may be called by the President or by written request of a majority of the directors, and shall be called by the President at the written request of not less than ten percent of all Members entitled to vote at the meeting.

3. **Place of Meeting.** All meetings of the Members shall be held within Pima County, Arizona, as may be fixed from time to time by the Board of Directors and stated in the notice of the meeting or in a duly executed waiver of notice thereof. If no designation is made, the place of meeting shall be the principal office of the Corporation.

4. **Notice of Meeting.** Written notice stating the place and time of the meeting and, in case of a special meeting, the purposes for which the meeting is being called, shall be delivered not less than ten days before the meeting, either personally or by mail, to each Member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Member at his address as it appears on the books of the Corporation.

5. **Quorum and Adjournment.** At any meeting of Members, ten percent of the Members of the Corporation entitled to vote, represented in person or by proxy, shall constitute a quorum. If less than a quorum is present, a majority of the Members represented may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted at the meeting as originally noticed.

6. **Voting.** Each Member is entitled to one vote at all meetings, unless the number of votes is otherwise provided for in the declaration applicable to a particular parcel of real estate within the Property. All matters shall be decided by majority vote, except as otherwise provided by the Declaration, the Articles of Incorporation or these By-Laws. Upon the demand of any Member, voting shall be by ballot.

7. **Proxies.** At all meetings of Members, a Member may vote by proxy executed in writing by the Member or by his duly authorized attorney in fact. Such proxy shall be filed with the Secretary of the Corporation before or at the time of the meeting. Unless otherwise required by law, all questions concerning the validity or sufficiency of any proxy shall be decided by the Secretary.

8. **Conduct of Meetings.** Meetings of the Members shall be presided over by the President, or if he is not present, by the Vice President, or if he is not present, by a chairman to be chosen at the meeting. The Secretary, or in his absence, a person chosen at the meeting, shall act as secretary of the meeting.

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

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

1. **General.** The business and affairs of the Corporation shall be managed by its Board of Directors.

2. **Number and Qualifications.** The first Board of Directors shall consist of three directors. Thereafter the number of directors shall be determined by resolution of the Board or by the Members at the annual meeting. A director need not be a Member of the Corporation.

3. **Term.** Each director shall hold office until the next annual meeting of the Members or thereafter until his successor is elected and qualified.

**4. Regular Meetings.** A regular meeting of the Board of Directors shall be held without notice immediately after, and at the same place as, the annual meeting of Members. At the annual meeting of the Board, the officers of the Corporation shall be elected to hold office for the ensuing year or thereafter until their successors are elected and qualified. The Board may provide, by resolution, the time and place for the holding of additional regular meetings without other notice than such resolution.

**5. Special Meetings.** Special meetings of the Board of Directors may be called by the President or at the request of any two directors. The person or persons authorized to call special meetings of the Board may fix the time and place for holding any such special meeting called by them.

**6. Notice of Meetings.** Notice of any special meeting of the Board of Directors shall be given at least ten days before the meeting by written notice delivered personally or mailed to each member of the Board. 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.

**7. Conduct of Meeting.** At all meetings of the Board of Directors, the President, or in his absence the Vice President, or in his absence a chairman chosen by the directors present, shall preside. The Secretary, or in his absence any person appointed by the chairman, shall act as secretary of the meeting.

**8. Quorum.** At any meeting of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business. The act of the majority of the directors present at any meeting at which there is a quorum shall be the act of the Board, except as otherwise provided by the Declaration, the Articles of Incorporation or these By-Laws.

**9. 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 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 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.

**10. Removal of Directors.** Any director may be removed for cause by vote of the Members or by the Board of Directors. Directors may be removed without cause at any time by the Members at a special meeting of Members called for that purpose.

**11. Resignation.** A director may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary of the Corporation. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by the Board or such officer, and the acceptance of the resignation shall not be necessary to make it effective.

Any director who fails to attend three consecutive regular meetings of the Board, unless excused for valid reasons by resolution of the Board, shall be deemed to have resigned.

12. **Newly Created Directorship and Vacancies.** Newly created directorships resulting from an increase in the number of directors and vacancies occurring in the Board of Directors for any reason, except the removal of directors without cause, may be filled by a vote of the directors then in office. Vacancies occurring by reason of the removal of directors without cause shall be filled by vote of the Members. A director elected to fill a vacancy caused by resignation, death, or removal shall be elected to hold office for the unexpired term of his predecessor.

13. **Compensation.** No compensation shall be paid to directors for their services, but by resolution of the Board of Directors expenses for actual attendance at each regular or special meeting of the Board may be authorized.

14. **Executive and Other Committees.** The Board of Directors may, by resolution passed by a majority of the whole Board, designate one or more committees, each committee to consist of one or more directors and Members as the Board determines. Any such committee, to the extent provided in the resolution of the Board, shall have and may exercise all the powers and authority of the board in the management of the business and affairs of the corporation. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board. Each committee shall keep regular minutes of its meetings and report the same to the Board when required.

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

## **ARTICLE IV OFFICERS**

1. **Number.** The officers of the Corporation shall be a President, a Vice-President, 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. Any number of offices may be held by the same person. Officers need not be Members of the Corporation.

2. **Election and Term of Office.** The officers shall be elected at the first meeting of the Board of Directors and thereafter at each annual meeting of the Board held after each annual meeting of the Members. Each officer shall hold office until his successor is duly elected and qualified, or until his death, resignation, or removal, as hereinafter provided.

3. **Resignation.** An officer may resign at any time by giving written notice to the Board of Directors or to another officer of the Corporation. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by the Board or officer and the acceptance of the resignation shall not be necessary to make it effective.

4. **Removal.** Any officer or agent elected or appointed by the Board of Directors may be removed by the board whenever, in their judgment, the best interests of the Corporation would thereby be served.

5. **Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by vote of the directors for the unexpired portion of the term.

6. **President.** The President shall be the principal executive officer 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 authorized by the Board, any deeds, mortgages, bonds, contracts, or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by the By-Laws to some other officer or agent of the Corporation; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board from time to time.

7. **Vice-President.** In the absence of the President or in the event of his death, inability or refusal to act, the Vice President shall perform all duties of the President, and when so acting, shall have the powers of and be subject to all the restrictions upon the President. The Vice President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

8. **Secretary.** The Secretary shall keep the minutes of the Members' and of the Board of Directors' meetings in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of the corporate records and of the seal of the Corporation; keep a register of the address of each Member which shall be furnished to the Secretary by such Member; and in general perform all duties incident to the office of the Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

9. **Treasurer.** The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for monies due and payable to the Corporation from any source whatsoever, and deposit all such monies in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the By-Laws; and in general perform all 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, 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 shall determine.

10. **Compensation.** No compensation shall be paid to the officers for their services, but by resolution of the Board of Directors, an officer may be reimbursed for his actual expenses incurred in the performance of his duties.

## **ARTICLE V WAIVER OF NOTICE**

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

## **ARTICLE VI AMENDMENTS**

These By-Laws may be amended or repealed and new by-laws may be adopted by vote of the Board of Directors at any regular meeting or at any special meeting called for that purpose.

## **ARTICLE VII CONTRACTS, LOANS, CHECKS AND DEPOSITS**

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.

2. **Loans.** No loans shall be contracted on behalf of the Corporation and no evidence or indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

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 manner as shall from time to time be determined by resolution of the Board of Directors.

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 VIII MISCELLANEOUS**

1. **Corporate Seal.** The Board of Directors may provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Corporation, the state of incorporation, year of incorporation and the words, "Corporate Seal."

2. **Annual Statement.** The Board of Directors shall present at each annual meeting of the Members, and at any special meeting of the Members when called for by vote of the Members, a full and clear statement of the business and conditions of the Corporation.

3. **Fiscal Year.** The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

**4. Homeowner's Association Operations.** The Corporation will be operated in a manner so as to provide for the acquisition, construction, management, maintenance, and care of the property of the Corporation.

(a) The Corporation shall be operated in a manner to receive at least 60% of its gross income for each taxable year solely from amounts received as membership dues, fees, or assessments from owners of residences or residential lots.

(b) The Corporation shall make 90% of its expenditures for each taxable year for the acquisition, construction, management, maintenance and care of Association property.

(c) No part of the net earnings of this Corporation shall inure (other than by acquiring, constructing, or providing management, maintenance, and care of Association property, and other than by a rebate of excess membership dues, fees, or assessments) to or for the benefit of any private individual or member.

APPROVED AS BY-LAWS OF LAS ALTURAS ASSOCIATION, this 22nd day of July, 1980, by the undersigned, constituting the first Board of Directors, at its first meeting.

John G. Payson

Ruth S. Jennings

Bud C. Randall

## ARTICLES OF INCORPORATION OF LAS ALTURAS ASSOCIATION

1. The name of the corporation is Las Alturas Association.
2. The corporation is being formed as a non-profit corporation under and pursuant to Title 10, Chapter 5 of the Arizona Revised Statutes, as they may be amended from time to time.
3. The corporation is being formed for the purpose of creating a Homeowner's Association eligible to elect an exemption from Federal Income Tax under §528 of the Internal Revenue Code of 1954, as may be amended from time to time.
4. The corporation initially intends to conduct the business of providing for the maintenance, preservation and architectural control of certain residence lots, and the ownership, maintenance, preservation and architectural control of certain common areas in a certain subdivision in Pima County, Arizona, and described in the map or plat of record in the office of the County Recorder, Pima County, Arizona, in Book 30 of Maps and Plats at page 19 and any amendments thereto plus any additional property which may properly come within the control of the corporation.

5. The name of the initial statutory agent of the corporation is John G. Payson, whose address is 4407 North Campbell Avenue, Tucson, Arizona 85718.

6. The initial Board of Directors shall consist of three directors. The persons who are to serve as directors until the first annual election of directors or until their successors are elected and qualified and their respective addresses are as follows:

John G. Payson	Ruth S. Jennings	Bud C. Randall
4407 N. Campbell Ave.	4407 N. Campbell Ave.	4407 N. Campbell Ave.
Tucson, AZ 85718	Tucson, AZ 85718	Tucson, AZ 85718

7. The number of persons to serve on the Board of Directors shall thereafter be fixed by the by-laws.

8. The incorporator of the corporation and his address is:

John G. Payson  
4407 N. Campbell Avenue  
Tucson, Arizona 85718

DATED: February 27, 1980