

AMENDED AND RESTATED BYLAWS OF SAN IGNACIO VILLAS, INC.

ARTICLE I. NAME AND LOCATION

The name of the corporation is SAN IGNACIO VILLAS, INC. hereinafter referred to as the "Association." The principal office of the corporation shall be located at 1865 W. Demetrie Loop, Green Valley, Arizona 85622, but meetings of members and directors may be held at such places within the State of Arizona, County of Pima, as may be designated by the Board of Directors.

ARTICLE II. DEFINITIONS

Section 2.1. "Association" shall mean and refer to SAN IGNACIO VILLAS, INC., an Arizona corporation, its successors, and assigns.

Section 2.2. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Members, as provided in the Declaration.

Section 2.4. "Declaration" shall mean and refer to the Amended and Restated Declaration of Establishment of Covenants, Conditions, and Restrictions for San Ignacio Villas recorded in the office of the recorder of Pima County, Arizona; as well as any duly approved amendments thereto from time-to-time.

Section 2.5. "Lot" shall mean and refer to each numbered plot of land shown upon the recorded Plat of the Properties, including the Dwelling Unit thereon.

Section 2.6. "Member" shall mean and refer to those Persons (as defined in the Declaration) entitled to membership and voting rights as provided in the Declaration.

Section 2.7. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 2.8. "Properties" shall mean and refer to that certain real property described in the Declaration.

**ARTICLE III.
MEETING OF MEMBERS**

Section 3.1. Annual Meetings. The annual meeting of the Members shall be held in April of each year. The specific date, time, and location will be set by the President.

Section 3.2. Special Meetings. Special meetings of the Members may be called at any time by the President, the Board of Directors, or upon written request of one-tenth (1/10) of the Members who are entitled to vote. The Members' written request for a special meeting must be delivered to the Secretary, or other management agent so appointed by the Board, with a statement describing the purpose(s) for which the meeting is to be held.

Section 3.3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, at least ten (10) days and not more than fifty (50) days before such meeting, by personal hand-delivery or by mailing a copy of such notice, postage prepaid, to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. 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. In addition to personal delivery or U.S. mail, notice may also be given via e-mail to the email address supplied by a Member to the Association for the purpose of such notices, but delivery of the notice by email only is not valid unless permitted in accordance with Arizona Law. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting. The agenda for the meeting shall accompany the notice of the meeting.

Section 3.4. Quorum. The presence at the meeting in person or by absentee ballot of one-fourth (1/4) of the Members who are entitled to vote shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws.

Section 3.5. Voting. At any meeting of the Members, the Members shall be entitled to vote on each matter brought before the membership. There shall be one vote for each Lot, with a total of forty-four (44) votes in the Association. When there is more than one Owner of any Lot, the vote shall be exercised as agreed upon by the Owners of the Lot. If the Owners of a Lot cannot agree on how to cast the vote, they will lose their right to vote on the matter in question. If any Member casts a vote on a particular matter, it will conclusively be presumed for all purposes that the person casting the vote was acting with the authority and consent of all of the Owners of the Lot, unless an objection by any other Owner is made at the time the vote is cast. In the event that more than one vote is cast for a particular Lot, none of the votes shall be counted and all of the votes shall be deemed void. All matters shall be decided by a majority vote, unless otherwise provided by the Declaration, the Articles of Incorporation, or these Bylaws.

Section 3.6. Absentee Ballots. At all meetings of Members, each Member may vote in person or by absentee ballot. All absentee ballots shall conform to the following requirements:

- a) The ballot shall set forth each proposed action.
- b) The ballot shall provide an opportunity to vote for or against each proposed action.
- c) The ballot is valid for only one specified election or meeting of the members and expires automatically after the completion of the election or meeting.
- d) The ballot specifies the time and date by which the ballot must be delivered to the board of directors in order to be counted, which shall be at least seven days after the date that the board delivers the unvoted ballot to the member.
- e) The ballot does not authorize another person to cast votes on behalf of the member.
- f) The completed ballot shall contain the name, address and signature of the person voting.
- g) The completed ballot may be cast by mail, email, or by hand-delivery, in accordance with policies and procedures adopted by the Board.
- h) The completed ballot is valid for the purpose of establishing a quorum.

Section 3.7. Voting without a Meeting; Online Voting. As an alternative to voting at a meeting, the Board may authorize the use of written ballots in any election or vote on any issue it deems appropriate, including the election of Directors. Approval by written ballots is valid only if the number of votes cast by written ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. When written ballots are authorized by the Board, said ballots shall be prepared and mailed to the Members at least ten (10) days but not more than fifty (50) days prior to the date of the election or vote on an issue. The written ballots must be preceded or accompanied by a written solicitation for vote by mail-in ballot that must specify the time and date by which the mail-in ballot must be delivered to the Association in order to be counted. Ballots received after this date shall not be counted. The solicitation must also indicate the number of responses needed to meet the quorum requirement and state the percentage of approvals necessary to approve each matter, other than election of Directors. A Member who casts a written ballot may not rescind or change said ballot after delivering it to the Association.

The Board may also authorize a vote to be conducted with written ballots by electronic means that allows votes to be cast through an online voting system that does all of the following: (a) Authenticates the member's identity; (b) Authenticates the validity of each electronic vote to ensure that the vote is not altered in transit; (c) Transmits a receipt to each member who casts an electronic vote; and (d) Stores electronic votes for recount, inspection and review purposes. If the Board authorizes the use of an online voting system, the Meeting notice or the solicitation must advise the Members that they have the right and opportunity to request a written ballot in another form to be cast by mail, email, or by hand-delivery to the Secretary or other management agent designated by the Board.

Section 3.8. Conduct of Meetings; Election Records. Meetings of the Members shall be presided over by the President, or if the President is absent, by the Vice President, or if both are absent, by a chairman to be chosen at the meeting. The Secretary, or if the Secretary is absent, the Assistant Secretary, if any, or otherwise, a person chosen at the meeting, shall act as Secretary of the meeting, who shall be responsible for taking the minutes of the meeting.

A Member or Member's designated representative may speak at appropriate times during the meeting, subject to reasonable restrictions on the number and duration of those people speaking. Members, or their designated representative, may audiotape or videotape the meetings. Advanced notice of the audiotaping or videotaping shall not be required. The Board may adopt reasonable rules governing the audiotaping and videotaping of the meetings, but such rules shall not preclude such audiotaping or videotaping by Members, or their designated representative, unless the Board audiotapes or videotapes the meeting and makes the unedited audiotapes or videotapes available to Members on request without restrictions on its use as evidence in any dispute resolution process.

During check-in at any meeting of Members, the Secretary, or in the Secretary's absence, the Assistant Secretary, if any, or otherwise a person chosen at the meeting, shall confirm the identity of the Member, shall confirm whether a Member has cast an Absentee Ballot, and if not, issue an official in-person Ballot; and shall witness and document the return of the in-person ballots for tabulation. Except as necessary to determine the identity of the Member voting, all ballots and/or ballot boxes shall remain sealed until the voting is closed, at which time the ballots shall be opened and the votes tabulated.

Ballots, envelopes, and related materials, including sign-in sheets if used, shall be retained in electronic or paper format and made available for member inspection for at least one year after completion of the election.

ARTICLE IV.
BOARD OF DIRECTORS; SELECTION; TERMS OF OFFICE

Section 4.1. Number. A Board of three (3) Directors shall manage the affairs of this Association.

Section 4.2. Terms of Office. At the first annual meeting, the Members shall elect one Director for a term of one year; one Director for a term of two years; and one Director for a term of three years; and at each annual meeting, thereafter the Members shall elect one Director for a term of three years. The Board shall have the power to adjust the terms of any newly elected Director in order to preserve the staggered terms anticipated and provided for above.

Section 4.3. Resignation; Removal; Vacancies.

a) Resignation. One or more Directors may resign at any time by giving a notice of resignation to the Board of Directors. Any resignation becomes effective at the

time specified in the notice, and if the time is not stated in the notice, it shall take effect immediately upon its receipt by the President or the Secretary. Unless otherwise specified in the notice, the acceptance of such resignation is not necessary to make it effective.

b) Removal. Any Director may be removed from the Board of Directors, with or without cause, by Members representing a majority of the Lots voting at a duly held special meeting of the Members called for such purpose in accordance with these Bylaws. For purposes of calling for removal of one or more Directors, the following procedures apply unless in conflict with Arizona law:

i. On receipt of a petition that calls for removal of one or more Directors and that is signed by the Members entitled to cast twenty-five percent (25%) of the total votes in the Association, the Board shall call and provide written notice of a special meeting of the Members in accordance with these Bylaws.

ii. The special meeting shall be called, noticed, and held within 30 days after the Board's receipt of the petition.

iii. Members representing at least twenty percent (20%) of the total votes in the Association shall be the applicable minimum quorum for the special meeting.

iv. A Director who is removed is not eligible to serve on the Board again until after the expiration of the removed Director's remaining term.

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

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

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

c) Vacancies. In the event of death, resignation, removal, or disqualification of a Director, a successor shall be selected and appointed by the remaining Director(s), regardless of whether the remaining Director(s) constitute a quorum or meet the minimum requirement for number of Directors on the Board, and shall serve the unexpired term of the Director so replaced. In the event that the entire Board of Directors is removed, the Association shall hold an election for the replacement of the removed Directors at a separate special meeting of the Members that is held not later than thirty (30) days after the special meeting at which the Directors were removed.

Section 4.4. Compensation. Directors shall not receive compensation for any service they may render to the Association. However, Directors may be reimbursed for actual expenses incurred in the performance of their duties.

ARTICLE V. NOMINATION AND ELECTION OF DIRECTORS

Section 5.1. Nomination. The Board, or any nomination committee appointed by the Board in its sole discretion, shall solicit names of prospective candidates for the Board of Directors at least sixty (60) days prior to the election of Directors. Any Member of the Association may nominate prospective candidates for the Board, including self-nomination. Such nominations shall be made only from among the Members of the Association. The name of each prospective candidate shall be submitted in writing to the Board, or the nomination committee no later than the deadline established by the Board for such nominations. Nominations submitted after the deadline will not be considered or included on the slate of candidates to be presented to the membership for the election of Directors; however, the election ballots may include blanks to allow for write-in candidates. The Board shall prepare and announce the slate of candidates, which shall be delivered to Members concurrently with the Notice of Annual Meeting of the Association.

Section 5.2. Election. Directors shall be elected at the Annual Meeting of the Membership by the Members in accordance with these Bylaws. Each Lot shall be allocated as many votes as there are number of Directors to be elected. Cumulative voting is not permitted, so no more than one vote may be allocated to any one candidate. The person(s) receiving the largest number of votes up to the number of Directors to be elected, shall be elected. In the event of a tie vote in the election of Directors, the outcome of the vote will be determined by coin flip, unless one or more of the candidates withdraw, as applicable. Upon completion of the tabulation of ballots, the results shall be certified by the Board of Directors and announced to the Membership either at a meeting or by written notification to the Members.

ARTICLE VI. MEETINGS OF DIRECTORS

Section 6.1. Regular, Special, or Emergency Meetings. Except as otherwise provided in this Article, All meetings of the Board of Directors shall be conducted openly and with notices and agendas provided to the Members for those meetings that contain the information that is reasonably necessary to inform the Members of the matters to be discussed or decided and to ensure that members have the ability to speak after discussion of agenda items, but before a vote of the board of directors is taken. The provisions of this Article pertaining to Board Meetings shall be construed in favor of promoting and ensuring open meetings.

a) Regular Meetings. Regular meetings of the Board of Directors shall be held on a quarterly basis, at such place and hour as may be fixed from time to time by resolution of the Board. Should a meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day that is not a legal holiday.

b) Special Meetings. Special meetings of the Board of Directors may be held when called by the President, or by any two Directors, at such date, time, and place as shall be fixed by the person or persons authorized to call such Special Meeting of the Board of Directors.

c) Emergency Meetings. An emergency meeting of the Board may be called to discuss business or take action that cannot be delayed until the next regular or special meeting with advanced notice to the Members in accordance with this Article. The minutes of the emergency meeting shall state the reason necessitating the emergency meeting. The minutes of the emergency meeting shall be read and approved at the next regularly scheduled meeting of the Board of Directors.

Section 6.2. Notice of Meetings; Conduct of Meetings.

a) Notice. A written notice of the date, time, and place of any Board Meeting shall be made by the Secretary, or such other person designated by the Board, at least 48 hours in advance of the Meeting, to Members by newsletter, conspicuous posting, e-mail, or any other reasonable means as determined by the Board. The agenda for all Board meetings shall be sent with the notice to Members of the meeting. The failure of any member to receive actual notice of a meeting of the board of directors does not affect the validity of any action taken at that meeting.

b) Conduct of Meeting. At all meetings of the Board of Directors, the President, or in the President's absence the Vice President, or in the absence of both, a Chairman chosen by the Directors present, shall preside. The Secretary, or the Assistant Secretary, if any, or in their absence, any person appointed by the Chairman, shall act as Secretary of the meeting, who shall be responsible for taking the minutes of the meeting. The Board may establish reasonable restrictions on the number and duration of Members wishing to speak at any Board Meeting.

Any quorum of the Board that meets informally to discuss association business, including workshops, shall comply with the provisions of this Article without regard to whether the Board votes or takes any action on any matter at that informal meeting. A quorum of the Board may meet by means of a telephone or video conference, provided a mechanism is put in place to allow all Directors and Members to hear all parties who are speaking during the meeting.

Members, or their designated representatives, attending a Board meeting may audiotape or videotape those portions of Board meetings that are open. The Board cannot require advance notice of the audiotaping or videotaping. The Board may adopt reasonable rules governing the audiotaping and videotaping of open portions of Board meetings, but such rules shall not preclude such audiotaping or videotaping by Members or their designated representatives, unless the Board audiotapes or videotapes the meeting and makes the unedited audiotapes or videotapes available to members on request without restrictions on its use as evidence in any dispute resolution process.

Section 6.3. Quorum. A majority of the Directors shall constitute a quorum for the transaction of business. 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 as the act of the Board.

Section 6.4. Closed Meetings. Any meeting of the Board, or portion of a meeting, may be closed to the Members if that closed meeting, or portion of the meeting, is limited to consideration of one or more of the following:

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

b) Pending or contemplated litigation.

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

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

e) Discussion of a Member's appeal or dispute of any violation cited or penalty imposed by the Association.

Before entering into any closed portion of a meeting, or in the notice of a meeting that will be closed in accordance with this Article, the Board shall state that A.R.S. 33-1804 and the Bylaws authorize the closed meeting, or portion of the meeting, and shall identify the paragraph above that applies to the purpose of the closed meeting or portion of the meeting.

Section 6.5. Action Taken Without a Meeting. Any action which may be taken at an Emergency Meeting of the Board of Directors may be taken without such a meeting, if all Members of the Board of Directors consent thereto in writing (including email), and the writing or writings are filed with the minutes of the proceedings of the Board of Directors.

ARTICLE VII.
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 7.1. Powers. The Board of Directors shall have the power to:

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

b) Suspend the voting rights of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations; ...

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

d) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties, except that an attorney or other representative may not be hired to bring an action on behalf of the Association against any person or organization in any court or administrative hearing or before any governmental body, unless at a meeting of the Members said action is approved by more than fifty percent (50%) of all of the total votes entitled to be cast by members of the Association entitled to vote.

Section 7.2. Duties. It shall be the duty of the Board of Directors to:

a) Supervise all officers, agents, and employees of this Association, and to see that their duties are properly performed.

b) As more fully provided in the Declaration, to:

- 1) Fix the amount of the annual assessment against each Lot;
- 2) Send written notice of each assessment to every Owner; and
- 3) Foreclose the lien against any property for which assessments are not paid or to bring an action at law against the Owner personally obligated to pay the same;

c) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates;

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

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

- f) Cause the Common Area and all other areas for which the Association is responsible to be maintained; and
- g) Maintain all commonly-used equipment; and
- h) Provide resale disclosure materials upon receipt of notice of a pending sale of a Lot in accordance with A.R.S. 33-1806, as amended from time to time.

**ARTICLE VIII.
OFFICERS AND THEIR DUTIES**

Section 8.1. Enumeration of Offices. The standing officers of this Association shall be a President, a Vice President, a Treasurer, a Secretary, who must all be Directors.

Section 8.2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 8.3. Terms of Office. The officers of this Association shall be elected annually by the Board, and each shall hold office for one (1) year, unless he/she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 8.4. Special Appointments. The Board may elect such other officers from among the Members as the affairs of the Association may require; each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine. Such other officers do not need to be Directors. Any officers who are not Directors may attend all Board Meetings and participate fully in discussion of all Association business; however, they do not vote with the Directors.

Section 8.5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time, giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice, or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 8.6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he/she replaces.

Section 8.7. Multiple Offices. The offices of Vice President and Treasurer may be held by the same person. No person shall simultaneously hold more than one office except in the case of special offices pursuant to Section 8.4.

Section 8.8. Duties. The duties of the officers are as follows:

(a) President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments, and shall co-sign all promissory notes.

(b) Vice President. The Vice President shall act in the place and stead of the President in the event of his absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.

(c) Secretary. The Secretary shall record the votes, keep the minutes of all meetings and proceedings of the Board, and of the Members; 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 shall perform such other duties as required by the Board.

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association, and shall disburse such funds as directed by resolution of the Board of Directors, provided, however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board, shall sign all checks and promissory notes of the Association, keep proper books of account, cause an annual audit of the Association books to be made at the completion of each fiscal year, and shall prepare an annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE IX. COMMITTEES

Section 9.1. Standing Committees. The standing committees of the Association shall be:

- a) Nominating Committee
- b) Maintenance\Landscaping Committee
- c) Financial Review Committee
- d) Architectural Committee

Unless otherwise provided herein, each committee shall consist of a chairperson and two or more members. The committees shall be appointed by the Board of Directors within thirty (30) days following each annual meeting to serve until their successors are appointed. The Board of Directors may appoint such other committees, as it deems desirable.

Section 9.2. Nominating Committee. The Nominating Committee shall have the duties and functions as described in Article V of these Bylaws.

Section 9.3. Maintenance Committee. The Maintenance Committee shall advise the Board of Directors on all matters pertaining to the maintenance, repair, or improvement of the common property of the Association and shall perform other functions as the Board, in its discretion, determines.

Section 9.4. Financial Review Committee. The Financial Review Committee shall perform an annual analysis of the Association's books and other financial records and approve the financial statements to be presented to the Members at the annual meeting.

Section 9.5. Architectural Committee. The Architectural Committee shall be composed of a minimum of three (3) members, all of whom must be Members of the Association, including a chairperson, who must also be a Director. The Architectural Committee shall have such powers and duties as are set forth in the Declaration.

ARTICLE X. DIRECTOR CONFLICTS OF INTEREST

Section 10.1. Nature of Conflict. A Director shall declare a conflict of interest for any contract, decision, or other action for compensation taken by or on behalf of the Board, that would benefit any of the following people or entities:

- a) that Director; or
- b) any person who is a parent, grandparent, spouse, child, sibling or co-resident of that Director, or a parent or spouse of any of those persons; or
- c) any corporation, partnership, association, or other organization in which that Director is a director, officer, chairman, committee member, or employee, or a parent, spouse, or co-resident of any of those persons; or
- d) any corporation, partnership, association, or other organization in which that Director, or any person who is a parent, grandparent, spouse, child, sibling, or co-resident of that Director, or a parent, spouse, or co-resident of any of those persons, has a financial interest.

The conflicted Director shall declare the conflict in an open meeting of the Board before the Board discusses or takes action on that issue. Upon declaration of the conflict in compliance with this Section, the conflicted Director may then vote on that issue. Any contract entered into in violation of this Section is void and unenforceable.

Section 10.2. Determining Quorum. The conflicted Directors may be counted in determining the presence of a quorum at the Board meeting anticipated and governed by this Article.

ARTICLE XI.
INDEMNIFICATION; INSURANCE

Section 11.1. Indemnification. To the fullest extent permitted by Arizona law, every Director, Officer or Committee Member of the Association who is employed, appointed or acts as such by the Association shall be indemnified by the Association, and every other person serving as a Director, Officer, Committee Member, employee, volunteer or direct agent of the Association, or otherwise acting on behalf of, and at the request of the Association, who is named as a plaintiff or defendant in threatened, pending or completed litigation, shall be indemnified by the Association. Such indemnification shall include without limitation, all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon such persons in connection with any proceeding to which they may be a party, or in which they may become involved, by reason of being or having served in such capacity on behalf of the Association or any settlement thereof, whether or not as a Director, Officer or Committee Member or serving in such other capacity at the time such expenses are incurred. Such indemnification shall be available only if such Officer, Director, Member of a Committee, or other persons acted, or failed to act, in good faith and in a manner they reasonably believed to be in or not opposed to the best interests of the Association and, with respect to a criminal proceeding, had reasonable cause to believe their conduct was lawful. The Association has the right to refuse to indemnify any person to whom indemnification would otherwise be provided if that person unreasonably refuses to permit the Association, at its own expense and through counsel of its own choosing, to provide a defense in the action.

Section 11.2. Right Not Exclusive. The right of indemnification hereinabove provided shall not be exclusive of any rights to which any Director or Officer of the Association may otherwise be entitled at law.

Section 11.3. Director's and Officer's Insurance. The Association shall have the power to purchase insurance on behalf of any person who is or was a Member, Director, Officer, employee or agent of the Association against any liability asserted against such person or incurred by such person in any such capacity or arising out of such person's status, whether or not the Association would have the power to indemnify such person against such liabilities under this Article.

Section 11.4. Bonding. At the Board's discretion, any Officers, Directors, Committee Chairs, employees, managers, and other agents who are in any way involved in the handling of Association funds, shall be bonded or insured in a sum to be determined by the Board of Directors.

ARTICLE XII.
BOOKS AND RECORDS

Section 12.1. Inspection. Except as otherwise provided in this Article, all financial and other records of the Association shall be made reasonably available for examination by any

Member or any person designated by the Member in writing as the Member's representative. The Association shall not charge a Member or any person designated by the Member in writing for making material available for review. The Association shall have ten (10) business days to fulfill a request for examination. On request for purchase of copies of records by any Member or any person designated by the Member in writing as the Member's representative, the Association shall have ten (10) business days to provide copies of the requested records. The Association may charge a fee for making copies of not more than fifteen cents (\$0.15) per page.

Section 12.2. Exceptions. Books and records kept by or on behalf of the Association and the Board may be withheld from disclosure to the extent that the portion withheld relates to any of the following:

- a) Privileged communication between an attorney for the association and the association.
- b) Pending litigation.
- c) Meeting minutes or other records of a session of a Board meeting that is not required to be open to all members pursuant to Arizona law and these Bylaws.
- d) Personal, health or financial records of an individual Member of the Association, an individual employee of the Association or an individual employee of a contractor for the Association, including records of the Association directly related to the personal, health or financial information about an individual Member of the Association, an individual employee of the Association or an individual employee of a contractor for the Association.
- e) Records relating to the job performance of, compensation of, health records of or specific complaints against an individual employee of the association or an individual employee of a contractor of the Association who works under the direction of the Association.

The Association shall not be required to disclose financial and other records of the Association if disclosure would violate any state or federal law.

ARTICLE XIII. AMENDMENTS; CONFLICTS

Section 13.1. Amendment. In accordance with the Articles of Incorporation, amendments to these Bylaws may be made by the Board of Directors, subject to amendment or repeal by the vote of Members holding at least three-fourths (3/4) of the total votes of the membership entitled to vote be cast.

Section 13.2. Conflicts with other Governing Documents. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

Section 13.3. Conflicts with other Laws. These Bylaws incorporate applicable Federal and State law as of the date of these Bylaws, and any future changes to said laws from time to time. In case of conflict, Federal and State law shall take precedence over these Bylaws, unless said Federal or State law defers or otherwise subordinates itself to the Declaration, Articles of Incorporation, or these Bylaws

**ARTICLE XIV.
FISCAL YEAR**

The fiscal year of the Association shall begin on the first day of January and end on the last day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, the undersigned hereby certify that these Amended and Restated Bylaws were approved by the Board of Directors of SAN IGNACIO VILLAS, INC., at a duly held Board of Director’s meeting on February 4, 2025.

SAN IGNACIO VILLAS, INC., an Arizona non-profit corporation

By: _____

Its: President

ATTEST:

By: _____

Its: Secretary