

**AMENDED AND RESTATED BYLAWS  
OF  
PINNACLE PEAK SHADOWS HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I: GENERAL PROVISIONS**

**1.1 Defined Terms.** Capitalized terms used in the Bylaws without definition shall have the meanings specified for such terms in the Declaration of Restrictions for Pinnacle Peak Shadows, including any amendments thereto (the "Declaration").

**1.2 Principal Office.** The principal office of the Association shall be located at such place as may be designated from time to time by the Board of Directors or Arizona law. Meetings of the Members and the Board of Directors may be held at the principal office of the Association or at such other place as may be designated by the Board of Directors.

**1.3 Designation of Fiscal Year.** The fiscal year of the Association shall begin on the 1st day of January and end on the 31st day of December of each year.

**1.4 Books and Records.** The Association shall maintain a complete set of books and records of account. The Members may inspect the Association's books and records in accordance with A.R.S. § 33-1805, as may be amended from time to time. In addition, the Board of Directors shall provide for an annual financial audit, review or compilation of the Association's records in accordance with Arizona law.

**1.5 Amendment.** The Bylaws may be amended by the affirmative vote or written consent, or any combination thereof, of Members holding at least fifty-one percent (51%) of the votes in the Association.

**1.6 Conflicting Provisions.** 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; and in the case of any conflict between the *Arizona Revised Statutes* and these Bylaws, the *Arizona Revised Statutes* shall control.

**1.7 Open Meetings.** Meetings of the Members and the Board of Directors shall be held in accordance with the open meeting laws set forth in A.R.S. § 33-1804, as may be amended from time to time.

**ARTICLE II: MEETINGS OF MEMBERS**

**2.1 Annual Meeting.** An annual meeting of the Members shall be held at least once each calendar year. The date, time and place of each annual meeting of the Members shall be determined by the Board of Directors. The election of directors shall take place at the annual meeting.

**2.2 Special Meetings.** Special meetings of the Members may be called at any time by the President, a majority of the Board of Directors or upon written request of the Members having at least one-fourth (1/4) of the votes in the Association. The notice of any special meeting shall state the time and place of the meeting and the purpose thereof.

**2.3 Notice of Meetings.** Written notice of each meeting of the Members shall be given by, or at the direction of, the President, Secretary or any other person so authorized. The notice shall be provided by hand delivery or mail, postage prepaid, not fewer than ten (10) nor more than fifty (50) days before the meeting, to each Member at the address last appearing on the books of the Association or supplied by such Member to the Association for the purpose of such notice. The notice shall specify the date, time and place of the meeting, and in the case of a special meeting, the purpose of the meeting. If a meeting is adjourned, a notice of the new date, time and place of the meeting is not required if the new date, time or place was announced at the meeting before adjournment. The failure of any Member to receive actual notice of a meeting does not affect the validity of any action taken at the meeting.

**2.4 Quorum.** The presence in person or by absentee ballot of Members entitled to cast ten percent (10%) of the total votes in the Association shall constitute a quorum at all meetings of the Members. If a quorum shall not be present at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting until a quorum shall be present.

**2.5 Voting.** The Association shall provide for votes to be cast in person and by absentee ballot and may provide for voting by any other means allowed by law. Votes cast by absentee ballot are valid for the purpose of establishing a quorum. Unless otherwise provided in the Articles of Incorporation, the Declaration or Arizona law, if a quorum is present at a meeting of the Members, the affirmative vote of a majority of the votes represented and voting is the act of the Members.

**2.6 Action by Written Consent.** In accordance with A.R.S. § 10-3704, as may be amended from time to time, the Members may approve any action required or permitted by law that requires the Members' approval without a meeting of the Members if the action is approved by the requisite number of Members under the Articles, Bylaws or Declaration, and such action is evidenced by the written consent of the Members.

**2.7 Suspension of Voting Rights.** In the event any Member of the Association is in arrears in the payment of any assessment, monetary penalties or other fees and charges due under the terms of the Declaration for a period of fifteen (15) days, the Member's right to vote shall be automatically suspended and shall remain suspended until all payments are brought current, and for a period not to exceed sixty (60) days for any infraction of the Declaration or the rules and regulations of the Association.

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

**3.1 Number.** The affairs of the Association shall be managed by a Board of Directors. The minimum number of directors shall be three (3) and the maximum number of directors shall be eleven (11), all of whom must be Members of the Association. The Board may increase or decrease the number of directors prescribed by this section, but the number of directors must always be an odd number. No reduction in the number of directors shall affect the remaining term of any previously elected director. If the number of directors is increased by the Board, the person appointed to fill the vacancy created by the new directorship shall serve until the next annual meeting of the Members, at which time the Members shall elect the director.

**3.2 Term of Office.** At each annual meeting, the Members shall elect directors to replace those directors whose terms have expired and all such directors shall serve a term of two (2) years. A director shall continue to hold office until the director's successor is elected or appointed, or until the director's resignation or removal.

**3.3 Removal or Resignation.** The Members may remove a director in accordance with the procedures set forth in A.R.S. § 33-1813, as may be amended from time to time. A director may resign at any time by delivering written notice to the Board of Directors, the President or the Secretary. A resignation is effective when the notice is delivered unless the notice specifies a later effective date or event.

**3.4 Vacancies.** In the event of the death, disability or resignation of a director, the Board of Directors may declare a vacancy and appoint a successor by the affirmative vote of a majority of the remaining directors (even if less than a quorum or by a sole remaining director), and any director so appointed shall serve the remainder of the unexpired portion of the prior director's term. In the event that a director is removed, the Members shall elect a successor to serve the remainder of the unexpired portion of the prior director's term.

**3.5 Compensation.** No director shall receive compensation for any service he/she may render to the Association. However, a director may be reimbursed for the actual expenses incurred in the performance of his/her duties.

**3.6 Regular Meetings.** Regular meetings of the Board of Directors may be held at such date, time and place as shall be determined by the Board. Written notice of the meeting shall be given by hand delivery, mail or email to the directors. Such notice shall specify the date, time and place of the meeting. Any director may waive notice of the meeting.

**3.7 Special Meetings.** Special meetings of the Board of Directors may be called by the President or by any two (2) directors, after not less than two (2) days notice to each director. Written notice of the meeting shall be given by hand delivery, mail or email to the directors. Such notice shall specify the date, time, place and purpose of the meeting. Any director may waive notice of the meeting.

**3.8 Notice of Meetings.** Notice of meetings of the Board of Directors shall be given to the Members of the Association at least forty eight (48) hours in advance of the meeting by newsletter, website, conspicuous posting or any other reasonable means as determined by the Board of Directors. If a meeting is adjourned, a notice of the new date, time and place of the meeting is not required if the new date, time or place was announced at the meeting before adjournment. The failure of any Member to receive actual notice of a meeting does not affect the validity of any action taken at the meeting.

**3.9 Quorum.** A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board. If a quorum shall not be present at any meeting, a majority of the directors present may adjourn the meeting from time to time until a quorum shall be present.

**3.10 Voting.** Unless otherwise provided in the Declaration or Arizona law, every act or decision done or made by a majority of the directors present at a meeting in which a quorum is present shall be regarded as the act of the Board.

**3.11 Powers and Duties.** The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may take such actions as are allowed by law or authorized under the Declaration. The Board may do or cause to be done any act which the Declaration does not direct to be done by the Members. The Board shall have the power to adopt rules and regulations governing the use of the Common Area and the Lots.

**3.12 Committees of the Board.** Unless otherwise provided for in the Declaration, the Board of Directors may create one or more committees and may appoint persons to serve on those committees. The committees shall consist of Members of the Association. Any such committees shall be advisory only and shall not have the power to exercise any authority of the Board.

**3.13 Nominating Committee.** The Board of Directors may appoint a nominating committee for nomination of Members to serve on the Board. The nominating committee shall consist of a member of the Board and two (2) or more Members of the Association. The nominating committee shall make as many nominations for election to the Board of Directors as it shall deem necessary, but no less than the number of vacancies that are to be filled. Such nominations may only include Members of the Association.

#### **ARTICLE IV: OFFICERS**

**4.1 Enumeration of Officers.** The principal officers of the Association shall be the President, Vice-President, Secretary and Treasurer. All officers shall be elected by the Board of Directors and must be members of the Board.

**4.2 Election of Officers.** The election of officers shall take place at the first meeting of the Board following each annual meeting of the Members.

**4.3 Terms.** The officers of the Association shall be elected annually by the Board of Directors and shall hold office for a term of one (1) year, unless they shall sooner resign, or shall be removed, or otherwise disqualified to serve.

**4.4 Resignation and Removal.** Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, 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.

**4.5 Vacancies.** A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the unexpired portion of the prior officer's term.

**4.6 Compensation.** No officer shall receive compensation for any service he/she may render to the Association. However, an officer may be reimbursed for the actual expenses incurred in the performance of his/her duties.

**4.7 Powers.** The officers shall have such powers and perform such duties as allowed by law and as may from time to time by specified in resolutions or other directives of the Board of Directors. To the extent that such powers and duties are not assigned or delegated to a Managing Agent, the powers and duties of the officers shall be as follows:

**President.** The President shall be the chief executive officer of the Association; shall preside at all meetings of the Members and the Board of Directors; and shall have such powers and duties which are normally vested in the office of the President.

**Vice-President.** The Vice-President shall act in the place and stead of the President in the event of his/her absence, inability or refusal to act; and shall have such powers and duties as may be imposed upon him/her by the Board of Directors or which are normally vested in the office of the Vice-President.

**Secretary.** The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and the Members; shall serve notices of meetings and keep current records evidencing the Members of the Association; and shall have all such powers and duties as may be imposed upon him/her by the Board of Directors or which are normally vested in the office of the Secretary.

**Treasurer.** The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds for appropriate Association purposes as set forth in the Declaration; shall keep proper books of account; shall prepare an annual budget and a statement of income and expenditures; and shall have all such powers and duties as may be imposed upon him/her by the Board of Directors or which are normally vested in the office of the Treasurer.

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The President of the Association hereby certifies that the Amended and Restated Bylaws were approved by a vote of seventy-five percent (75%) of the Members present at a regular or special meeting of the Members held on February 01, 2016.

**Pinnacle Peak Shadows Homeowners Association, Inc.**

John E. Schuler

Date: February 02, 2016

By: John E. Schuler  
Its: President