

AMENDED AND RESTATED BYLAWS

OF

**GREEN VALLEY FAIRWAYS
PROPERTY OWNERS ASSOCIATION
an Arizona non-profit corporation**

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1 **ARTICLE I**
2 **INTRODUCTION**
3

4 **1.1 Amendment and Restatement of Bylaws.** These Amended and Restated
5 Bylaws (these "Bylaws") of Green Valley Fairways Property Owners Association, an Arizona
6 nonprofit corporation (the "Association"), hereby amend and restate in their entirety all
7 previous Bylaws of the Association. However, prior acts and actions taken in accordance with
8 prior Bylaws are hereby validated and saved following adoption of these Bylaws. Any reference
9 herein made to the Association's Bylaws will be deemed to refer to these Bylaws.

10 **1.2 Declaration.** The use of Green Valley Fairways for the benefit of the Members is
11 governed by that certain *Amended Declaration of the Establishments of Covenants, Conditions*
12 *and Restrictions for Green Valley Fairways*, recorded on March 8, 2012, at Sequence
13 20120680250, office of the Pima County Recorder, (the "Declaration"). All references to the
14 Declaration shall include any amendments.

15 **1.3 Governing Documents.** The term "Governing Documents" shall refer to the
16 Declaration, the Articles, the Bylaws and the Rules.

17 **ARTICLE II**
18 **NAME, PRINCIPAL OFFICE, AND DEFINITIONS**

19 **2.1 Name.** The name of the corporation is Green Valley Fairways Property Owners
20 Association (the "Association").

21 **2.2 Principal Office.** The principal office of the Association shall be located in Pima
22 County, Arizona.

23 **2.3 Definitions.** The words used in these Bylaws shall be given their normal,
24 commonly understood definitions. Capitalized terms shall have the same meaning as set forth
25 in the Declaration, unless the context indicates otherwise.

26 **ARTICLE III**
27 **ASSOCIATION: MEMBERSHIP, MEETING, QUORUM, VOTING, PROXIES**

28 **3.1 Membership.**

29 3.1.1. **Eligibility.** Each Owner of a Lot, by virtue of being an Owner, shall
30 automatically be a Member of the Association.

1 3.1.2. Appurtenant to Lot Ownership. Membership in the Association shall be
2 appurtenant to each Lot owned and shall not be transferred, pledged, or alienated in any way,
3 except upon the transfer of ownership to a Lot, and then only to the transferee thereof. Upon
4 any transfer of ownership of a Lot, said membership shall automatically pass to the new Owner.
5 Any attempted transfer of membership separate from the appurtenant Lot or Lots shall be void.

6 **3.2 Place of Meetings**. Meetings of the Association shall be held at a suitable place
7 within Green Valley, Arizona as the Board may designate.

8 **3.3 Annual Meetings**. The Members shall meet at least annually with such annual
9 meeting to be held in February of each year on a date and at a time set by the Board. At this
10 meeting, the Board of Directors shall be elected and the reports of officers and committees will
11 be presented, in addition to any other business that may be on the agenda.

12 **3.4 Special Meetings**. The President may call special meetings. In addition, it shall
13 be the duty of the President to call a special meeting if so directed by resolution of the Board or
14 upon a written petition signed by Members representing at least 10% of the votes in the
15 Association, except as otherwise provided in Arizona law. The petition shall state the
16 purpose(s) of the proposed meeting, and the business transacted at the special meeting shall
17 be confined to the purpose(s) stated in the petition. The close of business on the day before
18 delivery of the petition for a special meeting shall be the record date for the purpose of
19 determining whether the demand for the special meeting has been signed by Members having
20 at least 10% of the votes.

21 **3.5 Notice of Meetings**. A notice stating the place, day, and hour of any annual or
22 special meeting of the Members shall be delivered, either personally, by first class mail, by
23 electronic mail or facsimile, to each Member entitled to vote at such meeting, not fewer than
24 fifteen (15) or more than fifty (50) days before the date of such meeting, by or at the direction
25 of the President or the Secretary or the officers or persons calling the meeting.

26 In the case of a special meeting or when otherwise required by statute or these Bylaws,
27 the purpose(s) for which the meeting is called shall be stated in the notice. No business shall be
28 transacted at a special meeting except as stated in the notice.

29 Any notice required by these Bylaws will be effective and deemed to be delivered upon
30 receipt when delivered personally; three (3) days after deposit in the United States Postal
31 Service when mailed; one (1) business day after pick-up by the courier service when sent by
32 overnight courier, properly addressed and prepaid; and on the business day after the date of
33 the sender's electronic confirmation or receipt when sent by facsimile transmission. If sent by
34 electronic mail, the notice shall be deemed delivered when sent to the intended recipient's

1 electronic mail address and not returned to sender as “undeliverable” through the electronic
2 mail server.

3 Notices will be sent to the addresses, facsimile numbers or electronic mail addresses
4 last appearing on the records of the Association.

5 **3.6 Waiver of Notice.** Waiver of notice of a meeting of the Members shall be
6 deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any
7 meeting of the Members, either before or after such meeting. Attendance at a meeting by a
8 Member shall be deemed waiver by such Member of notice of the time, date, and place
9 thereof, unless such Member specifically objects to lack of proper notice at the time the
10 meeting is called to order. Attendance at a special meeting also shall be deemed waiver of
11 notice of all business transacted at such meeting unless an objection on the basis of lack of
12 proper notice is raised before the business is put to a vote.

13 **3.7 Voting Rights.** No change in Membership shall be effective for voting purposes
14 until the Board receives written notice of such change. There shall be one vote for each Lot,
15 whether owned by one or more Persons. The vote for each Lot must be cast as a single vote.
16 Fractional votes shall not be allowed. In the event that a Lot is owned by more than one Person
17 and such Owners are unable to agree as to how their vote shall be cast, they shall not be
18 entitled to vote on the matter in question. If any Owner casts a vote representing a certain Lot,
19 he/she will be conclusively presumed to be acting with the authority and consent of all other
20 owners of the same Lot unless written objection is made to the Board at or prior to the time the
21 vote is cast. In the event that more than one Person casts or attempts to cast a vote for a
22 particular Lot, all such votes shall be deemed void.

23 **3.8. Suspension of Voting Rights.** If a Member is more than 30 days’ delinquent in
24 the payment of assessments, his right to vote shall be suspended until the account is brought
25 current.

26 **3.9 Voting Procedures.**

27 **3.9.1 Proxies.** Members may not vote by proxy, but only in person or by
28 absentee or written ballot as provided in this Section 3.8.

29 **3.9.2 Voting at Meetings.** Votes shall be cast in person or by absentee ballot
30 at any meeting of the Association. When absentee ballots are used, the following procedure
31 shall apply:

32 **3.9.2.1** The ballot shall set forth each proposed action to be taken at
33 the meeting.

- 1 3.9.3.3 All solicitations for votes by written ballot shall:
- 2 (A) Indicate the number of responses needed to meet the
- 3 quorum requirements.
- 4 (B) State the percentage of approvals necessary to approve
- 5 each matter other than election of Directors.
- 6 (C) Specify the time by which a ballot must be delivered to the
- 7 Association in order to be counted, which time shall not be
- 8 fewer than ten (10) days after the date that the
- 9 Association delivers the ballot.

10 3.9.3.4 The determination of eligibility and tabulation of votes shall

11 proceed under the supervision of the Nominating

12 Committee as hereinafter provided.

13 3.9.4 Voting shall proceed under supervision of the Nominating Committee.

14 3.9.4.1 The Nominating Committee shall be in attendance at all times

15 during voting tabulation and during check-in at any meeting of Members,

16 and the Committee designee(s) shall verify whether a Member is eligible

17 to vote; and shall issue all of the official ballots. In addition, some or all of

18 the Committee members shall witness the placing of the ballots into the

19 ballot box at any meeting and the opening of absentee or written ballots.

20 3.9.4.2 The ballots shall remain sealed until the voting is closed, at

21 which time they shall be opened and the votes tabulated.

22 3.9.4.3 Upon completion of the tabulation of ballots, the results shall

23 be certified to the Board of Directors by the Nominating Committee and

24 announced to the Membership either at a meeting or, if written ballots

25 are used in the absence of a meeting, by written notification to the

26 Members.

27 3.9.4.4 In the event of a tie vote, there shall be coin toss solely for the

28 purpose of breaking the tie.

29 3.9.5 Majority. As used in these Bylaws, the term "majority" shall mean those

30 votes, Members, Owners, or other groups as the context may indicate totaling more than 50%

31 of the total eligible number [i.e., 50% + 1].

1 4.3.2. Election Procedures. Each Member may vote by written ballot for each
2 position to be filled from the slate of candidates for the election. There shall be no cumulative
3 voting and there shall be a space on the ballot for a write-in vote for each open position on the
4 Board. The number of candidates equal to the number of positions to be filled receiving the
5 greatest number of votes shall be elected. Directors may be elected to serve any number of
6 consecutive terms.

7
8 **4.4. Term of Office.** Notwithstanding any other provisions of these Bylaws, each
9 elected Director shall serve for a term of three (3) years. The terms of the Directors shall be
10 staggered so that there are continuing Directors each year. Upon the expiration of the term of
11 office of each Director elected by the Members, the Members entitled to elect such Director
12 shall be entitled to elect a successor. Directors shall hold office until their respective successors
13 have been elected and qualified. If there is a possibility of no staggered terms in any election
14 year, the Board may adopt reasonable rules and regulations governing the Nominating
15 Committee's procedures for the upcoming election, including a modification of terms for some
16 of the newly-elected Directors so that staggered terms will be restored.

17 **4.5. Removal of Directors and Vacancies.**

18 4.5.1 The Members, by a majority vote of Members entitled to vote and voting
19 on the matter at a meeting of the Members called pursuant to these Bylaws, at which a quorum
20 is present, may remove any Director from the Board with or without cause. For purposes of
21 calling for removal of a Director by the Members, the following apply:

22 4.5.1.1. On receipt of a petition that calls for removal of a Director and
23 that is signed by the Members entitled to cast at least 25% of
24 the votes in the Association, the Board shall call and provide
25 written notice of a special meeting of the Association as
26 prescribed by these Bylaws.

27 4.5.1.2. The special meeting shall be called, noticed and held within
28 thirty (30) days after the Board's receipt of the petition. The
29 quorum requirement for this special meeting is 20% of the
30 votes in the Association.

31 4.5.1.3. If a civil action is filed regarding the removal of a Director, the
32 prevailing party in the civil action shall be awarded its
33 reasonable attorney fees and costs.

34 4.5.1.4. The Board shall retain all documents and other records
35 relating to the proposed removal of any Director for at least
36 one (1) year after the date of the special meeting and shall

1 permit Members to inspect those documents and records
2 pursuant to these Bylaws and applicable law.

3 4.5.1.5. A petition that calls for the removal of the same Director shall
4 not be submitted more than once during each term of office
5 for that Director.

6 4.5.2 If fewer than all of the Directors are removed, the remaining Directors
7 shall appoint a successor to fill each vacancy for the remainder of the term. If all of the
8 Directors are removed, before leaving office, they shall direct the Nominating Committee to
9 organize an election to replace the removed Directors, and shall remain in office (but shall take
10 no action other than to maintain the reasonable and necessary day-to-day operations of the
11 Association) until the replacement Directors are elected and qualified.

12 4.5.3 Any Director who has three (3) consecutive unexcused absences from
13 Board meetings, or is more than ninety (90) days delinquent (or is the representative of a
14 Member who is delinquent) in the payment of any assessment or other charge due the
15 Association, without being excused by the President for good cause, shall be deemed to have
16 resigned from office and the Board may appoint a successor to fill the vacancy for the
17 remainder of the term.

18 4.5.4 In the event of the death, disability, or resignation of a Director, the
19 Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual
20 meeting, at which time the Members entitled to fill such Directorship may elect a successor for
21 the remainder of the term.

22 4.5.5 Any Director who the Board appoints shall be selected from among
23 Members.

24 **4.6. Board Meetings.**

25 4.6.1 Regular Meetings. Regular meetings of the Board shall be held at such
26 time and place, within the State, as a majority of the Directors shall determine, but at once a
27 calendar month. Regular meetings in June, July, and August may be suspended by a 2/3rds
28 vote of the Board.

29 4.6.2 Special Meetings. Special meetings of the Board shall be held when
30 called by written notice signed by the President or Vice President or by any two (2) Directors
31 with at least three (3) days' notice to each Director. If an urgent need for action arises, the
32 foregoing notice provision does not apply.

1 **4.7. Notice; Waiver of Notice.**

2 4.7.1 Notice of regular meetings of the Board of Directors shall specify the time
3 and place of the meeting and, in the case of a special meeting, the nature of any special
4 business to be considered. The notice shall be given to each Director by: (i) personal delivery;
5 (ii) first class mail, postage prepaid; (iii) telephone communication, either directly to the
6 Director or to a person at the Director's office or home who would reasonably be expected to
7 communicate such notice promptly to the Director; (iv) electronic mail with confirmation of the
8 transmission or (v) telephone facsimile with confirmation of transmission. All such notices shall
9 be given at the Director's telephone number or sent to the Director's address as shown on the
10 records of the Association. Notices sent by first class mail shall be deposited into a United
11 States mailbox at least four (4) business days before the time set for the meeting. Notices given
12 by personal delivery, telephone, electronic mail or facsimile shall be delivered, telephoned or
13 transmitted by telephone at least seventy-two (72) hours before the time set for the meeting.

14 4.7.2 The transaction of any meeting of the Board, however called and noticed
15 or wherever held, shall be as valid as though taken at a meeting duly held after regular call and
16 notice if (i) a quorum is present, and (ii) either before or after the meeting each of the Directors
17 not present signs a written waiver of notice, a consent to holding the meeting, or an approval
18 of the minutes. The waiver of notice or consent need not specify the purpose of the meeting.
19 Notice of a meeting shall also be deemed given to any Director who attends the meeting
20 without protesting before or at its commencement about the lack of adequate notice.

21 **4.8. Telephonic Participation in Meetings.** Members of the Board or any committee
22 designated by the Board may participate in a meeting of the Board or committee by means of
23 conference telephone or similar communications equipment, by means of which all persons
24 participating in the meeting can hear each other. Participation in a meeting pursuant to this
25 subsection shall constitute presence in person at such meeting.

26 **4.9. Quorum of Board of Directors.** At all meetings of the Board, a majority of the
27 Directors shall constitute a quorum for the transaction of business, and the vote of a majority of
28 the Directors present at a meeting at which a quorum is present shall constitute the decision of
29 the Board, unless otherwise specifically provided in these Bylaws or the Declaration. If any
30 meeting of the Board cannot be held because a quorum is not present, a majority of the
31 Directors present at such meeting may adjourn the meeting to another time. At the
32 reconvened meeting, if a quorum is present, any business which might have been transacted at
33 the meeting originally called may be transacted without further notice.

34 **4.10. Compensation.** Directors shall not receive any compensation from the
35 Association for acting as such. Any Director may be reimbursed for expenses incurred on behalf

1 of the Association. Nothing herein shall prohibit the Association from compensating a Director,
2 or any entity with which a Director is affiliated, for services or supplies furnished to the
3 Association in a capacity other than as a Director, pursuant to a contract or agreement with the
4 Association, provided that such Director's interest was made known to the Board prior to
5 entering into such contract and such contract was approved by a majority of the Board of
6 Directors, excluding the interested Director.

7 **4.11. Action without a Meeting.** Any action that may be taken or is to be taken at a
8 meeting of the Directors may be taken without a meeting if a consent in writing, setting forth
9 the action so taken, is signed by all of the Directors, and such consent shall have the same force
10 and effect as a unanimous vote. Such consents may be submitted via e-mail or fax, and signed
11 in counterparts. Such consents shall be announced at and filed with the minutes of the next
12 Board meeting. Action without a meeting may be taken only when it is not possible to
13 assemble a quorum for a meeting or Board action is required for immediate Association
14 business.

15 **4.12. Powers and Duties.**

16 **4.12.1 Powers.** The Board of Directors shall have all of the powers and duties
17 necessary for the administration of the Association's affairs and for performing all
18 responsibilities and exercising all rights of the Association as set forth in the Declaration, these
19 Bylaws, the Articles, and as provided by law. The Board may do or cause to be done all acts and
20 things which the Declaration, Articles, these Bylaws, or State laws do not prohibit or direct to
21 be done and exercised exclusively by the membership generally. The powers of the Board
22 include but are not limited to the following:

- 23
- 24 4.12.1.1 Direct, control, manage and supervise the business and affairs
25 of the Association;
 - 26 4.12.1.2 Enforce all applicable provisions of the Governing Documents;
 - 27 4.12.1.3 Make and publish architectural and design standards, and
28 rules and regulations within the authority set forth in the
29 Governing Documents, and to establish penalties for the
30 infraction thereof. There shall be copies of the complete
31 architectural and design standards, and rules and regulations
32 available for purchase or inspection by any Member of the
33 Association upon request;
 - 34 4.12.1.4 Employ or terminate the services of any independent
35 contractor as the Board deems necessary, and to prescribe
36 their duties;

1 President and, when so acting, shall have all the powers of, and be subject to all the restrictions
2 upon, the President.

3 5.1.3 Secretary. The Secretary (or his or her designee) shall record the votes
4 and keep the minutes of all meetings and proceedings of the Board and of the Members;
5 provide notice of meetings of the Board and of the Members; keep appropriate current records
6 showing the Members of the Association together with their addresses, and shall perform such
7 other duties as required by the Board. The Secretary (or his or her designee) shall ensure that
8 all the proceedings of the membership, and the Board of Directors, are recorded in one or more
9 books kept for that purpose. The Secretary (or his or her designee) is the custodian of all
10 contracts, deeds, documents, all other indicia of title to properties owned by the Association
11 and of its corporate records (except accounting records). Upon request, the Secretary (or his or
12 her designee) shall make the records of the Association which are not in the custody of the
13 Treasurer, available for inspection, at all reasonable times to any Director or Member. All
14 records of the Association shall be kept and maintained at the Association's principal office.

15 5.1.4 Treasurer. The Treasurer is responsible for supervising all of the funds
16 and securities of the Association, official records, documents, ledgers and accounts involving
17 the financial business of the Association. All financial records and documents shall be kept and
18 maintained at the Association's principal office. The Treasurer shall see to it that the
19 Association's funds are deposited to the account of the Association in such bank(s) which are
20 federally insured. The Treasurer (or his or her designee) shall prepare the annual operating
21 budget for the Association. The Treasurer (or his or her designee) also shall issue financial
22 statements when required, and perform such other duties as ordinarily pertain to that office.
23 The Board of Directors may appoint an Assistant Treasurer who shall, in the absence or
24 incapacity of the Treasurer, have the powers, duties and the responsibilities of the Treasurer
25 except check signing). The Treasurer, except if unavailable, shall sign all checks and promissory
26 notes of the Association. Check signing authority may be delegated to the managing agent.

27 5.1.5 Bonding. At the Board's discretion, all officers, Directors, Committee
28 Chairs and members and employees, who are in any way involved in the handling of Association
29 funds, and any managerial or administrative personnel of the Association shall be bonded or
30 insured in a sum to be determined by the Board of Directors.

31 **5.2 Election and Term of Office**. The Board shall elect the officers of the Association
32 at the first meeting of the Board following each annual meeting of the Members, to serve until
33 their successors are elected.

34 **5.3 Removal and Vacancies**. The Board may remove any officer whenever in its
35 judgment the best interests of the Association will be served, and may fill any vacancy in any

1 **ARTICLE VII**
2 **INDEMNIFICATION OF DIRECTORS AND OFFICERS**

3 **7.1 Indemnification.** To the greatest extent provided by law, as provided in A.R.S.
4 §10-3850 *et seq.*, and except as provided in these Bylaws, the Association shall hold harmless
5 and indemnify each of its current and former Directors and Officers (hereinafter each is
6 individually referred to as an "Indemnitee") for, from and against any and all liability and
7 expenses incurred by the Indemnitee in connection with any threatened or actual proceeding
8 or legal action resulting from the Indemnitee's service to the Association or to another entity at
9 the Association's request.

10 **7.2 Exclusions.** Except insofar as permitted by law, the Association shall not
11 indemnify the Indemnitee if indemnification is prohibited by A.R.S. §10-3850 *et seq*
12 (Indemnification), or any successor thereto. In addition, the Association shall not indemnify the
13 Indemnitee for the following:

14 7.2.1 The amount of a financial benefit received by an Indemnitee to which the
15 Indemnitee is not entitled.

16 7.2.2 An intentional infliction of harm by the Indemnitee on the Association or
17 its members.

18 7.2.3 A violation of A.R.S. §10-3830 (General Standards for Directors) and/or
19 A.R.S. §10-3833 (Liability for Unlawful Distributions).

20 7.2.4 An intentional violation by the Indemnitee of criminal laws.

21 **7.3 Procedure.** The Indemnitee shall notify the Association promptly of the threat or
22 commencement of any proceeding or legal action with respect to which the Indemnitee intends
23 to seek indemnification and shall give the Association a reasonable opportunity to defend the
24 same at its own expense and with counsel reasonably satisfactory to the Indemnitee. The
25 Association shall be entitled to assume the Indemnitee's defense with counsel reasonably
26 satisfactory to the Indemnitee, unless the Indemnitee provides the Association with an opinion
27 of counsel reasonably concluding that there may be a conflict of interest between the
28 Indemnitee and the Association in the defense of the proceeding or legal action; or that there
29 may be legal defenses available to the Indemnitee which are different from or in addition to
30 those available to the Association; or if the Association shall, after receiving notice of the
31 Association's indemnification obligation and within a period of time necessary to preserve any
32 and all defenses to any claim asserted, fails to assume the defense or to employ counsel for
33 that purpose satisfactory to the Indemnitee, the Indemnitee shall have the right, but not the

1 obligation, to undertake the defense of, and to compromise or settle the claim or other matter
2 on behalf of, for the account of, and at the risk of, the Association. The Association shall be
3 responsible for the reasonable counsel fees, costs, and expenses of the Indemnitee in
4 conducting its defense.

5 **7.4 Expense Advances.** The Association shall advance expenses, including attorneys'
6 fees, incurred or to be incurred by the Indemnitee in defending a proceeding or legal action
7 upon receipt of notice and, if required by law, of an undertaking by or on behalf of the
8 Indemnitee. The Indemnitee shall repay all amounts advanced if it is ultimately determined by
9 final judicial decision (after expiration or exhaustion of any appeal rights) that the Indemnitee is
10 not entitled to be indemnified for such expenses. In addition, whether the Association pays for
11 the reasonable expenses or reimburses an Indemnitee, the Indemnitee must first provide the
12 Association with a written affirmation of the Indemnitee's good faith belief that he or she has
13 met the standard of conduct contained in A.R.S. §10-3830 (General Standards for Directors)
14 and/or A.R.S. §10-3851 (Authority to Indemnify), or that the proceeding involves conduct for
15 which liability has been eliminated pursuant to A.R.S. §10-3202(B)(1) (Articles of Incorporation).

16 **7.5 Settlement of Claims.** Neither the Association nor the Indemnitee will
17 unreasonably withhold consent to any proposed settlement. The Association shall not be
18 obligated to indemnify the Indemnitee for any amounts incurred in settlement, if settlement is
19 made without the Association's prior written consent. The Association shall not enter into any
20 settlement that would impose any penalty or limitation on the Indemnitee without the
21 Indemnitee's prior written consent.

22 **7.6 Insurance and Other Indemnification.** The Board of Directors shall have the
23 power to cause the Association: (A) to purchase and maintain, at the Association's expenses,
24 insurance on behalf of the Association and on behalf of others to the extent that power to do
25 so has been or may be granted by statute; and (B) to give other indemnification to the extent
26 permitted by law.

27 **7.7 Effect of Repeal.** In order that Officers and Directors may rely on the
28 indemnification promised by this Article VII, no repeal or amendment of this Article VII shall
29 reduce the right of the Indemnitee to payment of expenses or indemnification for acts of the
30 Indemnitee taken before the date of repeal or amendment.

31

32

33