

**SECOND AMENDED AND RESTATED BY-LAWS
OF
LOS LAGOS II HOMEOWNERS ASSOCIATION NO. 1
1700 MONTANA VISTA, LAKE HAVASU CITY, AZ 86403**

ARTICLE I

NAME AND LOCATION. The name of the Corporation is the Los Lagos II Homeowners Association No. 1, hereinafter referred to as the "Association." The principal office of the Corporation shall be located in Lake Havasu City, Arizona.

DEFINED TERMS. Unless otherwise provided, capitalized terms used herein shall have the meanings set forth in the Second Amended and Restated Declaration of Condominium Together With Covenants, Conditions and Restrictions, recorded at Fee No. 2018029401, records of Mohave County Arizona Recorder, and any amendments thereto (the "Declaration").

**ARTICLE II
MEETINGS OF THE MEMBERS**

Section 1. Meetings of the Association Members. Meetings of the Members of the Association shall be held, or originate, in the state of Arizona. Membership meetings are open to current Members of the Association, and shall comply with current Arizona statutory requirements regarding open meetings, notice, purpose, and quorum.

(a) Annual Meeting of the Members. The Annual Meeting of the Members of the Association shall be held on the third Thursday each February at 7:00 P.M. at a designated location, or on such other date as may be determined by the Board. The purpose of the Annual Meeting is to elect members to the Association's Board of Directors; to conduct Association business; and to allow the Members to address the Association. The Annual Meeting shall be conducted pursuant to Arizona Statute. Notice shall be given at least ten (10) but not more than thirty (30) days prior to the Annual Meeting date.

(b) Special Meetings of the Members. Special Meetings of the Members of the Association may be called at any time by the President or by a majority of the Board of Directors, or upon written request of a minimum of twenty five percent (25%) of the Members.

Section 2. Notice of Meetings. Except as otherwise required for taking action pursuant to Article VI, Sections 5 and 6 of the Declaration, written notice of Annual or Special Meetings of the Members shall be given by or at the direction of the Secretary or the Nominations Chairperson by mailing or hand delivering a copy of such notice, at least ten (10) but not more than thirty (30) days before such meeting to each Member entitled to vote thereat, addressed to the Members' address last appearing in the records of the Association or supplied by such Member to the Association for the purpose of the notice. Such notice shall specify the place, purpose, day and hour of the meeting. All notices shall comply with current Arizona Statutes regarding notice of meetings.

Section 3. Quorum. The presence (in person or by absentee ballot) of those Owners holding fifty-one percent (51%) of the votes in the Association shall constitute a quorum for any action, except as may otherwise be provided in the Articles of Incorporation, these By-Laws, the Declaration, or

Arizona Statute. If, however, such quorum shall not be present at any meeting, the Members entitled to vote thereat may adjourn the meeting, for a period of not less than five (5) days nor more than sixty (60) days, and such subsequent meeting shall be subject to the notice requirements set forth in Section 2 above. The required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting.

Section 4. Order of Business for Annual Meetings. The order of business at the Annual Meeting of the Members shall be as follows (which may be adjusted as necessary in the Board's discretion):

- (a) Call to order and introductions (to include Directors, guests, management, past Presidents, new Members, and Members who passed in the previous year).
- (b) Proof of notice of meeting or waiver of notice.
- (c) Purpose of the meeting.
- (d) Reading of the minutes of the preceding Annual Meeting.
- (e) Reports of officers and management.
- (f) Reports of committees.
- (g) Introduction of the election inspectors.
- (h) Election of Directors.
- (i) Report on accomplishments and goals of the Association.
- (j) Member input.
- (k) Appoint Nominating Committee Chair and election inspectors for the next Annual Meeting.

ARTICLE III

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of the Association shall be managed by a Board consisting of between five (5) and nine (9) Directors, all of whom shall be Members of the Association. The number of Directors may be increased or decreased from time to time between five (5) and nine (9) Directors at the discretion of the Board, so long as the Board always consists of an uneven number, and so long as any decrease in Board size does not shorten the term of any existing Director.

Section 2. Term of Office. Directors shall be elected for staggered terms of two (2) years each. The Board shall have the right to cause a Director to be elected for a term of less than two (2) years as necessary to preserve the staggered terms, in the event the Director terms need to be re-staggered due to a change in Board size or otherwise.

Section 3. Removal. Any one or more of the Directors may be removed from the Board by the Members of the Association pursuant to Arizona Statute (A.R.S. 33-1243), which currently provides for the following process: (a) A petition signed by Members entitled to cast 25% of the votes in the Association calling for removal of one or more Directors is submitted to the Association; (b) Within 30 days of receipt of the petition, the Board must call a Special Meeting; (c) Quorum at that Special Meeting is 20%; (d) A Director is removed if a majority of those voting (in person or by absentee ballot) vote to remove such Director. Any vacancies resulting from removal shall be filled as provided in A.R.S. 33-1243 or these By-Laws, as applicable.

Section 4. Attendance at Meetings/Deemed Vacancy. The position of any Director who fails to attend: (a) three (3) consecutive Board meetings; or (b) a majority of Board meetings within their term, shall be deemed vacant.

Section 5. Compensation. No Director shall receive compensation for any service he/she may render to the Association. However, any Director may be reimbursed for his/her actual expenses incurred in the performance of his/her duties.

Section 6. Action Taken Without a Meeting. The Board shall have the right to take any action in the absence of a meeting, which they could take at a meeting, by obtaining the unanimous written consent of all Directors.

Section 7. Vacancies. Except as required by Arizona Statute (A.R.S 33-1243), any vacancy on the Board of Directors shall be filled by the remaining Directors, though less than a quorum. Any such individual appointed by the Board shall serve the term of their predecessor.

ARTICLE IV **NOMINATION AND ELECTION OF DIRECTORS**

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the Annual Meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and three (3) or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each Annual Meeting of the Members, to serve from the close of such Annual Meeting until the close of the next Annual Meeting, and such appointment shall be announced at each Annual Meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations shall be made from among Members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. The Board may establish rules and procedures to protect the secrecy and integrity of the voting process. At such election, the Members may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected.

Section 3. Absentee Ballots. Absentee ballots are valid for the election of Directors or other action specified on the ballot. The absentee ballot does not authorize another person to cast votes on behalf of a Member. All absentee ballots shall comply with current Arizona Statutes pertaining to absentee ballots.

Section 4. Electronic Voting. In the event the Association allows for electronic voting, the Association shall provide notice to Members that the vote will be conducted by electronic means. The notice shall include a reasonable procedure for Members to obtain and cast a ballot through some other form of delivery, such as U.S. Mail or fax transmission. The online voting system must meet all requirements of electronic voting and comply with current Arizona Statutes.

ARTICLE V
MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular Meetings of the Board of Directors shall be held monthly on the third Thursday of each month during the months of October through May, or as otherwise determined by the Board. The Board may also schedule Executive Board Meetings as part of its Regular Board Meeting schedule. Notice to the Membership of the time, place, and location of such Regular Board Meetings shall be provided at least forty-eight (48) hours in advance of such meeting.

Section 2. Order of Business. The order of business for Regular Board Meetings (which the Board may adjust in its discretion) shall be as follows:

- (a) Call to order and Introductions
- (b) Approval of minutes of previous meeting
- (c) Financial report
- (d) Maintenance Manager's report
- (e) Architectural report
- (f) Committee reports
- (g) Old business
- (h) New business
- (i) Correspondence
- (j) Member input
- (k) Adjournment, Announcements

Section 3. Special Meetings. Special Meetings of the Board of Directors shall be held when called by the President of the Association or by written request from any three (3) Directors. Except in cases of Emergency Board Meetings pursuant to Arizona Statute (A.R.S. 33-1248(E)(2)), the Board shall provide not less forty-eight (48) hours' notice of each Special Board Meeting to the Membership. Such notice shall set the time, place and purpose of the meeting.

Section 4. Quorum. The presence of a majority of the Directors then in office shall constitute a quorum for any Regular or Special Board Meeting. Unless otherwise set forth herein, the approval of a majority of a quorum of the Board shall constitute an action of the Board.

ARTICLE VI
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) Adopt, revoke, amend, and publish rules, regulations and policies governing the use of the Common Elements and facilities, and the personal conduct of the Members and their guests or tenants thereon, and to establish fines/penalties for the violation thereof;

(b) Suspend the voting rights and right to use the recreational facilities, 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 ninety (90) days for infraction of provisions of the Declaration or the 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 By-Laws, the Articles of Incorporation, or the Declaration;

(d) Employ a manager, or independent contractor, additional employees, or such other outside contractors, as deemed necessary, and to prescribe their duties in a signed contract;

(e) Enforce the provisions of the Declaration, the By-Laws and such Rules or Policies as may be adopted by the Board, together with any revisions thereof or amendments thereto.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the Annual Meeting of the Members, or at any Special Meeting when such statement is requested in writing by twenty five percent (25%) of the Members who are entitled to vote;

(b) Supervise all officers of this Association, and confirm that their duties are properly performed;

(c) As more fully provided in the Declaration, to:

(1) Fix the amount of the annual assessment against each Unit at

least thirty (30) days in advance of each annual assessment period;

(2) Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period;

(3) Pursue collection of delinquent assessments as set forth in the Declaration;

(d) Issue, or to cause an appropriate officer to issue, upon demand by any Member, 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. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) Procure and maintain adequate liability and hazard insurance on property owned by the Association, as required by the Declaration;

(f) Cause all officers and employees having fiscal responsibilities to be bonded or covered by fidelity insurance coverage, as appropriate;

(g) Cause such necessary and appropriate action for the maintenance, repair, replacement, operation, management, beautification, and improvements of the Common Elements, as required by the Declaration.

ARTICLE VII
OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be President, Vice-President, Secretary, Treasurer and the Architectural Chair, who shall be at all times members of the Board of Directors, and any such other additional officers as the Board may from time to time by resolution create.

Section 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. The officers of the Association shall be elected by the Board.

Section 3. Term. 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 4. Special Appointment. The Board may elect such other officers as the affairs of Association may require, each of whom shall hold office for such period, have such authority, and performs such duties as the Board may, from time to time, determine.

Section 5. Resignation or Removal. Any officer may be removed from office with proper cause by the Board. Any officer may resign at any time giving written notice to the Board. 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 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 7. Multiple Offices. The same person may not hold more than one office at any given time.

Section 8. Duties. The duties of the officers shall be as follows:

President

(a) 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.

Vice-President

(b) 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 exercise and discharge such other duties as may be required by the Board.

Secretary

(c) The Secretary shall record the votes and keep minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all documents requiring said seal; 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.

Treasurer

(d) 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; shall sign all checks and promissory notes of the Association; keep proper books of account; shall prepare an Annual Budget and a statement of income and expenditures to be presented to the membership at its regular Annual Meeting, and deliver a copy of such statement to each of the Members. The Treasurer shall present records and files deemed necessary for the annual audit, compilation or review. Certain duties of the Treasurer may be delegated to the Association Manager, as determined and approved by the Board.

Architectural Chair

(e) The Architectural Chair shall be an elected position of the Board of Directors, serving the Board as an officer, as outlined in Article VII of these By-Laws. The Chairperson shall oversee a committee of three (3) Members; collect, review, and make recommendations pertaining to

architectural requests submitted to the Board; prepare a monthly advisory report for the Regular Board Meetings; and carry out such duties as outlined in Article VII of the Declaration, or as otherwise prescribed by the Board.

ARTICLE VIII **COMMITTEES**

Section 1. Standing Committees. The Association may have the following standing committees:

(a) Architectural Committee; (b) Historian; (c) Long Range Planning; (d) Memorial; (e) Nominating Committee; (f) Social Committee; (g) Tenant Registration; (h) Webmaster; (i) such other Committees as may be established by the Board from time to time.

Section 2. Committee Chairs. The Committee Chairs shall be appointed by the Board of Directors following each Annual Meeting to serve from the close of such meeting until the close of the next Annual Meeting. The Board may remove and replace any Committee Chair at any time in its discretion.

Section 3. Committee Charters. Each Committee's composition, powers, duties and procedures shall be governed by the applicable Committee Charter, which shall be established by the Board, and may be amended by the Board from time to time.

Section 4. Complaints. It shall be the duty of any committee to accept complaints and suggestions from Members on any matter involving Association functions, duties, and activities within its field of responsibility. It shall relay such Member input to the Board of Directors.

ARTICLE IX **BOOKS AND RECORDS**

The Declaration, Articles of Incorporation, By-Laws and all other such books and records of the Association shall be subject to inspection and copy by any current Member, as required by Arizona Statute.

ARTICLE X **ASSESSMENTS**

Each Member is obligated to pay to the Association annual and special assessments as provided in Article VI of the Declaration, which are secured by a continuing lien upon the Unit against which the assessment is made. When a Unit is sold, the new Owner(s) of the Unit shall have one voting share of the Association and pay the proportionate share assessed by the Association as provided for in Article V and VI of the Declaration.

ARTICLE XI
AMENDMENTS; CONFLICTS

Section 1. These By-laws may be amended only at a duly noticed Regular or Special Meeting of the Board of Directors, upon the approval of a majority of all of the Directors then in office.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-laws, the Articles shall control; in the case of any conflict between the Declaration and these By-laws, the Declaration shall control; and in the case of any conflict between any governing documents and the Arizona Statutes, the Arizona Statutes shall control.

ARTICLE XII
FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December every year.

CERTIFICATION

I hereby certify that these Second Amended and Restated By-Laws were approved and adopted by the Board of Directors at a meeting duly held on _____, 2020.

President, Los Lagos II Homeowners Association No. 1

ARTICLE XI
AMENDMENTS; CONFLICTS

Section 1. These By-laws may be amended only at a duly noticed Regular or Special Meeting of the Board of Directors, upon the approval of a majority of all of the Directors then in office.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-laws, the Articles shall control; in the case of any conflict between the Declaration and these By-laws, the Declaration shall control; and in the case of any conflict between any governing documents and the Arizona Statutes, the Arizona Statutes shall control.

ARTICLE XII
FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December every year.

CERTIFICATION

I hereby certify that these Second Amended and Restated By-Laws were approved and adopted by the Board of Directors at a meeting duly held on May 15, 2020.



President, Los Lagos II Homeowners Association No. 1