

CASITA COLONY RECREATION ASSOCIATION

BY-LAWS

ARTICLE I

NAME AND PLACE OF BUSINESS

The name of the corporation shall be CASITA COLONY RECREATION ASSOCIATION, and its office and principal place of business shall be at Villa Monterey Unit Three, a subdivision, located in Scottsdale, Maricopa County, Arizona, but such other offices may be established and maintained within Maricopa County, State of Arizona, at such places as the Board: of Directors may designate.

ARTICLE II

RESTRICTIONS

Incorporated herein and by reference thereto are the applicable provisions of the Declaration of Restrictions for Villa Monterey Unit Three as recorded in the office of the County Recorder of Maricopa County on May 16, 1963, in Docket 4578, page 545, as amended February 28, 1973, in Docket 10022, Pages 332-416, as amended October 28, 1977, in Docket 12512, Pages 911-915, and Declaration as amended May 14, 2024, in Docket 2024-0304660.

ARTICLE III

STOCKHOLDERS

Section 1. (a) EACH SHARE ONE VOTE: In conformity with the Declaration of Restrictions, as noted above, one share of stock in CASITA COLONY RECREATION ASSOCIATION shall be issued to the owner of record of each individual parcel of land upon which a dwelling unit is situated in Villa Monterey Unit Three.

(b) DESIGNATING A VOTING SHAREHOLDER: When two or more, of legal age, are owners of record of a parcel on which a dwelling unit is located in Villa Monterey Unit Three, said owners of record shall designate, by written notification to the Secretary of the Corporation, which of them shall be the voting shareholder.

(c) In the event of death or incapacity of the designated shareholder the survivor shall become the voting shareholder presentation of a certificate of death of the deceased voting shareholder, or evidence satisfactory to the Board of Directors of said incapacity. If there be more than one surviving record owner of title, whether by operation of law or otherwise, the provisions of paragraph 1 (b) above shall be applicable.

Section 2. TRANSFER OF SHARES: Shares of stock in CASITA COLONY RECREATION ASSOCIATION shall be held subject to and shall be transferred only in conformity with the Declaration of Restrictions, and amendments thereto, as referred to in Article II above.

Section 3. ANNUAL MEETINGS: The annual meeting of the voting shareholders shall be held at Scottsdale, Arizona, on the second Saturday in February of each year. The annual meeting and all other special meetings of the shareholders shall be at such places in Scottsdale, Arizona, as may be designated by the Board of Directors in conformity with the Articles of Incorporation, these By-Laws and the Statutes of the State of Arizona applicable thereto.

Section 4. QUORUM: The presence of forty (40) voting shareholders present in person, or by absentee ballot, shall constitute a quorum at any special and annual meeting of the shareholders, unless otherwise required by the laws of the State of Arizona. If such quorum is not present, the voting shareholders present in person shall have the power to adjourn from time to time without notice other than the announcement at the meeting, until the requisite number shall be present.

Section 5. SPECIAL MEETING - CALL: Special meetings of the voting shareholders for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President and shall be called by the President and Secretary at the request in writing of a majority of the Board of Directors or by twenty-five percent (25%) of those authorized, to vote as shareholders. Such request shall state the purpose or purposes of the proposed meeting, and the business transacted shall be confined to the purposes stated in the call.

Section 6. NOTICE OF MEETINGS: Written notice of the annual or any special meeting of the voting shareholders, stating the time, place and object thereof shall be delivered to the residence owned by each voting shareholder in Villa Monterey Unit Three, or mailed to a voting shareholder in Villa Monterey Unit Three, or mailed to a voting shareholder who has left a forwarding address with the Secretary of the corporation, or emailed to a voting shareholder. Such notice shall be delivered, mailed, or emailed at least thirty (30) days before such meeting.

Section 7. VOTER QUALIFICATION: No vote, whether cast in person or by absentee ballot, shall be counted if the shareholder is delinquent in the assessments levied by the corporation pursuant to the Declaration of Restrictions and Amendments thereto incorporated herein, or is in default in complying with any requirement in said Declaration of Restrictions.

Section 8. VOTING FOR DIRECTORS: (a) The Board shall consist of not more than nine (9) members. They must be resident homeowners of Villa Monterey, Unit Three. Except as necessary to fill vacancies, not more than (3) directors shall be elected each year to serve for one three-year term.

(b) The Board of Directors may designate as many as three Association members, to serve as alternate directors. When a quorum - five of the regularly elected or appointed directors - is not available for a meeting of the Board, those available may call on one or more of the alternate directors in order to provide the required quorum. In such case, the duties and responsibilities of the alternate directors shall be the same as those of the regularly elected or appointed directors; and the votes cast by them, shall carry the same weight as those of the other directors. An Alternate Director shall be designated to serve for a three-year term.

## ARTICLE IV

### OFFICERS AND DIRECTORS

Section 1. DIRECTORS - ELECTION OF OFFICERS: The business of the corporation shall be conducted by a Board of nine (9) directors. From their number, the Board of Directors shall select the officers of the corporation, a president, a vice-president, a secretary and a treasurer. The officers so selected shall continue to serve also as directors of the corporation. All officers must be qualified shareholders and be resident homeowners in Villa Monterey Unit Three.

Section 2. TERM OF OFFICE: (a) Officers shall serve for a one year term, but may serve additional one year terms if so selected by the Board. Officers and other directors shall hold office until their successors shall have been elected or appointed and have started to serve.

(b) REMOVAL - VACANCIES: An elected director or officer of the corporation may be removed from office by a majority vote of the voting shareholders at a meeting for which notice has been given in conformity with these By-Laws for special and annual meetings. A vacancy shall exist when an officer or director is absent from his post for three consecutive times at the time and place at which a meeting is initially called, without a legitimate excuse. If a vacancy exists among the directors or officers of the corporation from resignation, death or otherwise, a replacement shall be appointed by the Board of Directors to serve out the balance of the term of the vacancy, but such appointment as directors must be ratified by the general membership at the next regular or special meeting of the voting shareholders.

(c) COMPENSATION: All elected directors and officers of the corporation shall serve without pay or compensation unless otherwise voted upon by the Board of Directors and ratified by a majority vote of the voting shareholders.

Section 3. MEETINGS-NOTICES: (a) Regular meetings of the Board of Directors may be held at such time and place as shall be determined by a majority of the directors. Special meetings of the Board of Directors may be called by the President, or by the Secretary on written request of at least three (3) directors, filed with the secretary. Notice of the time and place of any such meetings shall be given to each director personally, by mail, telephone or telegraph, at least three (3) days prior to the date designated for such meeting.

(b) WAIVER OF NOTICE: Before or at any meeting of the Board of Directors, any director may waive notice of such meeting in writing and such waiver shall be equivalent to giving such notice. If all directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at said meeting.

(c) QUORUM: At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business and the acts of the majority of the directors present at a meeting in which a quorum is present shall be the act of the Board of Directors. If at any meeting of the Board of Directors, there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting which may be subsequently held and at which a quorum may be present, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 4. DUTIES OF OFFICERS - PRESIDENT: (a) The president shall be the chief executive officer of the corporation and shall have the general management and superintendence of the affairs of the corporation; he shall preside at all meetings of the voting shareholders and of the Board of Directors; and in all cases where, and to the extent that, the duties of the other officers are not specifically prescribed by the By-Laws, rules or regulations of the Board of Directors, the President may prescribe such duties. He shall have and may exercise any and all powers and perform any and all duties pertaining to the office of President or conferred or imposed upon the President by the By-Laws, or by the Board of Directors.

(b) VICE-PRESIDENT: The Vice-President, in the absence or disability of the President, shall perform the duties and exercise the powers of the President and shall perform such other duties as may be prescribed by the Board of Directors.

(c) SECRETARY: The Secretary shall attend all sessions of the Board and all meetings of the voting shareholders and act as Clerk thereof, and record all votes and the minutes of all proceedings in a book to be kept for that purpose, and shall perform like duties for any committees of the Board when required. He shall cause to be given notice of all special and annual meetings of voting shareholders and directors and shall perform such other duties as pertain to his office. He shall keep in safe custody the seal

of the corporation and when authorized by the Board of Directors, affix it when required to any instrument. In the absence or inability of the Secretary to act, the Vice-President shall perform the duties of the Secretary.

(d) **TREASURER:** The Treasurer shall have custody of all of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation and shall deposit all moneys and other valuable effects in the name of and to the credit of Casita Colony Recreation Association. He shall disburse the funds of the corporation as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and to the directors at the regular meetings of the Board, or whenever they may require it, an account of all his transactions and of the financial condition of the corporation. He shall prepare a complete financial statement for each quarter and the fiscal year and shall present the report for fiscal year at the annual meeting of the shareholders. A semi-annual report if approved by directors will be sent to all members.

(e) **OTHER OFFICERS OR AGENTS:** The Board of Directors shall have the power and the authority to appoint such other officers or agents who need not be voting shareholders or owners of real property interest in Villa Monterey Unit Three, or committees to accomplish more expeditiously and efficiently the functions of the corporation. Those so appointed shall hold such office at the will of the Board of Directors.

**Section 5. NOMINATING COMMITTEE:** Nominations for directors at the annual elections shall be by a nominating committee appointed by the President at least sixty (60) days prior to the date of the annual meeting. The report of this committee shall be made and filed with the Secretary in sufficient time to enable him to include this nominating report in the notice to the shareholders which notifies them of the time and place of the annual shareholders' meeting as required by these By-Laws. Further nominations by qualified stockholders may be made by notice in writing to the Secretary at least fifteen (15) days prior to the meeting.

## ARTICLE V

### CERTIFICATES OF STOCK

The shares of stock of the corporation shall be transferable only on the books of the corporation in conformity with the Declaration of Restrictions and Amendments thereto, as incorporated and made a part of these By-Laws.

Certificates of stock shall be signed by the President or the Vice President and the Secretary or Treasurer and shall be sealed with the corporate seal.

## ARTICLE VI

### GENERAL PROVISIONS

**Section 1. NON-PROFIT ORGANIZATION:** Casita Colony Recreation Association is a non-profit corporation and is organized as such under the laws of the State of Arizona. No part of any earnings or assets shall inure to the benefit of any individual shareholder nor to any other person.

**Section 2. OFFICIAL DEPOSITORIES OF FUNDS:** The moneys of the corporation shall be deposited in such bank or banks or trust company as the Board of Directors shall

designate, and shall be drawn out only by check signed by such persons as may be designated from time to time by resolution of the Board of Directors.

Section 3. FISCAL YEAR: The fiscal year of the corporation shall begin on January 1 and end on December 31 of each calendar year.

Section 4. NO REFUND OF ASSESSMENTS: Assessments levied and paid in advance, in conformity with the Declaration of Restrictions and Amendments thereto, as incorporated by these By- Laws, shall not be refundable upon the sale or transfer of any parcel in Villa Monterey Unit Three. Any proration of such impounded funds must be arranged between the transferor of such parcel and the transferee.

Section 5. CORPORATE SEAL: The corporate seal of the corporation shall consist of a circular disk with the name of the corporation around the outer periphery thereof, and the words "Corporate Seal" and "Arizona" in the center of said seal.

## ARTICLE VII

### RESTRICTIONS ON POWERS

The corporation shall not, as a corporation:

- (1) Advocate the election or defeat of any candidate for public office.
- (2) Participate or intervene directly or indirectly in any political campaign.
- (3) Advocate the adoption or rejection of any legislation save incidentally, if such may affect its overall purposes.
- (4) Discriminate in its activities among individuals, organizations, institutions, firms, associations or corporations on the basis of race, religion, region or country of national origin, or
- (5) Encourage, support or aid in any way, individuals, corporations, organizations or institutions that discriminate in their activities on the basis of race, religion, region or country of national origin.

## ARTICLE VIII

### AMENDMENTS

These By-Laws may be amended at any regular or special meeting of the voting shareholders by a vote of fifty-one percent (51%) of the voting shareholders attending or voting by absentee ballot at such regular or special meeting, provided that such meeting meets the quorum requirements, and further provided that written notice shall have been given to all voting members at least thirty days prior to the date when such amendment is to be voted on, notifying said members that at such meeting a proposal to amend the By-Laws is to be voted upon and such notice shall also set forth the proposed amendment.

(As amended February 8, 1966)  
(As amended February 28, 1973)  
(As amended February 14, 1978)  
(As amended February 9, 2010)  
(As amended February 13, 2021)  
(As amended February 11, 2023)  
(As amended May 14, 2024)

**CCRA RECORDING OFFICER**

Signature: \_\_\_\_\_

Name (Print): \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_