

GREENFIELD ACRES HOMEOWNERS ASSOCIATION

BY - LAWS

ARTICLE I

Name and Place of Business

The name of the corporation shall be Greenfield Acres Homeowner's Association, and its office and principal place of business shall be at 721 East San Pedro Drive, Gilbert, Arizona 85234, and at such other offices as may be established and maintained within Maricopa County, State of Arizona, at such places as the Board of Directors may designate.

ARTICLE II

Restrictions

The Declaration of Restrictions for GREENFIELD ACRES HOMEOWNERS ASSOCIATION as recorded in the office of the County Recorder of Maricopa County on March 23, 1998, in Document No. 98-0223859, and as the same may be amended from time to time as therein provided, is incorporated herein by reference and made a part hereof as if set forth at length.

ARTICLE III

Stockholders

Section 1.

- (a) Each Share One Vote: One (1) share of stock in GREENFIELD ACRES HOMEOWNERS ASSOCIATION shall be issued to the owner of record of each individual parcel of land upon which a dwelling unit is situated in Greenfield Acres.
- (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 Greenfield Acres, 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 upon 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 GREENFIELD ACRES HOMEOWNERS 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 Meeting: The annual meeting of the voting shareholders shall be held on the third Tuesday in January of each year. The annual meeting and all other special meetings of the shareholders shall be at such places in 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 twenty-seven (27) voting shareholders present in person, or by duly authorized proxy, shall constitute a quorum at any special and annual meeting of the shareholders. 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 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 Greenfield Acres, or mailed to a voting shareholder who has left a forwarding address with the secretary of the corporation. Such notice shall be delivered or mailed at least thirty (30) days before such meeting.

Section 7. Voter Qualification: No vote, whether cast in person or by proxy, 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 requirements in said Declaration of Restrictions.

Section 8. Voting for Directors: The Board shall consist of not more than five (5) directors. The directors shall be elected at the annual meeting of the Association and shall hold office until the next annual meeting of the members or until their successors are qualified and elected. To be eligible for Board membership, a resident in Greenfield Acres must have been a qualified shareholder for a period in excess of one (1) year.

Section 9. Initial Board of Directors: The initial Board of Directors shall consist of only three (3) members who need not be shareholders and shall serve until the first annual meeting of shareholders or until their successors are qualified and elected.

ARTICLE IV

Officers and Directors

Section 1. Directors - Election of Officers: The business of the corporation shall be conducted by a Board of no more than five (5) 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 Greenfield Acres.

Section 2. Directors:

- (a) Term of Office: All directors shall be elected for a period of two (2) years, but on a staggered system to always provide for at least two (2) carryover directors into the succeeding term.
- (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 (3) 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 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:

- (a) Notices: 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 such 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 such 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:

- (a) President: 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. The president shall have the power to appoint such committees as may be required, and shall be ex officio member of all committees.
- (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 meetings of the shareholders and directors and keep a full and accurate account of their proceedings in a minute book to be kept for that purpose. The secretary shall keep a record of the names of all shareholders and issue, cancel and preserve any certificates of shares. The secretary shall also be the transfer agent of the corporation for the transfer of certificates of shares. The secretary shall also keep the seal of the corporation and affix the seal to any certificates of shares, and other such instruments requiring the seal as may be directed by the Board of Directors.
- (d) Treasurer: The Treasurer shall have custody of all 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 the corporation in such depositories as may be designated by the Board of Directors. The treasurer 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 meetings

of the Board, or whenever they may require it, an account of all transactions and of the financial condition of the corporation. The treasurer shall prepare complete financial statements for the fiscal year and shall present them at the annual meeting of the shareholders after the end of each year.

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 the secretary 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 shareholders 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 Organizations: Greenfield Acres Homeowners 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 or shareholder, nor to any other person.

Section 2. Official Depositories of Funds: The moneys of the corporation shall be deposited in such bank 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. Rules and Regulations:

- (a) To insure the orderly use and preservation of all association property, the Board shall publish from time to time such rules and regulations for their use as seems appropriate to accomplish this objective.
- (b) The Board may also issue regulations and/or suggestions for the proper use and maintenance of streets and sidewalks, including care and maintenance of resident lots when it appears corrections are needed and desirable.

Section 5. 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 Greenfield Acres. Any proration of such impounded funds must be arranged between the transferor of such parcel and the transferee.

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 purpose;
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 national origin.

ARTICLE VIII

Amendments

These By-Laws may be amended at any meeting of the Board of Directors by a majority vote of the members of the Board. Such amendments to these By-Laws will be in full force and effect from and after the date of their enactment; however, the membership will be notified of such change or changes and at the next regular or special meeting of the voting shareholders, by a vote of three-fourths (3/4) of those present, may approve or disapprove the changes so enacted by the Board of Directors.

Dated: April _____, 1998.