

BYLAWS



(AS AMENDED BY THE B.O.D. ON SEPTEMBER 13, 2005)

ARTICLE I
Name and Location

The name of this corporation is Country Roads RV Village Property Owners Association, Inc., hereinafter referred to as the "Association". The principal office of the Association shall be located at 5707 E. 32nd St., Yuma, Arizona 85365, but meetings of Members and Directors may be held at such place within the State of Arizona, County of Yuma, as may be designated by the Board of Directors. (amended BOD September 13, 2005)

ARTICLE II
Definitions

The words and terms used herein shall be deemed to have the same definitions and meanings as in the Declaration of Covenants, Conditions and Restrictions for Country Roads RV Village, as amended from time to time (the "Declaration"), as recorded on July 26, 1984, as Docket No. 1390, Pages 655-697, official records of Yuma, County, Arizona.

ARTICLE III
Meetings of Members

Section 1. Annual Meeting. The first annual meeting of the Members shall be held on the date specified in the Articles of Incorporation, and each subsequent regular annual meeting of the Members shall be held on the second Tuesday in January, at the hour of 10:00 a.m. If the day for annual meeting of the Members is a legal holiday, the meeting will be held at the same hour of the first day following which is not a legal holiday. (amended BOD April 8, 2003)

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board.

- a. **Popular Referendum Initiative for Special Ballot.** Upon written request of one-tenth (1/10) of the Members, any proposed measure of legal purposes shall be submitted at the Annual Meeting of the Members for their adoption or rejection by vote. (amended BOD April 9, 1996)

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of each notice, postage prepaid, at least (15) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member of the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at a meeting of Members entitles to cast, or proxies entitled to cast, one-tenth of the votes of the membership shall constitute a quorum for any action, except as otherwise provided in the Articles of Incorporation, the Declaration of these Bylaws. If, however, such quorum shall not be present or presented at any meeting, the Members entitled to vote at such meeting shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his lot.

ARTICLE IV

Board of Directors; Selection, Term of Office

Section 1. Number. The affairs of this Association shall be managed by a Board of not less than three (3) nor more than nine (9) directors, who shall be Members of the Association.

Section 2. Terms of Office. Directors shall be elected for a term of three (3) years and shall hold office until their time expires or until their successors are elected and qualified, whichever last occurs.

To implement the change from existing 2 year term to 3-year terms of office the following schedule shall be followed:

In 2004, 2 Directors shall be elected for 2-year terms, and 2 for 3-year terms. The two candidates receiving the highest and next to the highest number of votes shall be elected for 3 year terms; the next two candidates receiving the next two highest number of votes shall be elected for 2 year terms.

In 2005, 3 Directors shall be elected for 3-year terms.

In 2006, 2 Directors shall be elected for 3-year terms.

In 2007, 2 Directors shall be elected for 3-year terms.

Thereafter, the number of Directors to be elected shall be based upon the terms expiring in any given year. All terms shall be for 3 years.(amended BOD July 2003)

Section 3. Removal. Any director may be removed from the Board with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting, which they could take at a meeting by obtaining the written approval of the directors.

ARTICLE V
Meetings of Directors

Section 1. Regular Meetings. Regular Meetings of the Board of Directors may be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special Meetings of the Board of Directors shall be held when called by the president of the Association or by any two directors. When members are not present in the resort e.g. (April to November), meetings require three (3) days notice to each director.

Section 3. Quorum. A majority of the directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VI
Power and Duties of the Board of Directors.

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

- (a) adopt and publish rules and regulation governing the use of the Common Area and facilities and the personal conduct of the Members and their guests thereon and to establish penalties for the infraction thereof;
- (b) suspend the voting rights 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 sixty (60) days for infraction of published rules and regulations;
- (c) exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;
- (d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;
- (e) employ a manager, an independent contractor, or such other employees as they seem deem necessary and to prescribe their duties; and
- (f) adopt, amend and rescind Bylaws for the Association.

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 make available thereof to the Members at any special meeting when such record is requested in writing by any Member entitled to vote;

- (b) supervise all officers, agents and employees of the Association and see 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 Lot at least thirty days in advance of each annual Assessment period;**
 - (2) send written notice of each Assessment to every Member subject thereto;**
 - (3) record a notice and claim of lien against any portion of the Property for which Assessments are not paid, and foreclose the same within a reasonable time and bring an action at law against the Member personally obligated to pay the same; and**
 - (4) ensure that the sanitary sewer system for the Property shall be operated and maintained in accordance with the applicable Federal and Arizona Department of Health Services standards and procedures, and ensure that no recreational vehicles shall be parked or located on the Common Areas or any roads or streets within the Property, and that no cars, motorcycles or other motor vehicles shall be parked or located on the Common Area or any roads or streets within the Property except in designated parking spaces or parking areas.**
- (d) issue, or cause an appropriate office to issue upon demand to any person, 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;**
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and**
- (g) cause the common area to be maintained.**

ARTICLE VII

Officers and Their Duties

Section 1. Enumeration of Officers. The officers of this Association shall be a president and vice president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer and such 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.

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 shall sooner resign, or shall be removed, or otherwise disqualified to serve.

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

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, 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.

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 office he/she replaces.

Section 7. Multiple Offices. No director may hold more than one of the following offices at any time; President, Vice President, Secretary or Treasurer. One person may simultaneously hold more than one on any of the other offices, including special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are 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 and shall support and enforce the governing documents of the Association. He/she shall set the agenda, appoint committee chairs after considering the recommendations of the Board, and try to develop future leaders. He/she shall direct the park's manager as to the Board's decisions and requirements and shall be liaison to the election committee.

Vice President

- (b) The vice president shall act in the place and stead of the president in the event of his absence, inability or refusal to act. He/she shall work with the manager to oversee the enforcement of the Rules and Regulations. He/she shall be liaison to other committees as designated by the Board.

Secretary

- (c) The secretary shall record the votes and keep the 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 papers 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 address, the Book of Resolutions, policies and

committee appointments and shall perform such other duties as required by the Board. He/she shall be liaison to the suggestion committee.

Treasurer

- (d) The treasurer shall be custodian of all homeowner association funds and work with the financial advisory committee as liaison. He/she shall assure that acceptable accounting practices and procedures are in place and are properly administered. He/she shall provide and make available to the membership monthly financial reports. He/she shall administer the preparation of annual budget and provide monthly budget performance reporting. He/she shall engage, at the end of each fiscal year, an outside public accounting firm to perform a compilation of accounts to provide year-end financial statements, and to prepare federal and state income tax returns. The treasurer shall sign all tax returns.

Directors

- (e) Each shall assist in forming and implementing the policies. Each shall be liaison to an assigned committee(s) as directed by the Board.

ARTICLE VIII Committees

The Association shall appoint an architectural committee as provided in the Declaration. In addition, the Board shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE IX Indemnification of Directors, Officers, Etc.

Section 1. Directors and Officers; Third Party Actions. The Association shall indemnify any director or officer of the Association who was or is a party or is threatened to be made a party to any threatened, pending or completed actions, suits or proceedings, whether civil, criminal, administrative or investigate (other than an action by or in the Right of the Association) by reason of the fact that he is or was an authorized representative of the Association (which, for the purposes of this Article, shall mean a director, officer, employee or agent of the Association or a person who is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise) against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interest of the Association, and with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in, or not

opposed to, the best interests of the Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was lawful.

Section 2. Directors and Officers, Derivative Actions. The Association shall indemnify any director or officer of the Association who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he is or was an authorized representative of the Association, against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association and expect that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association unless and only to the extent that the Superior Court of the county in which the principal office of the Association is located or the court in which such action or suit was brought shall determine upon application that, despite the adjudication or liability but in view of all the circumstances of the case, such person is fairly and reasonable entitled to indemnity for such expenses which the Superior Court or such other court shall deem proper.

Section 3. Employees and Agents. To the extent that an authorized representative of the Association who neither was nor is a director or officer of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 1 and 2 of this Article or in defense of any claim, issue or matter therein, he shall be indemnified by the Association against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith. Such an authorized representative may, at the discretion of the Association, be indemnified by the Association in any other circumstances to any extent if the Association would be required by Sections 1, 2, or 3 of this Article to indemnify such person in such circumstances to such extent if he were or had been a director or officer of the Association.

Section 4. Procedure for Effecting Indemnification. Indemnification under Sections 1, 2 or 3 of this Article shall be made when ordered by the court (in which case the expense, including attorneys' fees, of the authorized representative in enforcing such right of indemnification shall be added to and be included in the final judgment against the Association) and may be made in a specific case upon a determination that indemnification of the authorized representative is required or proper in the circumstances because he has met the applicable standard of conduct set forth in Sections 1 or 2 of this Article. Such determination shall be made:

- (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or
- (2) if such a quorum is not obtainable, or even if obtainable, a majority vote of a quorum of disinterested directors so direct, by independent legal counsel in a written opinion, or
- (3) by the Members.

Section 5. Advancing Expenses. Expenses (including attorneys' fee) incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Association in advance of the final disposition of such action, suit or proceeding, upon receipt of an undertaking by or on behalf of a director or officer to repay such amount unless it shall be ultimately determined that he is entitled to be indemnified by the Association as required in this Article or authorized by law and may be paid by the Association in advance on behalf of any other authorized representative when authorized by the Board of Directors upon receipt of a similar undertaking.

Section 6. Scope of Article. Each person who shall act as an authorized representative of the Association, shall be deemed to be doing so in reliance upon such rights of indemnification as are provided in this Article.

The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any agreement, vote of Members or disinterested directors, statute or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office or position, and shall continue as a person who has ceased to be an authorized representative of the Association and shall inure to the benefit of the heirs, executors and administrators of such a person.

ARTICLE X Books and Records

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at a reasonable cost.

ARTICLE XI Assessments

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special Assessments which are secured by the continuing lien upon the property against which the Assessment is due. Any Assessments which are not paid when due shall be delinquent. If the Assessment is not paid when due, the Assessment shall bear interest from the date of delinquency at the rate of fifteen percent (15%) per annum, and the Association may bring action at law against the Member personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorneys fees of any such action shall be added to the amount of each assessment. No member may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Area or abandonment of his lot.

ARTICLE XII
Corporate Seal

The Association shall have a seal in form approved by the Board of Directors.

ARTICLE XIII
Amendments

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy.

Section 2. 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.

ARTICLE XIV
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 every year, except that the first fiscal year shall begin on the date of incorporation.

