

BYLAWS OF PALM LAKES VILLAGE, INC.
Amended
August 28,2025

ARTICLE I— PROPERTY

A. Palm Lakes Village, Inc. (hereinafter referred to as PLV, Inc.) shall acquire and take title to all common areas including recreational buildings, facilities, lakes, parks, streets and cul-de-sacs as a single and inseparable property at such time as described in the Declaration of Covenants, Conditions and Restrictions recorded or to be recorded in the office of the County Recorder of Maricopa County, Arizona, with the subdivision plat maps of Palm Lakes Village.

B. PLV, Inc. shall own, develop, maintain, operate and otherwise regulate and manage all common areas, including all private roadways, streets and cul-de-sacs located therein within Palm Lakes Village and shall pay all real estate taxes which may be assessed against and levied upon any of said tracts and any improvements located thereon and all premiums for fire, casualty and public liability insurance. The Board of Directors shall further determine and establish a fair and reasonable reserve for development, repair and maintenance of said areas and improvements located thereon.

C. PLV, Inc. property/assets shall not be disposed of by any individual, group of individuals, or Board of Directors without the assent of sixty percent (60) of the residents who vote, except for equipment and maintenance items that must be replaced from time to time, which equipment and items may be disposed of at the discretion of the Board of Directors.

ARTICLE II—MEMBERSHIP

A. Membership in PLV, Inc. shall be limited solely to those persons, other than contract sellers, owning or purchasing under contract one or more lots within the boundaries of Palm Lakes Village, a subdivision as recorded in the office of the County Recorder of Maricopa County, Arizona. Persons who have disposed of all interest in a lot or lots in said subdivision shall thereupon cease to be members of this corporation.

ARTICLE III—MEETINGS

A. The Annual Meeting of the members of PLV, Inc. shall be held on the third Thursday in January of each year.

B. Special Board meetings may be held at such time and place and in such manner as determined by the Board of Directors.

C. Notices of the Annual Membership Meeting shall be hand delivered or mailed at least twenty (20) days prior to such meeting, and notices of any Special Membership Meeting shall be hand delivered or mailed at least ten (10) days prior to such meeting, to the last known address of each member as the name appears on the records of PLV, Inc.

D. The President, or in his or her absence, a chairman appointed by the Board members present, shall call to order meetings of members and shall act as chairman thereof. The Secretary of PLV, Inc. shall act as Secretary at all meetings of the members. In the absence of the PLV Secretary, the presiding officer may appoint any member to act as Secretary. All Membership meetings shall be conducted in accordance with Robert's Rules of Order for conducting meetings of members.

E. The presence of fifty (50) members or more shall constitute a quorum at all meetings of members.

F. If at any Annual or Special Membership Meeting a quorum is not met, a majority of those members attending at the time said meeting is called may, at the end of one hour, adjourn the meeting from time to time without further notice until a quorum is present. Thereupon any business may be transacted at the meeting as originally called.

G. Special Membership Meetings of PLV, Inc. shall be called by the Board of Directors of PLV, Inc. upon petition of twenty percent (20%) of the members entitled to vote at such meetings.

H. The order of business at all meetings of the members and of the Board of Directors shall be as follows:

1. Reading of the minutes of the previous meetings the reading of minutes is omitted at Special Meetings, and in their place the President shall state the purpose for which the meeting was called.
2. Reports of Committees
3. Treasurer's Report, except that the Treasurer's Report may be omitted at Special Meetings.
4. Elections
5. General business, except that at Special Meetings only business for which a Special Meeting has been called may be discussed or acted upon.

I. The Board of Directors shall have the power to adopt and publish rules and regulations governing the taping and/or video recording of any open Board meetings and such rules and regulations shall be binding upon the total membership and their guests.

ARTICLE IV--BOARD OF DIRECTORS

A. The business and affairs of PLV, Inc. shall be managed and controlled by a Board of not less than three (3) or more than seven (7) Directors as provided in the Articles of Incorporation.

B. New Directors shall be elected on the second Thursday in January, and installed at the Annual Meeting held on the third Thursday in January. All elected Directors shall serve for a minimum of three (3) years, or until their successors shall have been elected and qualified, unless sooner removed with or without cause by affirmative vote of sixty percent (60%) of the votes by qualified members.

C. No later than the next day, the newly elected Directors shall meet for the purpose of organization, for the selection of officers and the transaction of any other business. All other meetings of the Board of Directors shall be held periodically or as determined by the Board of Directors. Notices of all Board of Directors meetings shall be published not less than one day before the time of such meetings. A majority of the Board of Directors present shall constitute a quorum for the transaction of business. The vote of a majority of the Directors present at any meeting in favor of or against any proposition shall prevail except as herein otherwise provided.

D. The executive officers of PLV, Inc. shall be a President, one or more Vice Presidents, Secretary, and Treasurer. All officers shall be subject to removal at any time with or without cause by the affirmative vote of a majority of the whole Board. Each officer elected shall serve for the term for which he or she was elected or until his or her successor shall have been elected and qualified. The Board may create non-board positions of "Assistant" to all board positions when needed. A person holding the position of "assistant to a board member" need only be a qualified member. These positions do not vote and are not considered a member of the PLV Board.

E. The Board of Directors may appoint an Executive Committee consisting of three (3) members and one (1) alternate member of the Board to act upon matters as may be designated by the Board between regular Board meetings.

F. In the event of a vacancy among Directors through death, resignation, disqualification or other cause, the remaining Directors may, by affirmative vote of a majority thereof, whether or not constituting a quorum, elect a successor to hold office for the unexpired portion of the term of the Director whose place shall be vacant or until the election of and acceptance by his successor.

G. In the event a current or previous Board Member resigns or has resigned from their position on the Palm Lakes Village Board of Directors they shall not be eligible to be nominated to run as a candidate for a PLV Board position for a period of two terms, as defined in Article IV paragraph B, from the end of the vacated term for which they were originally elected or appointed. Exceptions to the restrictions of this paragraph may be made at the sole discretion of the Board of Directors.

H. The immediate Past President of PLV, Inc. shall be informed of all Board meetings and may be asked to serve as an advisory member of the Board in addition to those constituting the regular members of the Board for a period of one year following the end of his term as President. Only qualified voting members of PLV, Inc. shall be elected to the Board of Directors.

I. PLV, Inc. shall indemnify any and all of its Directors and officers, or former Directors and officers, against any expenses incurred by them, including legal fees or judgments or penalties rendered or levied against any such Director or officer for actions or omissions alleged to have been committed by such Director or officer while acting within the scope of his duties as a Director or Officer of PLV, Inc., provided that the Board of Directors shall determine in good faith that such Director or officer did not act, fail to act or refuse to act willfully or with gross negligence or with fraudulent or criminal intent in regard to the matter involved 5 in the action.

J. The Board of Directors shall have the power to adopt and publish rules and regulations governing the use of all common areas, including all roadways, streets and cul-de-sacs in Palm Lakes Village, and such rules and regulations shall be binding upon the total membership and their guests.

K. The Board of Directors shall provide a suitable seal containing the name of PLV, Inc. and the words, "Incorporated, Arizona, 1978." An imprint of said seal shall be affixed to the margin hereof.

L. These Bylaws may be amended by the Board of Directors at any regular or special meeting called for that purpose. Amendments shall not be in conflict with the provisions of the Articles of Incorporation or of the recorded Declaration of Covenants, Conditions and Restrictions.

ARTICLE V— ELECTION OF DIRECTORS

A. NOMINATING COMMITTEE. The Board of Directors will appoint a qualified member as the chairperson at the organizational meeting, as provided for in Article, VII (B)- (10). Excluding the Advisory Director, the chairperson shall appoint four (4) qualified members to serve on this committee. The chairperson, on behalf of the committee shall file with the Secretary of PLV a slate of candidates no later than November 15. (10) or more qualified members of PLV Inc. may nominate other qualified member candidates and file such nomination(s) over their signatures with the Secretary of PLV, Inc. no later than forty-five (45) days prior to the annual election.

B. Election Tellers. Prior to the Annual Meeting the current Board of Directors shall appoint three (3) qualified members, excluding members of the Board of Directors, to act as tellers at the election. One (1) of the tellers shall be designated as Head Teller. These tellers shall receive, record and count the ballots cast in the election and certify the results to the Secretary. The person receiving a plurality of the votes cast for each office shall be declared elected and it shall be so announced at the Annual Meeting.

1. Voting Ties – In the event two or more candidates receive the same number of votes, the winner(s) will be decided by placing the names of these candidates in a container and the Secretary of the Board or other 6 mutually agreed upon person shall draw a name from the

container. That candidate will be declared the winner. All tied candidates will have the opportunity to be present at the drawing. Said drawing should be done the same day as the election.

2. Recount of Ballots – Any candidate may request a recount of the ballots by submitting a written request with the reason(s) to the Secretary of the Board within 24 hours of the posting of the Election results. The PLV Board will meet the next business day to consider the written request. If approved, the President will direct the Election tellers to recount the ballots and report the results to the Secretary of PLV within one business day. The candidate requesting the recount and any other candidate that may be affected by the recount may have one observer in the room during the recount.

C. Term of Office. Whereas the Articles of Incorporation prescribes a minimum of three (3) and a maximum of seven (7) Directors, every effort to elect and maintain seven (7) Directors shall prevail. Directors shall be elected for three (3) year terms, and shall be limited to two consecutive elected terms. Any contiguous appointed term, if applicable, shall not be considered in this limitation.

D. Voting Ballots. The Board of Directors shall, upon the receipt of the list of candidates as filed by the Nominating Committee and the list of candidates as filed by the other regular members, if any, provide for the issuance of voting ballots to each qualified member at the time of election. Members not appearing at the designated place of the election at the designated time shall not vote, except on written request of a PLV member, ballot will be supplied, which must be returned to the PLV Office one (1) day prior to the Election. Ballots shall list all candidates in alphabetical order.

E. No member shall be permitted to vote at any Annual or Special Election who is fifteen (15) days or more in default in the payment of any assessment due PLV, Inc. or is in default in the performance of any of the terms of the recorded Declaration of Covenants, Conditions and Restrictions.

ARTICLE VI— ASSESSMENTS

A. The Board of Directors shall assess and collect from each member of PLV, Inc. such sums as may be necessary to properly carry out the responsibilities and obligations herein imposed. Each member's pro rata share of said expenses shall be determined by the Board of Directors and shall be the same ratio as one lot is to the number of lots in said subdivision. The maximum amount which may be assessed by the Board of Directors for any of the purposes herein enumerated shall not exceed the limitations set forth in the Declaration of Covenants, Conditions and Restrictions recorded or to be recorded in the Office of the County Recorder of Maricopa County, Arizona, with the subdivision plat maps of Palm Lakes Village.

B. Assessments are due and payable in advance of the first of each month and shall be delinquent fifteen (15) days thereafter. In the event any assessment as herein provided for is not paid within thirty (30) days from the due date, the Board of Directors may file in the office of the County Recorder an affidavit of nonpayment in the form of a Material man's Lien. The Board of Directors may at any time thereafter institute a foreclosure action on said lien in the manner provided by Arizona law for the foreclosure of Realty Mortgage. The Board of Directors further maintains that when a resident has not complied with the above responsibility, and the Board of Directors must then pursue any and all means of collection, the said property owner shall understand and agree to pay court cost, attorney fees and a 50% (fifty percent) collection fee on any outstanding balances over (30) thirty days past due. The property owner will also agree to pay 2% interest per month on any outstanding balances over (30) days past due when turned over to a debt collection agency.

C. In the event any member shall fail to maintain his lot in Palm Lakes Village and the improvements located thereon in a manner satisfactory to the Board of Directors, the Board of Directors, through its agents and employees, shall have the right to enter upon such lot and to

restore the premises and the exterior of any improvements situated thereon, and the cost thereof shall become a lien upon said lot and may be foreclosed as provided in the Declaration of Covenants, Conditions and Restrictions affecting said property. The Board of Directors, however, shall first give written notice to the member of its intention to make such repairs or its intention to perform such maintenance or rehabilitation work and afford the member thirty (30) days' time within which to make such necessary repairs or maintenance work. If at the end of said thirty (30) day period the work to be performed has not been done by the owner, then the Board of Directors shall have the right as set forth herein to perform such maintenance, repairs or rehabilitation work.

D. Regular and Special Annual Assessments shall be in compliance with Article X of the Declaration of Covenants, Conditions and Restrictions.

E. Individual Assessments shall be in compliance with Article XI of the Declaration of Covenants, Conditions and Restrictions.

F. Specific provisions in Article VIII, Paragraph (R) of the Declaration of Covenants, Conditions and Restrictions refer to designated storage areas within Palm Lakes Village that may be used and a charge for said use, if any, shall be at the discretion of PLV, Inc. The Board of Directors has applied this provision to the Recreational Vehicle Storage Compound and assessed a monthly charge for its use effective January 1, 1978.

ARTICLE VII—MANAGEMENT (General)

A. The duly elected Board of Directors, as representatives of the PLV, Inc. membership, has the responsibility and duty of initiating and maintaining sound business practices in the management, control and operation of Palm Lakes Village as provided for in the Articles of Incorporation and/or in the Declaration of Covenants, Conditions and Restrictions. No resident or committee members shall contact PLV contractors, vendors, law firm, CPA, etc. unless authorized in writing by the Board of Directors. If this provision is violated, the resident/committee members shall be responsible for any accruing fees charged by those contracted by PLV. This includes any and all fees that are associated with this action.

B. Major areas of management include:

1. Maintenance and development of all PLV, Inc. common grounds and properties.
2. Maintenance, if necessary, of individual members' lots.
3. Promotion of activities conducive to the general benefit and welfare of PLV, Inc. membership.
4. Enforcement of all governing documents of PLV Inc.
5. Publication of operating policies and other business considered necessary to effective communications.
6. Development and maintenance of acceptable accounting practices and records as related to sound financial management.
7. Welcoming new residents to the community.
8. Regulating parking in the common parking area. No overnight parking will be permitted.
9. Administering the PLV, Inc. RV Park by appointing a RV Park Supervisor and one or more assistants if necessary, and such Supervisor to be responsible only to the Board of Directors.
10. At the beginning of each calendar year following election of new board members, the Board shall designate five board members, each one to serve as an advisory member on one of the following committees for a period of one year. The Architectural Committee, Streets, Nominating, Finance and Long Range Planning. The Board shall appoint the chairperson (except for Architectural Committee which is chaired by the CC&R Director, per state law). The appointed Chairperson will assemble their committee and present their recommendations to the Board of

Directors for approval. The Board upon recommendation of the chairperson may approve additional members.

11. In the event of any criminal action occurring in the Clubhouse or the common area, the Board of Directors will notify the police and turn the matter over to them

- C. Architectural Committee shall have the following responsibilities:
 - 1. Assist the Board of Directors in maintaining Palm Lakes Village as an attractive community through encouraging compliance with the provisions in the CC&R
 - 2. Review all residents' construction permits and variances on all residents' projects; assure the project follows the provision in all governing documents and make recommendations to the Board of Directors.
 - 3. Assist the project lot owner to make their construction project go smoothly and in compliance with the provisions of our governing documents.
- D. The Streets Maintained Committee shall have the following responsibilities:
 - 1. Conduct periodic inspections of the streets and parking lot pavements in Palm Lakes Village to determine their condition.
 - 2. Make recommendations to the Board of Directors for periodic repair, treatment or resurfacing.
 - 3. Be informed of all contracts and repairs made by utility companies, which require removal and restoration of any paved surface within Palm Lakes Village. Develop specifications for such repairs.
 - 4. Assure that such specifications are followed when repairs are made, and seek action by the Board of Directors whenever repairs to the streets by any contractor or utility company violate such specifications.
- E. The Long Range Planning Committee has the following purpose statement:

"The Mission of the Long Range Planning Committee is to provide research for the Board of Directors. The Committee will collect all relevant information on any project requested by the Board. It is the purpose of the Committee to propose projects and make recommendations to the Board

ARTICLE VIII—MANAGEMENT (Financial)

A. Accounting records and corporate books of account shall be maintained on a current basis reflecting all data pertinent to income and expenses paid. All such records and books shall be in accord with generally accepted accounting practices. Provisions shall be made for the retention and safekeeping of same.

B. Financial statements shall be prepared on a current monthly and annual basis, and the membership shall be informed on a quarterly basis.

C. The Corporation's fiscal year shall coincide with the fiscal year as stated to the Arizona Corporation Commission.

D. Examination of the financial records shall be performed by an auditor on an annual basis. This examination is to include an inspection of the annual inventory of corporate assets as required under Arizona State law. At the discretion of the Board, the annual examination shall be performed by an auditor not in residence at Palm Lakes Village, the expense to be considered a normal operating cost. The membership shall be informed of the contents of the annual report.

E. Annual budgets shall be developed for PLV, Inc. Revised budgets shall be made if required due to major changes in income or operating costs.

- 1. Budgets shall serve as sources of data to:

- a. Evaluate income needs.
- b. Evaluate cost of operation.
- c. Avoid deficit spending.
- F. Assure that the nonprofit status of PLV, Inc., including related activities, remains in compliance with the requirements of the Arizona Corporation Commission.
- G. Assure that the appointed statutory agent remains active or is replaced as may be required.
- H. Protect PLV, Inc. tax status by being knowledgeable of tax requirements.
- I. Issue annual report form ARS 10-125 and Certificate of Disclosure Form ARS 10- 123 with accompanying annual fee of \$10.00 to the Arizona Corporation Commission on a timely basis to avoid having the PLV, Inc. corporate status 11 revoked. Note that the form numbers, names and fee may change.
- J. Provide for the reporting and payment requirements of miscellaneous permits on a timely basis, i.e. signs, pools, furnace, etc.
- K. Provide for the taking and recording of an annual physical inventory of PLV, Inc. assets, including furniture, fixtures and equipment.
- L. Assure that adequate insurance coverage is provided to cover all assets and liabilities.
- M. Assure that work performed for PLV, Inc. on a charge basis (one time cost) is covered by written contracts. All work resulting in a cost of \$10,000 or more may be reviewed by legal counsel (exception: Maintenance projects and regularly used vendors). Such review shall include, but not be limited to, insuring that the proposed contract properly address environmental standards as required by Arizona State Law. Independent contractors shall have their own liability insurance and shall not be employees of PLV, Inc. If the maintenance contract covers a long period of time and will end up more than \$10,000 in aggregate, but over numerous accruing charges, then it does not need to be reviewed.

- N. The Board of Directors shall appoint a Finance Committee of a minimum of (3) three and a maximum of (6) six qualified members, one of which shall be the Treasurer and one the Assist-Treasurer to assist in the accomplishment and evaluation of all financial areas including:
 - 1. Usage control of the reserve funds.
 - 2. Regular Assessment Reserve (Maintenance).
 - 3. Special Assessment Reserve (Construction of additional buildings, alterations, modifications, etc.)
 - 4. Other Assessment Reserve (Recreational vehicle storage compound, maintenance and improvements)
 - 5. Preparation of:
 - a. Annual budgets
 - b. Corporate books of account
 - c. Financial reports.
 - d. Annual physical inventory of all PLV assets
 - e. Investment criteria: Investments shall be limited to those insured by the Federal Deposit Insurance Corp. (FDIC); the Federal Savings & Loan Corp. (FSLIC); the National Credit Union Assn. (NCUA); Securities Investor Protection Plan (SIPC); and Notes, Bonds and other instruments guaranteed by the U.S. Government Agencies. Furthermore, no single investment shall, at the time of investment, exceed twenty percent (20%) of the total funds of PLV, Inc. Recommendations pertinent to changes or 12 additions shall be submitted to the Board of Directors for direction.
- O. Minutes of all meetings conducted by the Board of Directors shall be preserved for future reference.

ARTICLE IX—MANAGEMENT (Responsibility)

- A. The duly elected Board of Directors shall set forth procedures under which Articles VII and VIII of these Bylaws are to be carried out during the ensuing calendar year. Such procedures may delegate specific responsibilities to individual members and non-members of the Board of Directors, but shall insure that final responsibility for all management is vested in a single office accountable to the Board of Directors.

- B. The Board of Directors may employ professional management for the purpose of carrying out Paragraph (A) of this Article; or

C. The Board of Directors may designate one of its members to be Executive Vice President for the purpose of carrying out Paragraph (A) of this Article. D. It shall be the duty of the Secretary to maintain and preserve all PLV, Inc. records in a permanent and accessible manner. An Assistant Secretary may be appointed on the recommendation of the Secretary.

ARTICLE X –CODE OF CONDUCT

It is the policy of the Association to create and maintain an environment free of harassment. The Association will not tolerate hostility or favoritism toward an individual based on race, color, creed, gender, sexual orientation, national origin or age. The Association will not condone such behavior by or from any Member, Resident, Guest, Invitee, Board Member, or staff personnel including contractors.

ARTICLE XI –ENFORCEMENT

Effective immediately and pursuant to Section 33-1803(B) of the Arizona Revised Statutes, the Board of Directors shall have the power to impose monetary penalties upon the owners of lots for violations of the Declaration of Covenants, Conditions and Restrictions, Bylaws and Rules of the Association. This power shall apply to violations by the owner(s) who shall be liable for any violation committed by a family member, guest or other occupant of the lot. The amount of monetary penalties shall be determined based on the nature of the offense, and the number of violations. The amount so established by the Board of Directors shall range from \$10.00 to a maximum of \$500.00. The owner(s) in question shall be given an opportunity to be heard by the Board or its enforcement committee appointed by the Board prior to the assessing of any monetary penalties, and written notice of said hearing shall be given at least 15 days in advance of the hearing by regular mail or by hand delivery at the last known address of the owner(s). Once it has been determined that the owner(s) is guilty of a continuing violation, the Board may impose reasonable daily monetary penalties for each subsequent day of the violation and such continuing penalties shall remain in effect until the owner(s) notifies the Board that the violation has ceased and the Board has confirmed that this, in fact, is the case. Any penalties assessed against the owner(s) may be enforced in the same manner established in the Declaration in regard to delinquent maintenance assessments. Said owner(s) shall be liable in this manner for all violations committed by the owners, family members, guests or any other occupant.