

# SUNSCAPE ESTATES R.V. PARK COOPERATIVE BYLAWS

Revised February 19, 2020

## ARTICLE I NAME AND LOCATION OF CORPORATION

ARTICLE I The name of this Corporation is SUNSCAPE ESTATES R.V. PARK COOPERATIVE. Its principal office is located at 1083 East Sunscape Way, Casa Grande, Arizona 85194 or at such place as may be designated by the Board of Directors.

## ARTICLE II PURPOSE

ARTICLE II The purpose of this Corporation is to provide its members with a recreational vehicle and/or park model resort consistent with the provisions set forth in its Articles of Incorporation, the Proprietary Lease, the Rules and Regulations and these Bylaws which herein are collectively referred to as Corporate Documents.

## ARTICLE III MEMBERSHIP

ARTICLE III Section 1. Eligibility. Those persons and parties shall be members who have become members in the Corporation pursuant to Section 3 below.

ARTICLE III Section 2. Application for Membership. Deleted by membership vote, February 2000

ARTICLE III Section 3. Members. Members shall consist of those applicants who have purchased memberships and have executed Proprietary Leases with the Corporation. When additional spaces or properties are added to Sunscape Estates R.V. Park, those members leasing the additional spaces shall become members of the Corporation.

ARTICLE III Section 4. Membership Certificates.

(a) Each membership certificate shall state that the Corporation is organized under the laws of the State of Arizona.

(b) Each membership certificate shall state the name of the registered holder of the membership represented thereby, the number of the recreational vehicle and/or park model space allocated to the membership share represented thereby, the Corporation lien rights as against such membership as set forth in this Article, and the preferences and restrictions applicable thereto.

(c) Each membership certificate shall be in such form as approved by the Board of Directors. Membership certificates shall be consecutively numbered and shall be issued upon certification as to full payment.

(d) Each membership certificate shall be signed by the President or Vice President and by the Secretary and shall be sealed with the corporate seal.

ARTICLE III Section 5. (a) Replacement Membership Certificates. The Board of Directors will issue a new certificate to replace a certificate which has been canceled pursuant to the provisions of a Proprietary Lease.

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ARTICLE III Section 5. (b) Lost Membership Certificates. The Board of Directors will direct a new certificate to be issued in place of any certificate previously issued by the Corporation and alleged to have been destroyed or lost, upon the making of an affidavit of that fact by the person claiming the share certificate to be lost or destroyed. When authorizing such issuance of a new certificate, the Board of Directors may, at its discretion, and as a condition precedent to the issuance thereof, require the registered owner of such lost or destroyed certificate, or their legal representative, to give the Corporation an Affidavit of Lost Certificate and a bond in such sum as the Board of Directors may require as indemnity against any claims that may be made against the Corporation.

ARTICLE III Section 6. Lien. The Corporation shall have a lien on the outstanding regular membership in order to secure payment of any sums which shall be due or become due from the holder thereof for any reason whatsoever, including any sum due under any occupancy agreement. The lien may be foreclosed as set forth in Article IX below.

ARTICLE III Section 7. Transfer of Membership. In all transfers of memberships, the Corporation shall be entitled to a fee it deems appropriate to compensate it for processing the transfer.

ARTICLE III Section 7. (a) Right of First Refusal. If a member desires to sell a membership and receives a bona fide offer from a third party, they shall notify the Board of Directors in writing of such offer and shall enclose a copy of the offer received from said third party. The Corporation shall have the right, by a vote of the Board of Directors, for a period of twenty (20) days after the receipt of said notice to purchase the membership on the same terms and conditions as contained in the bona fide offer. The monies for the purchase of the membership would come from the Contingency Fund. If the Corporation does not give notice to the member of its intention to acquire the membership within said twenty (20) day period, the member may sell the membership to the third party who made the offer, provided such third party has been approved by the Corporation as a member. If the sale is not consummated by the person or party who made the bona fide offer within sixty (60) days from the date said offer was made, the right of first refusal referred to above shall be reinstated. Further, any party who acquires a membership shall acquire it subject to this right of first refusal in the event of any future transfer or disposition of the membership.

ARTICLE III Section 7. (b) Death of a Member. If, upon the death of a member, their membership in the Corporation passes by will or by intestate succession to a member of the immediate family, such recipient shall, by assuming in writing the terms of a new proprietary lease, within one (1) year after the member's death, and by paying all amounts due there under, become a member of the Corporation. If a member dies and the obligations are not assumed in accordance with the foregoing, the membership certificate shall be deposited with the Corporation and the estate of the decedent and their personal representative shall continue to be obligated for all amounts due and payable under the proprietary lease and the Corporate Documents until such time as the membership is sold.

ARTICLE III Section 7. (c) Other Disposition of Membership. If a member desires to dispose of a membership, the member shall be responsible for all obligations under the proprietary lease and other Corporate Documents. If and when a buyer is found for said membership, the Corporation shall have the right of first refusal as stated in subparagraph (a) above.

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ARTICLE III Section 8. Termination of Membership for Cause. In the event the Corporation has terminated the rights of a member under the proprietary lease, the member shall be required to deliver promptly to the Corporation their membership certificate and their proprietary lease endorsed in such manners as may be required by the Corporation. Termination of a member's proprietary lease for cause shall operate to terminate the membership of the member. The Corporation shall thereupon, at its election, either: (i) repurchase the membership for the amount the retiring member originally paid for the acquisition of the membership, or (ii) proceed with reasonable diligence to effect a sale of the membership to a purchaser at a sales process acceptable to the Corporation. The retiring member shall be entitled to receive the amount so determined, less the following amounts: (i) any amount due the Corporation from the member under the proprietary lease, and (ii) legal and such other expenses incurred by the Corporation in connection with the default of such member and the resale of their membership. The terminated member shall be responsible for all assessments accrued up to the date of sale of their membership certificate and actual issuance of a new membership certificate to the new member. The Corporation may enter into a purchase agreement with the member for any personal property that is related to the membership termination.

## ARTICLE IV MEETINGS OF MEMBERS

ARTICLE IV Section 1. Place of Meetings. Meetings of the membership shall be held at the principal office or place of business of the Corporation or at another suitable place convenient to the membership as may be designated by the Board of Directors.

ARTICLE IV Section 2. Annual Meetings. The annual meeting of the Corporation shall be held in the month of February of each year. The date is to be determined by the Board of Directors. At such meetings there shall be elected, by ballot of the members, a minimum of two (2) new members of the Board of Directors in accordance with the requirements of Article V, Section 3 of these Bylaws. The members may also transact other business of the Corporation as may properly come before them.

ARTICLE IV Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the members as directed by resolution of the Board of Directors or upon a petition signed by twenty (20) percent of the members having been presented to the Secretary. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

ARTICLE IV Section 4. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof, as well as the date, time, and place where it is to be held, to each member of record, at their address as it appears on the membership book of the Corporation, or if no such address appears, at their last known address, at least forty (40) days prior to such meeting.

ARTICLE IV Section 5. Quorum. The presence, either in person, by written ballot, or by proxy, of at least fifty (50) percent of the members of record of the Corporation shall be requisite for, and shall constitute a quorum for, the transaction of business at all meetings of members. If the number of members at a meeting drops below the quorum, no business may thereafter be transacted.

ARTICLE IV Section 6. Adjourned meetings. Deleted by membership vote, February 2008.

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ARTICLE IV Section 7. Voting. At every meeting of the regular members, each member present, either in person, by written ballot, or by proxy, shall have the right to cast one vote for each share owned on each question. All voting shall be by secret ballot. The majority of those present, in person, by written ballot, or by proxy, shall decide any questions brought before such meeting, unless the question is one upon which, by express provision of statute or Certificate of Incorporation or of these Bylaws, a different vote is required; in which case such express provision shall govern and control. No member shall be eligible to vote or be elected to the Board of Directors who is shown on the books or management accounts of the Corporation to be more than thirty (30) days delinquent in payments due the Corporation under their proprietary lease.

ARTICLE IV Section 8. Proxies. If a member desires to vote by proxy, they must file, or cause to be filed, a signed proxy with the Secretary no later than the day before the appointed time for each meeting.

ARTICLE IV Section 9. Order of Business. The order of business at all meetings of the members shall be governed by the current edition of Robert's Rules of Order, and will be followed during the conducting of the meetings.

## ARTICLE V DIRECTORS

ARTICLE V Section 1. Number and Qualifications. The affairs of the Corporation will be governed by a Board of Directors composed of three (3) or more persons, who have been members of the corporation for a minimum of one (1) year. Board members shall have a physical presence in the park for a majority of the period of September 1<sup>st</sup> to May 1<sup>st</sup>, and shall be active participants in Board activities.

ARTICLE V Section 2. Powers and Duties. The Corporation shall be managed and operated under the direction of the Board of Directors through its manager or other agents which may be appointed or hired by the Board of Directors. The Board of Directors may delegate any lawful act herein specified except the adoption of the annual budget, the determination of annual assessments, and the termination of membership for cause. Powers of the Board of Directors shall include but not be limited to the following:

ARTICLE V Section 2. (a) Deleted by membership vote, February 2000.

ARTICLE V Section 2. (b) To adopt an operating budget each year and to establish assessments as provided in the Corporate Documents based on an operating budget adopted by the Board of Directors.

ARTICLE V Section 2. (c) To engage agents or employees for the management of the Corporation under such terms and conditions as the Board of Directors may determine.

ARTICLE V Section 2. (d) To terminate membership and occupancy rights for cause.

ARTICLE V Section 2. (e) To promulgate such rules and regulations pertaining to use and occupancy as may be determined proper and which are consistent with the Corporate Documents.

ARTICLE V Section 2. (f) To do such other things as may be deemed necessary or requisite in connection with the operation and management of the Corporation as set forth in the Corporate Documents.

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ARTICLE V Section 3. Election and Term of Office. The term of the Directors will expire when their successors have been elected at the annual meeting and have held their organizational meeting. At the annual meeting of the members, the term of office of the newly elected Directors will be fixed for three (3) years.

ARTICLE V Section 4. Vacancies. Vacancies on the Board of Directors caused by any reason other than the removal of a Director by a vote of the membership shall be filled by vote of the majority of the remaining Directors. Each person so elected shall be a Director until a successor is elected by the members at the next annual meeting to serve out the unexpired portion of the term. If Board vacancies should occur after the forty-five (45) day notice for the annual meeting has already been mailed, a special meeting of the members shall be called for the purpose of electing additional Board members up to the maximum of seven (7). (Reference Article IV, Sections 3 and 4.)

ARTICLE V Section 5. Removal of Directors. At any regular or special meeting duly called, any Director may be removed with cause by the affirmative vote of the majority of the entire membership of record and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the members shall be given an opportunity to be heard at the meeting. The term of any Director who becomes more than thirty (30) days delinquent in payment of their dues and assessments shall be automatically terminated and the remaining Directors shall appoint the successor as provided in Section 4 above.

ARTICLE V Section 6. Compensation. No compensation shall be paid to Directors for their services as Directors. No remuneration shall be paid to a Director for services performed by them for the Corporation in any other capacity, unless a resolution authorizing such remuneration shall have been unanimously adopted by the Board of Directors before the services are undertaken. A Director may not be an employee of the Corporation. Board members who have a direct interest in any matter of business that is under discussion at a meeting of the Board of Directors shall state their business interest and excuse themselves from that discussion.

ARTICLE V Section 7. Organizational Meeting. The first meeting of a newly elected Board of Directors shall be held at the time of the annual meeting when elected or at a time mutually agreed upon at this annual meeting. However, such organizational meeting must be held within five (5) days of election.

ARTICLE V Section 8. Regular Meetings. 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. At least four (4) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director personally, by mail, telephone, fax, or e-mail at least three (3) days prior to the day named for such meeting.

ARTICLE V Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days notice to each Director, given personally, by mail, telephone, fax, or e-mail. The notice shall state the date, time, place, and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary, as indicated above on written request of at least three (3) Directors.

ARTICLE V Section 10. Waiver of Notice. Deleted by membership, February 2000.

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ARTICLE V Section 11. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business. If at any meeting of the Board of Directors, there be less than a quorum present, those present shall adjourn the meeting.

ARTICLE V Section 12. Fidelity Bonds. The Board of Directors will require that all officers and employees of the Corporation handling or responsible for corporate funds shall furnish adequate fidelity bonds. The premium of such bonds shall be paid by the Corporation.

## ARTICLE VI OFFICERS

ARTICLE VI Section 1. Designation. The principal officers of the Corporation shall be a President, Vice President, Secretary, and Treasurer, all of whom shall be elected by the Board of Directors. The Directors may appoint an assistant treasurer, and an assistant secretary, and other officers as in their judgment may be necessary.

ARTICLE VI Section 2. Election of Officers. The officers of the Corporation shall be elected annually by the Board of Directors at the organizational meeting of each new Board of Directors. (Reference Article V Section 7).

ARTICLE VI Section 3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed with cause, and their successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purposes.

### ARTICLE VI Section 4. President.

- (a) Serve as the Chief Executive Officer of the Corporation
- (b) Preside at all meetings of the members and of the Board of Directors
- (c) Have all the general powers and duties which are usually vested in the office of president of a Corporation
- (d) Appoint committees from among the membership as appropriate to assist in conducting the affairs of the Corporation. Employees of the Corporation who are also members of the Corporation may be voting members of the Corporation's committees; however, such member must recuse themselves from participating in discussion and voting on any issue that demonstrates appearance of conflict of interest.

### ARTICLE VI Section 5. Vice President.

- (a) Perform duties set forth in Section 4 above, when the President is absent or unable to act
- (b) Perform such other duties imposed by the Board of Directors (See Article VI Section 4 (a) Acting President)

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(c) If the President or Vice President is unable to act, the Board of Directors will appoint a Member of the Board to act during an interim basis

## ARTICLE VI Section 6. Secretary.

(a) Keep minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Corporation

(b) Have custody of the seal of the Corporation

(c) Have charge of all other documents and records as the Board of Directors may direct

(d) Perform all duties incident to the office of Secretary

## ARTICLE VI Section 7. Treasurer.

(a) Responsible for Corporate funds and securities

(b) Responsible for keeping full and accurate accounts of all receipts and disbursements belonging to the Corporation

(c) Responsible for the deposits of all monies and other valuable effects in the name, and to the credit, of the Corporation in such depositories as may be designated by the Board of Directors

ARTICLE VI Section 8. Architectural Committee Chair. The Board of Directors shall appoint a Board member as the chairperson of the Architectural Committee.

## ARTICLE VII PROPRIETARY LEASES

ARTICLE VII Section 1. Form of Leases. The Board of Directors shall adopt a proprietary lease form to be used by the Corporation for the leasing to members of all spaces in the Cooperative. After a proprietary lease has been executed and delivered by the Corporation, all proprietary leases subsequently executed and delivered will be the same. Notwithstanding the foregoing, changes in the proprietary lease form may be made if such changes are approved by members owning at least two-thirds (2/3) of the memberships of the Corporation. A copy of each proprietary lease will be kept on file in the principal office of the Corporation or with the Manager.

ARTICLE VII Section 2. Allocation of Memberships. The Board of Directors will allocate to each space in the Corporation one membership in the Corporation that must be owned by the proprietary lessee of such space, subject to the provisions set forth in Article VIII of these Bylaws.

ARTICLE VII Section 3. Assignment. Proprietary Leases may be assigned or transferred pursuant to the provisions contained in the Proprietary Lease; provided, however, no proprietary lease may be assigned without a transfer of membership pursuant to the provisions of Article III, Section 7, of these Bylaws.

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ARTICLE VII Section 4. Fees on Assignment. The Board of Directors, through its Manager, shall have authority to establish reasonable fees to cover actual expenses in connection with the assignment of a proprietary lease.

ARTICLE VII Section 5. Use Restrictions. The use and occupancy of each space shall be in conformance with all of the covenants, conditions and restrictions set forth in the Corporate Documents and zoning and other rules and regulations of all applicable governing agencies. Without limiting the generality of the foregoing, the following uses and restrictions shall be applicable.

ARTICLE VII Section 5. (a) Use and Occupancy. All spaces shall be used solely as R.V. sites for recreational vehicles and/or park models bearing the R.V.I.A. or equivalent seal unless otherwise approved by the Board of Directors. Nothing herein shall be deemed to prevent the leasing of any space to an age qualified occupant thereof, subject to all the provisions of the Corporate Documents. Only one (1) recreational vehicle or park model is allowed per space.

ARTICLE VII Section 5. (b) Antennas. Deleted by membership vote, February 2014

ARTICLE VII Section 5. (c) Utility Service. Deleted by membership vote, February 2008.

ARTICLE VII Section 5. (d) Improvements and Alterations. These are regulated by the current Architectural Rules and Regulations. No improvements, alterations, excavation or other work which in any way alters the appearance of any property, or the improvements located thereon, from its natural or improved state existing on the date such property was first conveyed or transferred to a member shall be made or done without the prior written approval of the Architectural Committee or the Board of Directors. All decisions of the Board of Directors or Architectural Committee shall be final and no member or other parties shall have recourse against the Board of Directors or Architectural Committee or any of its members, for or with respect to any decisions made in good faith.

ARTICLE VII Section 5. (e) Maintenance of Lawns and Planting. The Corporation shall maintain the lawns and plants on portions of the Common Areas designated and/or landscaped for this purpose. The Corporation shall have the right, at any time, to plant, replace, maintain, and cultivate landscaping, shrubs, trees, grass and plants on any Common Area. No member shall remove, alter, injure or interfere in any way with any landscaping, shrubs, trees, grass or plants placed upon any Common Area by the Corporation without the prior consent of the Board of Directors. Anyone who removes, alters, injures, or willfully defaces or destroys property or the equipment of the Park shall be liable for the full value of the repair/replacement thereof, unless said action has prior consent of the Board of Directors.

ARTICLE VII Section 5. (f) Repair of Buildings. No property shall be permitted to fall into disrepair, and each building and structure shall at all times be kept in good condition and repair and be adequately painted or otherwise finished. The Corporation shall have the right, after thirty (30) days notice to a member, to repair, paint, or otherwise maintain the exterior of any structure (and without notice in the event of an emergency) which the Corporation, acting through its Board of Directors, determines in its discretion is in violation of this provision. All costs and expenses so incurred by the Corporation shall be borne by the member, and shall be paid to the Corporation on demand. Any sum not paid by a member shall be treated as an assessment and may be collected in a like manner as assessments levied pursuant to the provisions of the Corporate Documents.



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ARTICLE VII Section 5. (g) Trash Containers and Disposal. Deleted by membership vote, Feb. 2014

ARTICLE VII Section 5. (h) Overhangs. Deleted by membership vote, February 2014

ARTICLE VII Section 5. (i) Right of Way. In the case of an emergency, any member of the Board of Directors, or any authorized representative, shall have the right to enter any property without permission, and such persons shall not be deemed guilty of trespass by reason of such entry.

ARTICLE VII Section 5. (j) Machinery and Equipment. No machinery or equipment of any kind shall be placed, operated or maintained upon or adjacent to any property except such machinery or equipment as is usual and customary in connection with the use, maintenance or construction of buildings, improvements or structures which are within the permitted uses of such property, and except that which the Corporation may require for the operation and maintenance of the common area.

ARTICLE VII Section 5. (k) Restriction on Further Subdivision. No space shall be further subdivided or separated into smaller spaces or parcels by any member, and no portion less than all of any such space, nor any easement or other interest therein, shall be conveyed or transferred by any member. No portion of a space, but for the entire space, together with the improvements thereon, may be rented or leased. The reservation or granting of easements as provided in the Corporate Documents or as shown on the Plat are exempt from the provisions of this section.

ARTICLE VII Section 5. (l) Signs. Deleted by membership vote, February 2014

ARTICLE VII Section 5. (m) Utility Easements. There is hereby created a blanket easement upon, across, over and under all members spaces for ingress, egress, installation, replacing, repairing, and maintaining all utility and service lines and systems, including, but not limited to, water, sewage facilities, gas, telephone, electricity, television cable, or communication lines and systems, etc. By virtue of this easement, it shall be expressly permissible for the providing utility or service company and/or the Corporation to install and maintain facilities and equipment on said property and to affix and maintain wires, circuits and conduits on, in and under the roofs and exterior walls of said property. Notwithstanding anything to the contrary contained in this paragraph, no sewage facilities, electrical lines, water lines, or other utilities or service lines may be installed or relocated on said property except as initially developed and approved by the Architectural Committee and/or the Board of Directors. This easement shall in no way affect any other recorded easements on said property. This easement shall be limited to improvements as originally constructed.

ARTICLE VII Section 5. (n) Animals. No animals, birds, fowl, poultry, or livestock, other than a reasonable number of generally recognized house or yard pets (i.e., cats and dogs) shall be maintained on any property covered by the Corporate Documents and then only if they are kept or raised thereon solely as domestic pets and not for commercial purposes. Upon the written request of any member, the Board of Directors shall conclusively determine, in its sole and absolute discretion, whether, for the purposes of this paragraph, a particular animal, bird, fowl, poultry, or livestock is a generally recognized house or yard pet, or a nuisance, of whether the number of animals or birds on any such property is reasonable. Any decision rendered by the Board of Directors shall be enforceable as other restrictions contained herein. All pets must be kept on a leash and be accompanied by the occupant when not on the space where they reside.

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ARTICLE VII Section 5. (o) Nuisances. No nuisance shall be permitted to exist or operate on any such property so as to be detrimental to any other property in the vicinity thereof or to its occupants. No exterior speakers, horns, whistles, bells or other sound devices, except security devices used exclusively for security purposes, shall be located, used or placed on any such property. The Manager of the Corporation shall have the right to determine the existence of any such nuisance, such as loud mufflers on any motorized vehicle. No motorcycles or motor driven vehicles (except lawn maintenance equipment or motorized chairs for the handicapped) shall be operated on any walkways or sidewalks within the property.

ARTICLE VII Section 5. (p.) Clothes Washing-Drying Facilities. Deleted by membership vote, February 2014

ARTICLE VII Section 5. (q) Mineral Exploration. No property shall be used in any manner to explore for or to remove any water, oil, or other hydrocarbons, minerals of any kind, gravel, earth, or any earth substance of any kind.

ARTICLE VII Section 5. (r ) Diseases and Insects. No member shall permit any thing or condition to exist upon any property which shall induce, breed, or harbor infectious plant diseases or noxious insects.

ARTICLE VII Section 5. (s) Walls and Fences. Deleted by membership vote, February 2014

ARTICLE VII Section 5. (t) Outside Lighting. Deleted by membership vote, February 2000.

ARTICLE VII Section 5. (u) Rules and Regulations. The Board of Directors may adopt and amend such rules and regulations as it may deem necessary or desirable with respect to the common areas for the health and safety of its membership in addition to the foregoing rules and regulations set forth in these Bylaws. Members shall have been notified of all such changes in Corporate documents via a public park posting, a posting on the web site, and any of the following methods: e-mail notification, mail, or hand delivery. Revisions to Corporate documents are also available at the Welcome Center. Copies of such proposed changes shall be made available to the members prior to or during a meeting called to deal with such changes. When the Board of Directors is considering any rule change for the betterment of the members, shareholders shall be given a minimum of three (3) weeks advance notice of such changes under consideration.

Rules and regulations of the park and its committees which pertain to member(s) use of space(s) may be amended only at an annual or special meeting by the affirmative vote of a majority of the members of record, present in person or by proxy, or by written ballot. Amendments may be proposed by the Board of Directors or by a petition signed by at least fifteen percent (15%) of the members. A description of any proposed amendment shall accompany the notice of any annual or special meeting at which such proposed amendment is to be voted upon. Any information accompanying the proposed changes/notice of meeting must include both a statement for and a statement against those proposed changes

ARTICLE VII Section 5. (v) Developer's Exemption. Deleted by membership vote, February 2005.

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## ARTICLE VIII ASSESSMENTS

ARTICLE VIII Section 1. Members. Members shall be obligated and liable for payment of any amount by way of assessments determined by the Corporation's Board of Directors and such amount shall be payable as set forth herein and in the Proprietary Lease applicable to each space.

ARTICLE VIII Section 2. Assessments. A space will be subject to assessments at such time as a membership share has been sold to the member and a lease has been entered into between the Corporation and said member.

ARTICLE VIII Section 3. Assessments. Assessments will be made against the space and its lessee member on the basis of the proportionate share of common expenses allocated to the space. Unless otherwise specifically stated herein, each space will have allocated to it a share which is equal to the share allocated to every other space. The amount of the assessment will be determined annually by the Board of Directors based on the Corporation's determination of anticipated annual expenses. Assessments will be paid annually, in advance for the next succeeding period.

The assessment each year shall be determined based upon those costs and expenses connected with the ownership, maintenance, and operation of the Corporation, which shall include (among other things): taxes, assessments, water, other utilities furnished by the Corporation, insurance premiums, operating expenses, legal and accounting fees, management fees and administration, employee salaries, alterations, replacements and repairs, reserves for replacements and repairs, expenses and liabilities incurred by the Corporation resulting from the Proprietary Lease or other leases, interest on mortgage or other indebtedness, mortgage amortization payments (if any), the payment of other liens or charges, the payment of any deficit remaining from a previous period, the creation of a reasonable contingency or other reserve or surplus funds, and expenses for other corporate purposes. The Board of Directors will include in the cash requirements for any year any liabilities or items of expense which accrued or became payable in a previous year or which might have been included in the cash requirements for the previous year but were not included therein. The Board of Directors shall have discretionary power to prescribe the manner of maintaining and operating the Corporation to determine the cash requirements of the Corporation to be paid, as herein provided, by the members. Every such determination by the Board of Directors, within the bounds of the corporate documents, shall be final and conclusive on all the members. Any expenditure made by the corporation officers, or by the Manager under the direction or approval of the Board of Directors, within the bounds of the corporate documents, shall, as against the members, be deemed necessarily and properly made for such purposes.

ARTICLE VIII Section 4. Annual Assessments. The total annual assessment is due by January 31<sup>st</sup> of each year. Any balance due thereafter shall be charged a deferral penalty of one and one-half percent (1.5%) per month on any outstanding balance owing, and will be considered to be a delinquent account, subject to Article IX Section 2. Foreclosure, 180 days from the due date of January 31<sup>st</sup>. Members will pay the assessments to the Manager of the Corporation on the due dates without any deduction on account of set-off or claims that the member may have against the Corporation.

ARTICLE VIII Section 5. Special Assessments. During each year, before the new assessment for the subsequent year is determined, the Board of Directors, with the approval of a majority of the members, may make special assessments for expenditures deemed necessary by the Board of Directors.

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## ARTICLE IX CORPORATION LIEN

ARTICLE IX Section 1. Lien. In addition to all other rights and remedies of the Corporation pursuant to the Cooperative Documents, the Corporation at all times shall have a lien on the membership owned by each member which shall be superior to all other liens, for all indebtedness and obligations owing and to be owing by such members to the Corporation resulting pursuant to the provisions of the Proprietary Lease held by each member, or otherwise accruing to the Corporation in accordance with the provisions of the Cooperative Documents or otherwise pursuant to law. Unless and until such member is in default in the payment of any assessments or other indebtedness or in the performance of any covenants or conditions pursuant to the Cooperative Documents, such membership shall continue to stand in the name of the member on the books of the Corporation and the member shall be entitled to exercise the right to vote thereon. The Board of Directors shall refuse to consent to the transfer of such membership until any indebtedness by the member to the Corporation is paid. The Board shall have the right to vote thereon. The Corporation shall have the right to issue to any purchaser of such membership the certificate so purchased, and thereupon the certificate for such membership issued to the defaulting member shall become void. Such defaulting member shall surrender the same to the Corporation on demand, but the failure of such defaulting member to surrender such certificate shall not affect the validity of the certificate issued in replacement thereof. The lien on the membership shall be subject to enforcement in the manner that the lien on the Proprietary Lease is enforced as set forth in Section 2 below.

ARTICLE IX Section 2. Foreclosure. In addition to bringing an action at law against a member personally, the Corporation may file a lien and foreclosure against the Proprietary Lease and its member in the same manner that mortgages are recorded and foreclosed in the State of Arizona. No member may waive or otherwise escape liability from the assessment provided for herein by non-use of their space or the Corporation.

ARTICLE IX Section 3. Additional Remedies. The above remedies shall be in addition to the remedies set forth in any of the Corporate Documents, including but not limited to termination of the Proprietary Lease as set forth therein.

## ARTICLE X

LEGEND ON MEMBERSHIP CERTIFICATE Deleted by membership vote, August 1997

## ARTICLE XI DISTRIBUTIONS

Members shall not be entitled (either conditionally or unconditionally) to receive any distributions out of earnings, profits, or assets of the Corporation except on the complete liquidation of the Corporation.

## ARTICLE XII DISSOLUTION AND LIQUIDATION

The Corporation may be dissolved upon the written ballot of members owning seventy-five percent

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(75%) of the membership. Dissolution may only be accomplished upon the concurrent adoption of a plan of liquidation by the same vote. The Board of Directors must present to the membership all valid offers to purchase the Corporation.

## ARTICLE XIII

### SEAL

The Board of Directors shall provide a suitable corporate seal containing the name of the Corporation. Such seal shall be in the charge of the Secretary. If so directed by the Board of Directors, a duplicate of the seal may be kept and used by the Treasurer or any Assistant Secretary or Assistant Treasurer.

## ARTICLE XIV

### INDEMNIFICATION

The Association will indemnify and hold harmless each of its Directors and officers, former Directors and officers, each member of any committee appointment by the Board, and the members of the Board, against any and all liability arising out of any acts of Directors, officers, committee members, or Board, or arising out of their status as Directors, officers, committee members, or Board, unless any such act is a result of gross negligence or criminal intents. It is intended that the foregoing indemnification will include indemnification against all costs and expenses including, by way of illustration but not of limitation, attorneys' fees and costs reasonably incurred in connection with the defense of any claim, action, or proceeding, whether civil, criminal, administrative or other, in which any such Director, officer, committee member, Board, may be involved by virtue of such person having the status of a Director, officer, committee member, or Board; provided, however, that such indemnity will not be operative with respect to any matters to which such person was finally adjudged in such action or proceeding to be liable for gross negligence or criminal intent in the performance of his/her duties.

## ARTICLE XV

### EXTENSION OR WAIVERS OF TIME LIMITS

The Board of Directors may extend or waive, by written authorization, any time limit in which a member or successor is required to act. The Board of Directors may not extend any time limit in which the Board of Directors or the Corporation is required to act. The Board of Directors may delegate all or certain portions of this authority to the Manager.

## ARTICLE XVI

FORMATION AND INITIAL MANAGEMENT Deleted by membership vote, February 2000

## ARTICLE XVII

DEVELOPER'S EXEMPTION Deleted by membership vote February, 2000

## ARTICLE XVIII

### AMENDMENTS

The Bylaws may be amended at any regular or special meeting by the affirmative vote of a majority of the members of record, present in person or by proxy or by written ballot. Amendments may be proposed by

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the Board of Directors or by a petition signed by at least twenty percent (20%) of the members. A description of any proposed amendment shall accompany the notice of any regular or special meeting at which such proposed amendment is to be voted upon.

## ARTICLE XIX FISCAL MANAGEMENT

ARTICLE XIX Section 1. Fiscal Year. The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December of every year, except the first fiscal year of the Corporation shall begin on the date of incorporation. The commencement date of the fiscal year herein established shall be subject to change by the Board of Directors.

ARTICLE XIX Section 2. Books of Account. Books of account of the Corporation shall be under direction of the Treasurer and in accordance with sound accounting practices. Any addition or removal of established accounts shall require the authorization of the Chair of Finance, and the Treasurer and President of the Board of Directors. A financial audit shall be conducted at the end of each fiscal year prior to the annual meeting. An audit committee appointed by the Board of Directors and consisting of a minimum of three Sunscape Estates R.V. Park Cooperative shareholders at large, and the Treasurer, shall conduct the audit. Employees of the Corporation shall only attend an audit committee meeting when invited to do so. The report from this audit will be presented at the annual meeting.

ARTICLE XIX Section 3. Inspection of Books. Financial reports of the membership records of the Corporation shall be available at the principal office of the Corporation for inspection at reasonable times by any member.

ARTICLE XIX Section 4. Execution of Corporate Documents. With the prior authorization by the Board of Directors, all notes and contracts, including Proprietary Leases, shall be executed on behalf of the Corporation by any two of the following: members of the Board of Directors, the Park Manager, or a Park Member designated by the Board. The Treasurer shall not execute checks because the Treasurer is to act as an Auditor.

Article XIX. Section 5. Board Responsibility. The Board of Directors is responsible for the ongoing maintenance of Park Property that has been previously approved by the Membership.

ARTICLE XIX. Section 5a. Board Spending: The Board of Directors may spend an accumulated total of \$8,000.00 a year on Capital/Capital Improvements items. Any Capital/Capital Improvement expenditure(s) exceeding the annual \$8,000.00 specified will require a Capital/Capital Improvement vote. (See definitions)

ARTICLE XIX Section 5b. Property Maintenance and Replacement: Property Maintenance and Property Replacement must be included in the annual budget which is approved by the Board of Directors. Individual items of repair or replacement that exceeds \$25,000.00 will require a Capital/Capital Improvement vote before proceeding. (see definitions)

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ARTICLE XIX Section 5c. Capital Improvements: With the exception of Article XIX Section 5a, all capital/capital improvement items that exceed \$3,000.00 in cost shall require a Capital/Capital Improvement vote. (See definitions)

ARTICLE XIX. Section 5d. Emergencies: Emergency Repair/Replacement items of a value of more than \$5,000.00 shall require a simple majority vote of the Board of Directors before proceeding. Whenever such repair/replacement takes place, a full disclosure report shall be presented at the next convened meeting of the Membership. (See definitions)

ARTICLE XIX. Section 5e. Property/Asset Disposal: The Board of Directors shall approve the disposal of all Park properties/assets of a value of more than \$1,000.00. but less than \$10,000.00.

ARTICLE XIX. Section 5f. Manager's Responsibilities: The Park Manager will have the authority to dispose of assets that individually value less than \$1,000.00. A detailed list of such disposals shall be provided to the Board of Directors on a month by month basis.

ARTICLE XIX. Section 5g. Limited Disposal Authority: The disposal of any property/asset that retains a "current value" of \$10,000.00 or more shall require the vote of the membership in accordance with the definition of capital/capital improvement vote.

ARTICLE XIX . Section 5h. Parties Responsible for Property Disposal: Any property/asset disposals of a value of \$1,000.00 or more shall be the responsibility of the Long Range Planning and Property Committee, under the authority of the Board of Directors. All such disposals shall require a public notice of said disposal and a request for offers or bids. Said offers or bids shall be presented to the Board of Directors, with a recommendation for approval.

ARTICLE XIX. Section 5i. Disposition of Member Fund Raising Monies: Utilization of funds collected by member fund raising efforts for park improvements, including the Park Party process, may be approved by the Board, based on proposals vetted and recommended via the Action Request Form (ARF) process, to a maximum of \$15,000 per event, excluding Park Operations or major Capital Projects. Sections 5a - Board Spending, and 5c - Capital Improvements do not apply. Additional single specific project requests over \$15,000 will require a vote of the membership.

## ARTICLE XX STANDING AND SPECIAL COMMITTEES

The Board of Directors shall establish standing and special committees which will function according to current "GUIDELINES FOR ESTABLISHMENT OF STANDING AND SPECIAL COMMITTEES REPORTING TO BOARD OF DIRECTORS SUNSCAPE ESTATES R.V. PARK COOPERATIVE".

Standing committees include:

Architectural, Finance, Long Range Planning & Property, Safety and Security, Activities, Emergency Response, Ambassadors, and Administrative Support

Special committees include:

Election, Audit, Park Party, and Communications

Other committees, standing or special, may be established by the Board of Directors as may be required.

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## ARTICLE XXI INTERPRETATION

In the event there is any conflict between any of the Cooperative Documents, the following shall prevail in order of their priority: (1) Articles of Incorporation, (2) Bylaws, (3) Proprietary Lease, (4) Rules and Regulations.

## ARTICLE XXII DEFINITIONS

The following words and phrases as used in these Bylaws and the other Corporate Documents, unless otherwise specified, shall have the meanings set forth in the definitions below:

**Architectural Committee:** A committee appointed by the Board of Directors to review requests from shareholders for any changes in their lots and approve or disapprove same.

**Board or Board of Directors:** The Directors of the Corporation.

**Bylaws:** Those certain Bylaws adopted as the Bylaws for Sunscape Estates R.V. Park Cooperative, an Arizona non-profit corporation, which Bylaws may be amended from time to time as stated therein.

**Capital/Capital Improvement Vote:** Is a tabulation of the votes then entitled to be cast, by eligible members who vote at an annual or special meeting, and are present in person, or by proxy, or by written ballot. A successful vote is a majority of those who vote.

**Capital Expenditure/Capital Improvement:** Land and/or improvements, buildings and/or additions, furniture and equipment exceeding \$3,000.00, or quantity purchases of furniture or equipment exceeding \$3,000.00 that is in addition to/or an expansion of existing Park approved properties. Purchases cannot be separated to avoid capitalizing.

**Certificate of Incorporation:** The Certificate of Incorporation issued by the Arizona Corporation Commission acknowledging the filing of Articles of Incorporation for Sunscape Estates R.V. Park Cooperative, an Arizona non-profit corporation.

**Common Area(s):** Those areas of the park (except the spaces) owned by the Corporation.

**Cooperative:** The organization created pursuant to the Corporate Documents for the ownership, operation, and management of the properties of Sunscape Estates R.V. Park Cooperative.

**Corporate Documents:** The Articles of Incorporation, the Bylaws, the Proprietary Lease, and the Rules and Regulations promulgated from time to time by the Board of Directors of this Corporation.

**Emergency Repair/Replacement:** The immediate repair or replacement of existing Park property that is absolutely necessary to the present and continued safety and/or operation of the Park.



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**Manager:** The person or entity employed by the Corporation for the management of the Corporation and its property.

**Member(s):** Those persons or parties who acquire a membership in the Corporation and who become a lessee under a Proprietary Lease.

**Membership(s):** Evidenced by a Certificate of Membership issued to those persons or parties who become members in the Corporation.

**Membership Vote:** Is a tabulation of the votes then entitled to be cast, by eligible members who vote at an annual or special meeting, and are present in person, or by proxy, or by written ballot. A successful vote is a majority of those who vote.

**Property(ies):** The property owned by the Corporation described on Exhibit "A" attached hereto and made a part hereof.

**Property Maintenance:** The ongoing repair, preservation, or restoration work of existing property or equipment that preserves the integrity/functionality of the Park's operation.

**Property Replacement:** The replacement of existing property or equipment (capital items previously approved for purchase) with items of "like kind" and of an equivalent material value that shall not be greater than 20%.

**Proprietary Lease(s):** The instrument evidencing the leasehold interest of each member and establishing the rights pursuant to a lease between the Corporation as lessor, and the member as lessee.

**Reserve Fund:** Funds held in reserve for capital expenditures, contingency expenses, and long range planning projects. Capital expenditures require a vote by the membership.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the said Corporation on March 14, 2017.

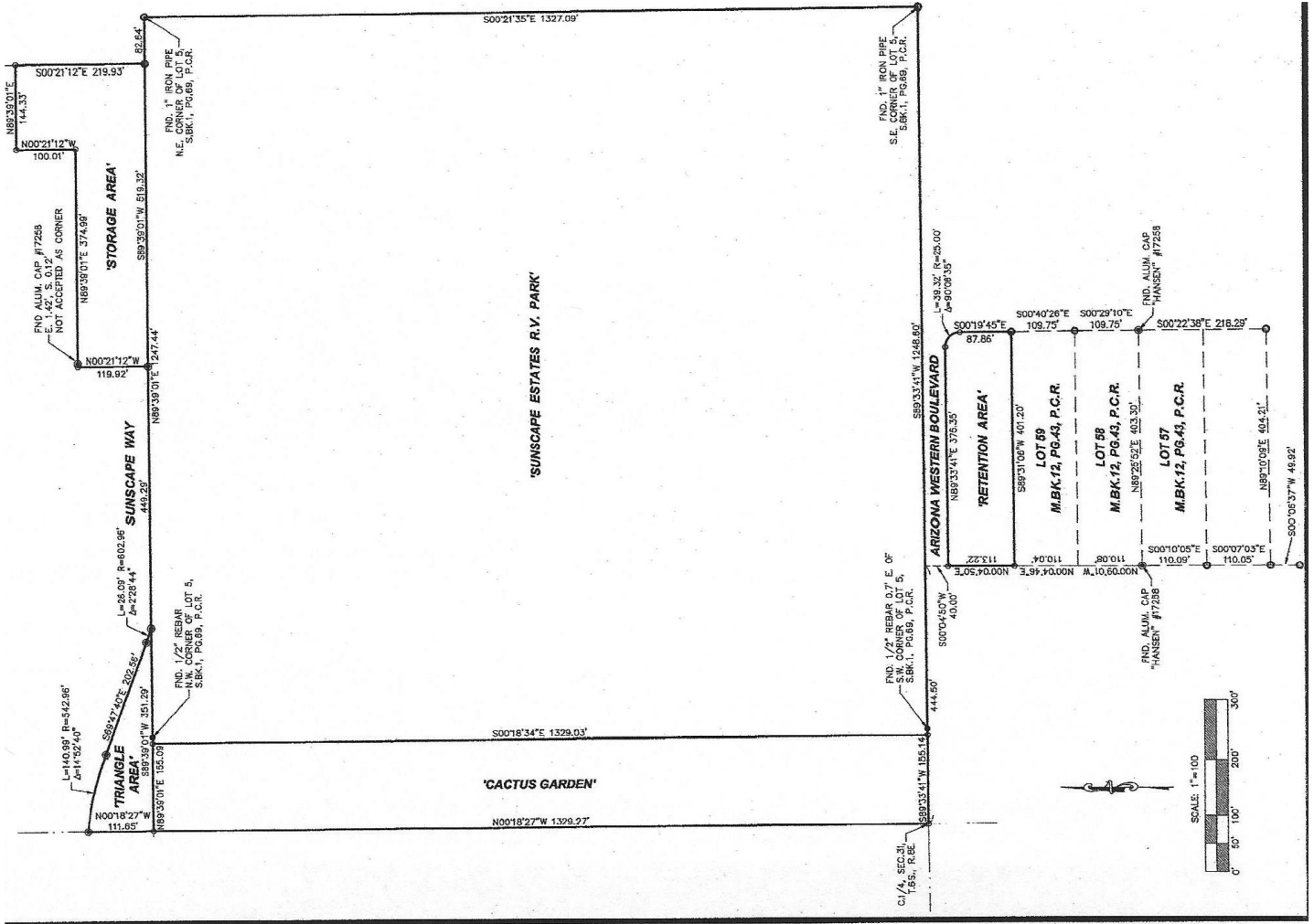
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Vern Beckstead, President

# SUNSCAPE ESTATES R.V. PARK COOPERATIVE BYLAWS

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## Exhibit "A"



Bylaws-msword-05/17