

Origination Date October 23, 2007, Amended Date February 14, 2022

BYLAWS

THE PALMS RV RESORT LOT OWNERS ASSOCIATION, INC.

AS AMENDED BY THE BOARD OF DIRECTORS ON FEBRUARY 14, 2022

ARTICLE I

Identity

Section 1. Declaration. These Bylaws shall govern the operation of The Palms RV Resort Lot Owners Association, Inc. (the Association), an Arizona non-profit Association created pursuant to that certain Declaration of Covenants, Conditions, and Restrictions for Palms RV Resort, recorded January 11, 2008, as Instrument Number official records of Yuma County, Arizona (the Declaration), which, by this reference, is incorporated herein. Any amendments to the Declaration shall automatically be incorporated herein, and all references to the Declaration shall be deemed to include any such amendments.

Section 2. Terms. Terms used herein which are defined in the Declaration shall have the same meanings as in the Declaration.

Section 3. Priority of Declaration. The provisions of the Declaration shall have priority over these Bylaws, and any provision hereof which is contrary to or inconsistent with the Declaration shall be void to the extent of such inconsistency.

Section 4. Principal Office. The principal office of the Association shall be located at 3400 S. Avenue 7 E, Yuma, Arizona.

Section 5. Seal. The Board of Directors may obtain a seal for the Association, which shall bear the name of the Association, the word "Arizona," the word "non-profit," the year of incorporation, and such other matters as the Board of Directors may elect.

ARTICLE II

Membership

Section 1. Members. Membership in the Association shall be limited as set forth in the Declaration and the Articles of Incorporation (the "Articles") of the Association.

Section 2. Annual Meetings. Annual meetings of the Members shall be held at 3400 S. Avenue 7 E, Yuma, Arizona, or at such other convenient place as may be designated by the Board of Directors. Annual meetings of the Members shall be held on the 2nd Monday of February. Special meetings of the Members may be called by the President, by a majority of the Members of the Board of Directors. The Secretary shall call a special meeting whenever requested in writing to do so by Members entitled to vote and owning at least twenty-five percent (25%) of the outstanding memberships of the Association. The notice of any special meeting shall state the 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, unless by consent of two-thirds (2/3) of the Members present in person. Proxy voting at any meeting of the Members shall not be allowed, but the Members shall be allowed to vote by absentee ballot.

Section 3. Notice. Notice of all meetings of the Members stating the time, the place, and the purpose of the meeting shall be given by President, Vice President, or Secretary such notices shall be sent by mail to the Lot address or physical address that appears on the books of the Association or if requested to an email address supplied by the Member for purposes of notice. Notice shall be sent not less than ten (10) days (or fifteen (15) days if by mail) nor more than fifty (50) days prior to the date of the meeting.

Section 4. Quorum. A quorum of Members for any meeting shall be constituted by Members attending in person or by telephonic or video attendance, holding a majority of the votes entitled to be cast at the meeting.

Section 5. Voting. If a quorum is present, the affirmative vote of a majority of the Members represented at the meeting and then entitled to vote shall be the act of the Members, unless the act of a greater number is required by law, the Declaration, or these Bylaws. One (1) vote may be cast for each Lot owned, and one-half vote may be cast for each half Lot owned at the time of such meeting. When more than one (1) person holds an interest in a Lot or Lots, all such persons shall be Owners, and the votes for the Lot or Lots shall be exercised as they determine. Voting by Members shall be by written ballot. At all meetings of Members for the election of Directors of the Association, cumulative voting shall apply if required by law. Cumulative voting shall only be permitted in the election of Directors and not on any other issue. No Member shall be allowed to vote unless and until the Member is current in the payment of all dues, penalties, and assessments.

Section 6. Adjourned Meetings. If any meeting of Members cannot be organized because of the lack of a quorum, the Members who are present may adjourn the meeting until a quorum is present.

Section 7. Order of Business. The order of business at all meetings of the Members shall be as follows:

- (a) Roll call;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Approval of Minutes of the preceding meeting;
- (d) Reports of officers;
- (e) Reports of committees;
- (f) Certification of Members of the Board of Directors when required;
- (g) Unfinished business;

- (h) New business;
- (i) Adjournment.

ARTICLE III

Board of Directors

Section 1. Number and Qualification. The business, property, and affairs of the Association shall be managed, controlled, and conducted by a Board of Directors. The Board of Directors shall consist of two (2) to seven (7) Members

Section 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of affairs of the Association. It may do all such acts and things as are not by law or otherwise directed to be exercised and done by the Members or the President. The powers of the Board of Directors shall include, but are not limited to, all of the rights and duties of the Board of Directors as set forth elsewhere in these Bylaws, the Articles, and the Declaration and shall also include the power to promulgate such rules and regulations pertaining to the rights and duties of Members of the Association, and all other matters, as may be deemed proper and which are consistent with the foregoing (Association Rules). The Board of Directors may delegate to one or more committees thereof and to other persons, such duties and powers, as appear to the Board of Directors to be in the best interests of the Association.

Section 3. Election of Directors.

3.1. By November 15, prior to each election year, the Board of Directors shall make available to the Members nominating notices for any Member desiring to nominate a person to be elected to the Board of Directors. No Member shall be permitted to make a nomination if the Member's membership is not in good standing.

3.2. The annual election of Directors will be held by written ballot at a time scheduled for the Association's Annual Meeting subject, however, to the nomination provisions above set forth.

3.3. Directors shall be elected for three (3) years and shall hold office until their term expires or until their successors have been elected and certified, whichever last occurs.

Section 4. Resignation, Removal, and Vacancies.

4.1. Any Director may resign at any time by written notice delivered or sent in writing to the President or Secretary of the Association. Such resignation shall take effect at the time specified therein, and unless specifically requested, acceptance of such resignation is not necessary to make it effective.

4.2. A Director may be removed by the affirmative vote of a majority of the Members present at the meeting or represented by absentee ballot and entitled to vote. At any meeting called to remove a

Director for cause, the Members shall have the right to vote cumulatively on such removal, and no Director shall be removed for cause if the number of votes cast against removal would be sufficient to elect if then cumulatively voted at an election of the entire Board of Directors.

4.3. Vacancies on the Board of Directors caused by any reason shall be filled by a vote of the majority of the remaining Directors even though less than a quorum, or by the remaining Director if there be only one, and each person so elected shall be a Director until a successor is duly elected and certified as a Member of the Association in good standing without delinquent dues, penalties or assessments.

Section 5. Compensation. No compensation shall be paid to Directors for services as Directors, but this Section 5 shall not preclude any Director from performing any other service for the Association and receiving compensation, therefore. Directors may be reimbursed for any actual expenses incurred in connection with their duties as such Directors.

Section 6. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least two such meetings shall be held during each fiscal year. Email notice of regular meetings of the Board of Directors shall be given to each Director at least three (3) days prior to, or fifteen (15) days written notice prior to the day named for the meeting. Notice of the Board of Directors meeting shall be provided to the Members by newsletter, posting, or other reasonable means provided by Arizona law.

Section 7. Special Meeting. Special meetings of the Board of Directors may be called by the President or Secretary on three (3) days email notice or seven (7) days written notice to each Director. Such notice shall state the time, place, and purpose of the meeting. Special Meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice, upon the written request of at least two Directors.

Section 8. Waiver of Notice. Before, at, or after any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be deemed to be a waiver of notice by the Director of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required, and any business may be transacted at such meeting.

Section 9. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business, but if at any meeting of the Board there be less than a quorum present, a majority of those present may adjourn the meeting from time to time. Every act or decision done or made by a majority of the Directors at a duly held meeting where a quorum is present shall be regarded as the act of the Board unless the Articles, the Bylaws, or the Declaration otherwise specifically requires the affirmative vote of a different number of Directors on a specific matter

Section 10. Adjournment. The Board of Directors may adjourn any meeting from day to day or for such other time as may be prudent or necessary in the interests of the Association, provided that no meeting may be adjourned for a period longer than thirty (30) days.

Section 11. 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 all of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 12. Fidelity Bonds. The Board of Directors may require, in its discretion, that all officers and employees of the Association handling or responsible for the Association's funds shall furnish fidelity bonds. In the event such bonds are required upon determination of the Board of Directors, the premiums, therefore, shall be paid by the Association.

Section 13. Committees. The Board of Directors may by resolution appoint committees of the Board, which committees shall have the powers and authority designated in the resolution or resolutions establishing them.

ARTICLE IV

Officers

Section 1. Designation. The principal officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be selected by the Board of Directors. The Directors may appoint an Assistant Secretary and an Assistant Treasurer, and such other officers as in their judgment may be necessary. Any one person may hold two or more offices at the same time, except that no one person shall simultaneously hold the offices of President and Secretary.

Section 2. Selection of Officers. All officers shall be selected at the first meeting of the Board of Directors after the annual Members meeting. These officers shall serve until the meeting of the Board of Directors following the next annual Members meeting.

Section 3. Removal of Officers. Upon an affirmative vote of a majority of the Directors, any officer may be removed, either with or without cause, and a successor selected.

Section 4. Resignation of Officers. Any Officer may resign at any time by 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. If any officer who was a Member at the time of selection as an officer ceases to be a Member, the officer shall be deemed to have resigned as an officer.

Section 5. Vacancies. A vacancy in any office may be filled by a vote of a majority of the Board of Directors. The officer elected to such vacancy shall serve for the remainder of the term of the officer who has been replaced.

Section 6. President. The President shall preside at all annual and special meetings of the Members of the Association and of the Board of Directors. Subject to the control of the Board of Directors, the President shall have general management of the affairs of the Association and perform all duties incidental to the office. The President shall also have such other powers as provided in the Declaration.

Section 7. Vice President. The Vice President shall take the place of the President and perform the President's duties whenever the President is absent, unable to act, or whenever the President refuses to act. If neither the President nor a Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. A Vice President shall also perform such other duties as shall from time to time be imposed by the Board of Directors.

Section 8. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Members of the Association; shall have custody of the seal of the Association; shall cause to be kept a membership record book containing the names, alphabetically arranged, addresses of all Members, and the dates when they respectively became owners of record thereof and shall have charge of such other books and papers as the Board of Directors may direct; and shall, in general, perform all the duties incident to the office of Secretary.

Section 9. Treasurer. The Treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit of the Association, in such depositories, as may from time to time be designated by the Board of Directors.

Section 10. Compensation. No compensation shall be paid to officers for their services as officers, but this Section 10 shall not preclude any officer from performing any other service for the Association and receiving compensation, therefore. Officers may be reimbursed for any actual expenses incurred in connection with their duties as such officers.

ARTICLE V

Miscellaneous

Section 1. Books and Accounts. The Board, at all times, shall keep, or cause to be kept by the Treasurer, true and correct records of all accounts in accordance with generally accepted accounting principles, and shall have available for the inspection of all Members and other persons as specified in the Declaration, if any, at reasonable times, such books which shall specify in reasonable detail all expenses incurred and funds accumulated from assessments or otherwise. The membership records of the Association, the Declaration, the Articles, and the Bylaws of the Association shall likewise be available for inspection by any Owner or Member at the principal offices of the Association as provided in the Declaration.

Section 2. Execution of Association Documents. With the prior authorization of the Board of Directors, all notes, checks, and contracts or other obligations shall be executed on behalf of the Association by such officer or officers of the Association as said Board shall designate.

Section 3. Fiscal Year. The fiscal year of the Association shall be fixed by the Board of Directors.

Section 4. Conflict in Documents. In the case of any conflict between the Articles and these Bylaws, the Articles shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control. In the case of any conflict between the Articles and the Declaration, the Declaration shall control.

ARTICLE VI

Indemnification

The Association shall indemnify any and all of its Directors and officers, or former Directors and officers, against expenses incurred by them, including legal fees, or judgments or penalties rendered or levied against any such person while acting within the scope of his authority as a Director or officer of this Association, provided that the Board of Directors shall determine in good faith that such person 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 in this action.

ARTICLE VII

Extensions 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 Association is required to act.

ARTICLE VIII

Amendment to the Bylaws

Except where expressly prohibited herein, these Bylaws may be amended by the affirmative vote of a majority of the Board of Directors. These Bylaws may not be amended insofar as such amendment would be inconsistent with the Declaration or the Articles.

IN WITNESS WHEREOF, we, being all of the Directors of the Association, have hereunto set our hands as of the day of February 14, 2022.

Kathie Hankins

Laura Rosado Imbler

Don Joiner

R. Carlile Roberts

Teresa Stinson

Bryan Taylor

