

**BYLAWS
OF
OWNERS ASSOCIATION OF MONACO CONDOMINIUMS, INC.**

Pursuant to Arizona Revised Statutes § 10-3101, et seq., Owners Association of Monaco Condominiums, Inc., an Arizona nonprofit corporation (“Association”), hereby adopts these Bylaws of Owners Association of Monaco Condominiums, Inc. (“Bylaws”) as of the date set forth below.

**ARTICLE I
NAME AND LOCATION OF ASSOCIATION**

Section 1.1 Name. The name of the Association is Owners Association of Monaco Condominiums, Inc..

Section 1.2 Principal Office. The principal office of the Association in the State of Arizona is currently located at Vision Community Management, 16625 South Desert Foothills Parkway, Phoenix, Arizona 85048. The Association may change the location of its principal office as the Board of Directors may determine in its sole discretion or as the affairs of the Association may require.

**ARTICLE II
REFERENCE TO DECLARATION**

Section 2.1 Reference to Declaration. Reference is made to the certain Declaration of Condominium and of Covenants, Conditions and Restrictions for Monaco Condominiums, recorded on July 24, 2024 at Sequence Number 2024060072 in the Official Records of Pima County, Arizona, as amended (“Declaration”). Unless otherwise defined in these Bylaws, all capitalized terms have the meanings set forth in the Declaration.

**ARTICLE III
PURPOSE**

Section 3.1 Purpose. The primary purpose of the Association is to serve as the governing body for the Owners of Units within the Condominium, known as The Monaco pursuant to the plat map recorded on October 29, 1981 in Book 24 of Maps and Plats, page 83, in the Official Records of Pima County, Arizona (“Plat”) and to fulfill such obligations and exercise such rights as are given by statute and the Association’s Condominium Documents, as they may hereafter be amended.

**ARTICLE IV
MEMBERSHIP**

Section 4.1 Qualification. Membership in the Association is limited to Owners of Units.

Section 4.2 Voting Rights. Subject to the provisions of Section 4.3, each Owner of a

Unit is entitled to one (1) vote for each Unit owned on each matter submitted to a vote of the Members, such that there is only one (1) vote per Unit for a total number of votes in the Association two-hundred sixty-six (266). The vote attributable to each Unit must be cast as a unit; fractional votes are not allowed. In the event a Unit is owned by two (2) or more Persons, the joint or common owners shall designate to the Association in writing one of their number to have the right to cast votes with respect to such Unit. If multiple Persons own a Unit and are unable to agree upon how their vote shall be cast, they shall lose their right to vote on the matter in question. If any Member casts a vote representing a certain Unit, it will thereafter be conclusively presumed the Member was acting with the authority and consent of all other Persons who own the same Unit, unless objection thereto is made at the time the vote is cast. In the event more than one (1) vote is cast with respect to a Unit, all such votes shall be deemed void and none of the votes shall be counted. In the event a Person is the Owner of more than one (1) Unit, such Person is entitled, subject to the provisions of Sections 4.2 and 4.3, to one (1) vote for each Unit owned.

Section 4.3 Good Standing. If a Member otherwise entitled to vote fails to pay any Assessments or other amounts due to the Association under the Condominium Documents within fifteen (15) days after such payment is due, or if any Owner, or Resident of such Owner's Unit, violates any other provisions of the Condominium Documents and fails to cure that violation after the Association notifies the Owner of the violation within the time stated in such notice, the Board may, in its sole discretion, certify that such Member is not in good standing until such time as the Owner cures the delinquency or violation in full. A Member's right to vote shall be suspended for the duration of any period in which the Member is certified as not in good standing.

Section 4.4 Transfer of Membership. Membership in the Association is inextricably and irrevocably connected with ownership of a Unit and may not be transferred independently of such ownership.

ARTICLE V MEETINGS OF MEMBERS

Section 5.1 Annual Meeting. An annual meeting of the Members of the Association shall be held at least once every twelve (12) months at a date and time determined by the Board of Directors, in its sole discretion, for the purpose of electing or announcing the results of the election of directors and transacting such other business as may properly come before the meeting.

Section 5.2 Special Meetings. Special meetings of the Members may be called by the President, the Board of Directors, or by a written request signed by Members holding at least one-fourth (1/4th) of the total authorized votes in the Association.

Section 5.3 Record Date. For any meeting of the Members, the Board of Directors may fix a date not more than fifty (50) nor less than ten (10) days before the date of such meeting as a record date for the determination of the Members of record entitled to vote at such meeting. If a record date has not been fixed in advance of a meeting as provided herein, the time of commencement of the meeting is the record date.

Section 5.4 Place of Meeting. Meetings of the Members shall be held in Pima County, Arizona, at a suitable place designated by the Board of Directors.

Section 5.5 Notice of Meetings. Written notice stating the date, time, and place of any meeting of Members shall be hand-delivered or delivered by first-class United States Mail to all Members not less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the Secretary, or such other Person as delegated by the Board of Directors. The notice of the meeting shall be deemed to be delivered when left with a person of suitable age and discretion at the address that appears on the records of the Association or when deposited, postage prepaid, in the United States Mail and addressed to the Member at the address that appears on the records of the Association, which shall be the mailing address of the Owner's Unit unless the Owner designates a different mailing address in writing delivered to the Association prior to the date of the notice. Notice of any meeting of Members shall state the purpose for which the meeting is called, and no business shall be transacted at such meeting except as stated in the notice. The failure of any Member to receive actual notice of any meeting of Members does not affect the validity of any action taken at that meeting. Members are solely responsible for verifying the Member's mailing address of record with the Association is the Member's preferred mailing address sufficiently timely for the notice to be delivered to the preferred address.

Section 5.6 Quorum. Those Members present in person or by absentee ballot representing at least ten percent (10%) of the votes in the Association entitled to be cast at a meeting of the Members shall constitute a quorum for the meeting, unless provided otherwise in the Condominium Documents or the law. In the event a quorum is not present at the date, time, and place of a duly noticed meeting of the Members, the Board of Directors may adjourn the meeting and reschedule the meeting to another date, time, and place. The Association shall then provide notice of the new date, time, and place of the meeting as set forth in Section 5.5 of these Bylaws, and the quorum required for the Members to conduct business at the new date, time, and place shall be only five percent (5%) of the votes in the Association entitled to be cast at the meeting. The adjournment and rescheduling of any such meeting of Members shall not alter the record date established pursuant to Section 5.3 of these Bylaws.

Section 5.7 Methods of Voting. At any meeting of the Members, any Member entitled to vote may vote at the meeting in person or by absentee ballot. The form and contents of absentee ballots shall conform to the requirements set forth in A.R.S. § 33-1250, as amended, or any successor statute. The Board of Directors, in its sole discretion, may additionally provide for voting by some other form of delivery, including the use of e-mail or fax delivery or online or electronic voting. Votes cast by absentee ballot or other form of delivery are valid for the purpose of establishing a quorum as though those Members voting by such means were present in person at the date, time, and place of the meeting.

Section 5.8 Manner of Acting. A majority of the votes entitled to be cast on a matter to be voted upon by the Members, whether present in person or by absentee ballot or other form of delivering votes, at a meeting of Members at which a quorum is present is necessary for the adoption thereof unless a greater proportion is required by statute or any of the Condominium Documents.

Section 5.9 Minutes. The Secretary, or such other Person as may be delegated by the Board of Directors, shall take meetings at all meeting of Members. Copies of the minutes shall be available for inspection at the office of the Association by Members and Directors at all reasonable times.

Section 5.10 Non-cumulative Voting. All voting shall be on a non-cumulative basis.

ARTICLE VI BOARD OF DIRECTORS

Section 6.1 Powers and Duties. The affairs of the Association shall be managed by its Board of Directors. The Board of Directors shall have all the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things that are not required by statute or any of the Condominium Documents to be exercised or done by the Members. Without limiting the foregoing, and in addition to the powers and duties granted and imposed by law and the Condominium Documents, the powers and duties of the Board of Directors include, but are not limited to, the exercise on the Association's behalf of the following powers to:

- (A) Open bank accounts on behalf of the Association and designate the signatories thereon;
- (B) Accept such properties, improvements, rights, and interests as may be conveyed, leased, assigned, or transferred to the Association;
- (C) Own, maintain, repair, reconstruct, replace, refinish, and otherwise manage all of the Common Elements or other property for which the Association is responsible pursuant to the Declaration, and all facilities, improvements, and landscaping thereon; to pay all taxes and assessments, if any, which may properly be levied against the Common Elements; and to insure the Common Elements against such risks as the Board of Directors determines in accordance with the Condominium Documents;
- (D) Own, maintain, manage, lease, sell, or otherwise dispose of any personal and real property acquired by the Association in lieu of foreclosure or trustee's sale or through attachment, foreclosure, Sheriff's sale, Trustee's sale, tax sale, redemption, or any other judicial, quasi-judicial, bankruptcy, or regulatory action and all facilities, structures, buildings, fixtures, landscaping, and other improvements located thereon; to pay all taxes and assessments, if any, which may properly be levied against such property; to repair, rehabilitate, and restore such property; and to insure such property against such risks as the Board of Directors determines;
- (E) Purchase, lease, acquire, own, maintain, manage, sell, or otherwise dispose of Association property; to pay all taxes and assessments, if any, which may properly be levied against Association property; and to insure Association property against such risks as the Board of Directors determines;

- (F) Do all things necessary to carry out and enforce the terms and provisions of the Condominium Documents and to do all things and acts, including the payment of all maintenance, operating, and other costs, which in its sole discretion the Board of Directors deems to be in the best interest of the Association or for the peace, comfort, safety, or general welfare of the Members of the Association, all in accordance with the Condominium Documents;
- (G) Enter into agreements with third parties authorizing such parties to carry on any activities which might legally be carried on by the Association, its Board of Directors, or officers and delegated by the Association or its Board of Directors to third parties;
- (H) Engage the services of a manager or managing agent who shall manage and operate the Condominium upon such terms, for such compensation, and with such authority as the Board of Directors approves;
- (I) Appoint committees of the Board of Directors and to delegate to such committees the authority to carry out duties of the Board of Directors, to the extent permitted by law and the Condominium Documents;
- (J) Estimate the amount of the annual budget; to provide the manner and time of assessing and collecting from the owners the Assessments provided for in the Condominium Documents;
- (K) Adopt such rules and regulations pertaining to the use and occupancy of the Condominium and the personal conduct of the Members and their family members, guests, lessees, and invitees thereon as may be deemed proper and which are consistent with the Condominium Documents;
- (L) Enforce, by suit or otherwise, the terms and provisions of the Condominium Documents;
- (M) Establish and maintain working capital, reserve ,and contingency accounts in an amount determined by the Board of Directors, in its sole discretion;
- (N) Lend or invest its working capital and reserves with or without security;
- (O) Fix and collect fees, rates, rentals, and other charges for the use of Common Elements, for the use of other property owned by the Association, and for services rendered by the Association;
- (P) Obtain, for the benefit of the Condominium, all water, sewage, gas, and electric services and refuse collections, and to grant easements when necessary for utilities, sewer facilities, and CATV over the Condominium, to the extent required or

permitted by the Declaration;

- (Q) Enter into agreements with the owners of property not within the Condominium whereby such owners shall contribute to the payment of construction, maintenance, and reconstruction expenses, taxes, insurance, and other charges attributable to portions of the Common Elements or other property within the Condominium, which may directly or indirectly benefit such other properties;
- (S) Levy and collect Assessments as provided in the Declaration;
- (T) Establish, levy, collect, and enforce by any lawful means a schedule of fines, penalties, transfer fees, refinance fees, administrative charges, late charges, interest, and costs of collection;
- (U) Do all other acts and things required by applicable law or statute or authorized in the Condominium Documents but not explicitly set out above;
- (V) In general, do and perform such acts and things and to transact such business in connection with the foregoing objects and purposes as may be necessary or appropriate, in the sole discretion of the Board of Directors.

Section 6.2 Number and Qualifications of Directors. Until the first annual election of directors by the Members, the Board shall be comprised of any number of directors as the Receiver may determine in its sole discretion, and the Receiver may appoint any Person to serve as a director in its sole discretion. Upon the first annual election of directors by the Members, the number of directors of the Association shall be not less than three (3) nor more than seven (7) as determined by the Board of Directors, in its sole discretion prior to the date on which notice of the next annual meeting of the Members issues. If the number of directors is reduced, all directors whose terms have not yet expired and who are in good standing shall be allowed to serve the balance of their terms. All directors, other than any director appointed by the Receiver, must be Members in good standing of the Association in accordance with Section 4.3 of these Bylaws, but they need not be residents of the State of Arizona. If an Owner is a corporation, partnership, trust, or other legal entity, an officer, partner, trustee, other principal, or beneficiary of such owner may serve as a director. If a director fails to meet the qualifications of good standing at any time during his term, he or she will thereupon cease to be a director and his or her place on the Board of Directors shall be deemed vacant.

Section 6.3 Terms and Term Limitation. Upon the first annual election of directors by the Members, the directors shall be elected to and shall serve staggered two-year terms as follows. To establish the staggering, at the first annual election of directors by the Members, the half (or as narrow a majority as possible) of the seats on the Board shall be for two-year terms and filled by the candidates receiving the most votes, and the remaining seats shall be filled for only one-year terms. Thereafter, one-half of the number of directors (or as close to one-half as is possible if there are an uneven number of directors) shall be elected at each annual meeting for two-year terms. All elections and appointments of directors under these Bylaws shall be made in a manner to preserve the staggering of terms contemplated hereby. No director shall serve more than three (3) consecutive

terms, or portions thereof.

Section 6.4 Regular Meetings. A regular annual meeting of the Board of Directors shall be held, immediately after, and at the same place as, the annual meeting of Members. The Board of Directors may provide by resolution the time and place for additional regular meetings of the Board.

Section 6.5 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) Directors and fix any convenient place and time as the place and time for holding any special meeting of the Board of Directors called by them, so long as the meeting is held in Arizona.

Section 6.6 Teleconference Meetings. Meetings of the Board of Directors may be held by conference telephone, video conference, or other similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation at such meeting shall constitute presence in person at the meeting.

Section 6.7 Notice.

- (A) Notice to Directors. Notice of any special meeting of the Board of Directors shall be given to directors at least forty-eight (48) hours prior thereto by written notice delivered personally or sent by mail, electronic mail, facsimile, or other written electronic means, to each director at his physical address as shown on the records of the Association, facsimile number, or other device. If mailed, such notice shall be deemed to be delivered when deposited, postage prepaid, in the United States Mail in a sealed envelope so addressed. If notice is given by facsimile or electronic means, such notice shall be deemed to be delivered when the notice is transmitted by the sender with reason to believe the director has access to receive the notice. Any director may waive notice of any meeting. The attendance of a director at any meeting constitutes a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by statute or by these Bylaws. No notice of regular meetings of the Board of Directors is required to be given to directors. The failure of any director to receive actual notice of a meeting does not affect the validity of any action taken at that meeting.
- (B) Notice to Members. Notice of any regular or special meeting of the Board of Directors shall be given to the Members at least forty-eight (48) hours in advance of the meeting by newsletter, conspicuous posting, or any other reasonable means as determined by the Board of Directors, in its sole discretion. An affidavit of notice by an officer of the Association, which may be the Association's managing agent, is prima facie evidence that notice was given, although there is no obligation for the Association to produce such an affidavit. Notice to Members of meetings of the

Board of Directors is not required if emergency circumstances require action by the Board before notice can be given. Minutes of any emergency meeting shall state the reason necessitating the meeting, and the Board of Directors shall read and approve the minutes of the emergency meeting at the next regularly scheduled meeting of the Board. Notice of any meeting of the Board of Directors shall state the date, time, and place of the meeting. The failure of any member to receive actual notice of a meeting of the Board of Directors does not affect the validity of any action taken at that meeting.

Section 6.8 Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. If less than a majority of the directors are present at said meeting, a majority of the directors present may adjourn the meeting. If the directors present elect to reschedule the meeting, then the Board of Directors shall provide notice of the new date, time, and place of the rescheduled meeting to the directors and Members as provided in Section 6.7 of these Bylaws.

Section 6.9 Manner of Acting. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless a greater number is required by law or by any of the Condominium Documents.

Section 6.10 Attendance at Meetings. If any Director fails to attend three (3) or more successive meetings of the Board, including, but not limited to, special meetings duly noticed, or misses four (4) or more meetings out of six (6) successive meetings of the Board, including, but not limited to, special meetings duly noticed, such director shall be automatically removed as a director, unless two-thirds (2/3rds) of the directors present at a meeting at which a quorum is present determine otherwise.

Section 6.11 Removal.

- (A) By the Members. At any meeting of the Members duly called for this purpose, any one or more of the directors may be removed from the Board with or without cause by Members having a majority of the votes entitled to be cast by the Members present in person, absentee ballot, or other form of delivery authorized by the Board, at the meeting. Any vacancy created by this action of the Members shall be filled as provided in these Bylaws or the law. Except to the extent of any conflict with the law, the Board of Directors shall have the sole discretion over the agenda and procedures for any meeting of the Members at which the removal of one or more directors is proposed. A director who is removed pursuant to this Section 6.11(A) is not eligible to serve on the Board of Directors until after the expiration of the director's current term.
- (B) By the Board. At any regular or special meeting of the Board of Directors at which a quorum is present, the Board may remove one or more directors for good cause by the vote of at least two-thirds (2/3) of the directors present. For the purposes of this Section 6.11(B), "good cause" means the director has engaged in conduct materially

detrimental to the Association, including, but not limited to, misappropriating Association funds; engaging in any criminal conduct; incurring any liability for the Association as a result of negligence or intentional conduct outside the course and scope of the director's authority; contracting with third parties on the Association's behalf without prior express authorization from the Board; divulging to any third-party information the Board of Directors determined to be confidential, including, but not limited to, privileged communication from the Association's attorneys or any information described in A.R.S. §§ 33-1248(A)(1)-(5) or 33-1258(B)(1)-(5), as amended or any successor statutes; acting beyond the scope of his or her authority as an officer or director of the Association, or otherwise expressly delegated to the director by the Board; making any material misrepresentation about the director's authority, the Association, or the Board of Directors to any third parties; engaging in conduct that disrupts or unreasonably delays the conduct of business at multiple meetings within a twelve-month period; disparaging the Association, the Board, individual directors, officers, employees, or managers of the Association; engaging in any conduct or making any statements that a reasonable person would find harassing or threatening toward any of the Association's directors, officers, employees, managers, Members, or contractors; refusing or failing to comply with, or interfering in any way with the Association's ability to comply with, any state, federal, or local laws, regulations, ordinances, or codes, including, but not limited to, any requirements to report information to any governmental body; or failing to attend three (3) or more consecutive meetings of the Board. Any vacancy created by this action of the Board of Directors shall be filled, at the Board's sole discretion, by the Board pursuant to these Bylaws or through election by the Members at a special meeting of the Members duly called for that purpose within sixty (60) days from the removal of the director or directors.

- (C) By the Receiver. Until the first annual election of directors by the Members, the Receiver may remove any director from the Board of Directors at any time in its sole discretion and shall then fill the resulting vacancy by appointing any Person of the Receiver's choosing in its sole discretion.

Section 6.12 Resignation. Any director may resign at any time by giving written notice to the managing agent, the President, Secretary, or any other director to whom the Board has assigned the responsibility of receiving such notice. The resignation shall be deemed effective upon receipt, unless it specifies some other time.

Section 6.13 Vacancies. Except as provided in Section 6.11, any vacancy occurring on the Board of Directors, including, but not limited to, any directorship to be filled by reason of an increase in the number of directors shall be filled by the affirmative vote of a majority of the remaining directors, even if less than a quorum, at the next regular or special meeting of the Board of Directors, or as soon as reasonably practical thereafter. A director appointed to fill a vacancy shall be appointed for the full unexpired term of his or her predecessor in office.

Section 6.14 Compensation. Directors shall not receive any compensation for their services as such. However, any director may be reimbursed for his or her actual expenses incurred in

the performance of his or her duties, but only if the director received approval from the Board of Directors for such expenses prior to incurring them. Nothing herein contained shall be construed to preclude any director from serving the Association in any other capacity and receiving compensation therefor, subject to any laws and regulations governing conflicting interest transactions.

Section 6.15 Open Meetings. Except as otherwise provided herein or by statute, all meetings of the Board of Directors are open to the Members. Members shall be permitted to attend and listen to the deliberations and proceedings. Members who are not directors may not participate in any deliberation or discussion unless expressly authorized to do so by a vote of the majority of the Directors present. A reasonable number of the Members in attendance at a meeting, which shall be a number the Board of Directors determines in its sole discretion, may speak after the directors' discussion of an agenda item but before the directors vote on the item, subject to any reasonable time or other restrictions the Board of Directors, in its sole discretion, may impose on the Members' comments. Members who speak at times other than after the directors' discussion and before their vote without the Board's permission, who fail to abide by the reasonable time and other restrictions on Members' comments, or who engage in conduct that harasses or threatens any directors or other Members in attendance or otherwise disrupts or unreasonably delays the conduct of business at the meeting, may be required to leave the meeting or may be muted, if attending a meeting by remote means. If a Member is required to leave the meeting or is muted, it has no effect on the validity of any business conducted at the meeting.

The foregoing notwithstanding, any meeting or portion of a meeting of the Board of Directors may be closed from the Members if the closed meeting or portion thereof is limited to consideration of the following, or any other category of discussion as may be provided by law subsequent to the date of these Bylaws set forth below:

- (A) Legal advice from an attorney for the Association. On final resolution of any matter for which the Board received legal advice or that concerned pending or contemplated litigation, the Board may disclose information about that matter in an open meeting, except for matters that are required to remain confidential by the terms of a settlement agreement or judgment;
- (B) Pending or contemplated litigation;
- (C) Personal, health, or financial information about an individual Member of the Association, an individual employee of the Association, or an individual employee of a contractor for the Association, including, but not limited to, records of the Association directly related to the personal, health, or financial information about an individual Member of the Association, an individual employee of the Association, or an individual employee of a contractor for the Association;
- (D) Matters relating to the job performance of, compensation of, health records of, or specific complaints against an individual employee of the Association or an individual employee of a contractor of the Association who works under the direction of the association; or

- (E) Discussion of a Member's appeal of any violation cited or penalty imposed by the Association except on request of the affected Member that the meeting be held in an open session.

ARTICLE VII OFFICERS AND MANAGING AGENT

Section 7.1 Officers. The officers of the Association shall be a President, one (1) or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer, and such other officers as may be elected in accordance with the provisions of this Article, such officers to have the authority to perform the duties prescribed, from time to time, by the Board of Directors. Any two (2) or more offices may be held by the same person, except the office of President, unless due to unfilled vacancies on the Board of Directors the President must hold an additional office to enable the Association to conduct business without undue delay. Any director appointed by the Receiver may hold as many offices at any time as is necessary to conduct the business of the Association.

Section 7.2 Election and Term of Office. The officers of the Association shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of officers is not held at such meeting, such election shall be held as soon thereafter as convenient. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and qualified. Until the first annual election of directors by the Members, the Receiver may appoint any director to any office as it determines in its sole discretion.

Section 7.3 Removal. Any officer elected by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Association would be served thereby. Until the first annual election of directors by the Members, the Receiver may remove any officer from office at any time in its sole discretion.

Section 7.4 Resignation. Any officer may resign at any time by giving written notice to the managing agent, the President, Secretary, or any other director to whom the Board has assigned the responsibility of receiving such notice. The resignation shall be deemed effective upon receipt, unless it specifies some other time.

Section 7.5 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 7.6 President. The President shall be the principal executive officer of the Association and shall, in general, supervise and control the business and affairs of the Association. The President shall preside at all meetings of the Members and of the Board of Directors. The President may sign, with the Secretary or any other proper officer of the Association authorized by the Board of Directors, any deeds, leases, mortgages, bonds, contracts, or other instruments the

Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by the Condominium Documents or the law to some other officer or agent of the Association.

Section 7.7 Vice President. In the absence of the President or in the event of the President's inability or refusal to act, the Vice President (or in the event there be more than one (1) Vice President, the Vice Presidents in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be delegated or assigned by the President or by the Board of Directors.

Section 7.8 Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these Bylaws; and, in general, perform all the duties incident to the office of Treasurer and such other duties as from time to time may be delegated or assigned by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give, at the Association's expense, a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine.

Section 7.9 Secretary. The Secretary shall keep the minutes of the meetings of the Members and of the Board of Directors in one (1) or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the Association records; keep a register of the mailing addresses of each Member; and, in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be delegated or assigned by the Board of Directors.

Section 7.10 Assistant Treasurers and Secretaries. The Assistant Treasurers and Assistant Secretaries, in general, shall perform such duties as may be assigned to them by the Treasurer or the Secretary or by the Board of Directors. If required by the Board of Directors, the Assistant Treasurers shall give, at the Association's expense, bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine.

Section 7.11 Compensation. No officer shall receive any compensation from the Association for acting as such. However, any officer may be reimbursed for his or her actual expenses incurred in the performance of his or her duties, but only if the Board of Directors approves the expenses prior to incurring them. Nothing contained herein shall be construed to preclude an officer from serving the corporation in any other capacity, and receiving compensation therefor, subject to any laws and regulations governing conflicting interest transactions.

Section 7.12 Managing Agent. The Board of Directors may hire a managing agent at a compensation established by the Board of Directors. The managing agent may either be an employee of the Association, an independent professional management company, or an independent contractor. The managing agent shall perform such duties and services as the Board of Directors authorizes. The

Board of Directors may, but is not obligated to, delegate to the managing agent all of the powers granted to the Board of Directors or the officers of the Association, except for the powers to:

- (A) Adopt the annual budget, any amendment thereto or to levy Assessments;
- (B) Adopt, repeal, or amend provisions of any Condominium Documents;
- (C) Designate signatories on Association bank accounts; and
- (D) Borrow or lend money on behalf of the Association.

Section 7.13 Management Agreement. Any contract with the managing agent must provide that it may be terminated with or without cause and without payment of any penalty or termination fee on no more than thirty (30) days written notice. The term of any such contract may not exceed one (1) year.

ARTICLE VIII COMMITTEES

Section 8.1 Committees of Directors. The Board of Directors may, by resolution adopted by a majority of the directors in office, designate and appoint standing or *ad hoc* committees, which committees, to the extent provided in said resolution, shall have and exercise only the authority of the Board of Directors in the management of the Association and only to the extent set forth in said resolution. Notwithstanding the foregoing, the Board of Directors shall not authorize any committee to amend, alter, or repeal any provisions of the Condominium Documents; elect, appoint, or remove any member of a committee or any director or officer of the Association; authorize the sale, lease, exchange, or mortgage of the property and assets of the Association; authorize the voluntary dissolution of the Association or revoke proceedings therefor; or adopt a plan for the distribution of the assets of the Association. All members of any committee serve entirely at the leave of the Board of Directors, which has the right to appoint or remove any members to or from any committee, or to dissolve any committee, at any time for any reason in its sole discretion. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed by the Declaration or by law.

Section 8.2 Architectural Committee. The Board of Directors shall establish an Architectural Committee with the duties and responsibilities set forth in the Declaration. The Architectural Committee shall consist of at least three (3) Members of the Association, and the Chair of the Committee shall be a current director of the Association. None of the committee members shall be required to be an architect or to meet any other particular qualifications for membership. The Board of Directors may increase the number of members on the Architectural Committee, but the number of members must always be an odd number. The approval by the Architectural Committee of any plans, drawings, or specifications for any work done or proposed, or for any other matter requiring the approval of the Architectural Committee under the Declaration, shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing,

specification, or other matter subsequently submitted for approval. The Architectural Committee's review is limited to aesthetic considerations and verification of a Member's project's compliance with the Condominium Documents. The Committee's approval of any application is not a representation of compliance with any laws, regulations, or other governmental requirements nor of the quality or soundness of the project's construction. The Committee's decision is not an assumption of any liability whatsoever for any claims or causes of action of any kind that may arise from any Member's approved improvements or modifications or during the construction or installation thereof.

Section 8.3 Other Committees. Other standing or *ad hoc* committees the Board of Directors forms pursuant to these Bylaws shall serve only in an advisory capacity. Unless otherwise provided in such resolution, Members of each such committee shall be Members of the Association.

Section 8.4 Qualification for Committee Membership. Unless otherwise provided by specific resolution of the Board of Directors, all members of committees shall be Members in good standing of the Association. If a committee member ceases to be a Member of the Association or is determined not to be in good standing, such member shall be removed and replaced by a Member of the Association who is in good standing and who shall serve such removed member's expired term.

Section 8.5 Term of Office. Each member of a committee shall continue as such until the next annual meeting of the Members of the Association or upon the expiration of such other term as the Board of Directors determines in its sole discretion, unless the committee is sooner terminated, or unless such member resigns, is removed from such committee, or unless such member ceases to qualify as a member thereof.

Section 8.6 Resignations. Any member of a committee may at any time resign from the committee by giving written notice thereof to the Board.

Section 8.7 Vacancies. Vacancies on a committee, however caused, shall be filled by the Board.

Section 8.8 Meetings. Committees shall meet from time to time as necessary to perform their duties. The vote or written consent of a majority of the members of a committee, at a meeting or otherwise, shall constitute the act of the committee unless the unanimous decision of the committee is required by any other provision of the Condominium Documents. Committees shall keep and maintain a written record of all actions, if any, taken by them. Regularly scheduled meetings of any committee are open to the Members.

Section 8.9 Compensation. Committee members shall not be entitled to compensation for their services as such. However, any committee member may be reimbursed for his or her actual expenses incurred in the performance of his or her duties, but only if the committee receives prior written authorization for the expenses from the Board of Directors prior to incurring such expenses. Nothing contained herein shall be construed to preclude a committee member from serving the corporation in any other capacity and receiving compensation therefor.

Section 8.10 Rules. Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the Board of Directors, but such rules shall not be effective without the prior written approval of the Board of Directors.

ARTICLE IX BUDGET AND ASSESSMENTS

Section 9.1 Annual Budget. After the first annual election of directors by the Members, not later than sixty (60) days prior to the beginning of each fiscal year, the Board of Directors shall adopt an estimated annual budget for the upcoming fiscal year of the Association. Such budget shall take into account the estimated Common Expenses and cash requirements for the year. To the extent Assessment and other cash income collected during the preceding year shall be more or less than the expenditures for such preceding year, the surplus or deficit, as the case may be, shall be taken into account. The budget shall separately reflect any Common Expenses to be assessed to fewer than all of the Units pursuant to the Declaration. The Board of Directors is authorized to adopt and amend budgets for the Association at any time, and no ratification of any budget by the Unit Owners is required.

Common Expenses shall include, but are not limited to, the following:

- (A) All expenses of the Board of Directors incurred for the administration of the Association;
- (B) Management fees;
- (C) All expenses for the operation, maintenance, repair, and replacement of the Association's Common Elements and other property for which the Association is responsible;
- (D) Rent for recreational and other equipment and facilities;
- (E) Taxes on the Common Elements and Association property;
- (F) Insurance premiums on all policies of insurance obtained by the Board of Directors or the Association's managing agent;
- (G) Security expenses;
- (H) Working capital reserves;
- (I) General operating reserves;
- (J) Repair and replacement reserves;
- (K) Reserves for deficits accrued in prior years;

- (L) Utility expenses;
- (M) Fees payable to attorneys, accountants, bookkeepers, architects, engineers, construction managers, and consultants;
- (N) All costs of carrying out the powers and duties of the Association; and
- (O) All other amounts the Board of Directors may deem necessary for the operation, administration, and maintenance of the Association.

Section 9.2 Assessments. The estimated annual budget for each fiscal year shall be approved by the Board of Directors, and the Board shall determine the amount of the Common Expense Assessment against each Unit for each fiscal year. No later than thirty (30) days after the Board adopts the budget, it shall send each Unit Owner a summary of the budget and a statement of the amount of the Common Expense Assessment assessed against the Unit Owner's Unit as provided in the Declaration. The failure or delay by the Board of Directors to prepare or adopt a budget for any fiscal year does not waive or release any Unit Owner's obligation to pay his or her share of the Common Expenses pursuant to the Declaration. Copies of the budget shall thereafter be made available for inspection by the Members no later than the beginning of the fiscal year. The Board of Directors shall determine and levy any other Assessments according to the terms for such other Assessments set forth in the Declaration.

Section 9.3 Collection of Assessments and Other Charges. The Association shall collect Assessments, fees, charges, fines and penalties, together with interest, late charges and all costs, including but not limited to reasonable attorneys' fees, incurred by the Association in collecting or attempting to collect delinquent Assessments, fees, charges, fines or penalties, whether or not suit is filed, as provided in the Declaration. The Board of Directors may adopt rules and procedures for the collection of Assessments and other charges.

ARTICLE X NEGOTIABLE INSTRUMENTS AND SECURITIES

Section 10.1 Signatures on Checks, Etc. All checks, drafts, orders for payment of money, and negotiable instruments shall be signed by an officer or officers, employee or employees, or the managing agent of the Association, as the Board of Directors may from time to time, by standing resolution or special order, prescribe.

Section 10.2 Signatures on Certificates and Securities. Endorsements or transfers of bonds or other securities shall be signed by the President and the Treasurer, unless the Board of Directors prescribes otherwise.

Section 10.3 Securities. An officer or officers of the Association shall from time to time be designated by the Board of Directors to have power to control and direct the disposition of any bonds or other securities or property of the Association deposited in the custody of any trust

company, bank, or custodian.

ARTICLE XI RECORDS

Section 11.1 Records. The manager, managing agent, and Board of Directors shall keep records of all actions of the manager, managing agent, and Board of Directors, as well as minutes of the meetings of the Board of Directors, minutes of the meetings of the Members, and financial records and books of account for the Association, including, but not limited to, a record of all receipts and disbursements. A separate account shall also be kept for each Member containing, among other things, the amount of each Assessment, the date when due, amounts paid thereon, the balance remaining due, and any other fees, charges, fines, and penalties, together with interest, late charges, and all costs, including but not limited to reasonable attorneys' fees, incurred by the Association in collecting or attempting to collect delinquent Assessments, fees, charges, fines or penalties, whether or not suit is filed.

Section 11.2 Access to Records. The Association shall make the financial and other records of the Association reasonably available for examination and copying by a Member. The Association may charge a reasonable fee for the time and costs of copying Association records, no greater than the amount set forth in statute, if any. Association records may be withheld from Member's examination to the extent that the record, or any portion thereof, withheld relates to any of the following, or any other records the Association may be authorized to withhold by statute amended or adopted subsequent to the date of these original Bylaws:

- (A) Privileged communication between an attorney for the Association and the Association;
- (B) Pending or contemplated litigation;
- (C) Meeting minutes or other records related to a session of a meeting of the Board of Directors that is not required to be open to all members pursuant to these Bylaws or the law;
- (D) Personal, health, or financial records of an individual Member of the Association, an individual employee of the Association, or an individual employee of a contractor for the Association, including, but not limited to, records of the Association directly related to the personal, health, or financial information about an individual Member of the Association, an individual employee of the Association, or an individual employee of a contractor for the Association; or
- (E) Records relating to the job performance of, compensation of, health records of, or specific complaints against an individual employee of the Association or an individual employee of a contractor of the Association who works under the direction of the Association.

ARTICLE XII

FISCAL YEAR

Section 12.1 Fiscal Year. The fiscal year of the Association is the calendar year.

ARTICLE XIII MISCELLANEOUS

Section 13.1 Notices. All notices required or permitted to be sent to the Board of Directors shall be sent by first-class mail, postage prepaid, in care of the manager or managing agent, or if there is no manager or managing agent, to the principal office of the Association as set forth herein, or to such other address as the Board may, from time to time, designate. All notices required or permitted to be sent to any Member shall be sent as required by law or the Condominium Documents, or if no such requirements exist, then in the form the Board of Directors determines in its sole discretion is reasonably calculated to provide the Member notice. All notices are deemed to have been given when mailed, posted, or transmitted, except Member's notices of changes to their preferred mailing addresses, which shall be deemed to have been given when received by the Board of Directors.

Section 13.2 Waiver. No restriction, condition, obligation, or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce it, irrespective of the number of violations and failures to enforce that may occur.

Section 13.3 Amendments. These Bylaws may be amended by a majority vote of the Board of Directors at any meeting of the Board at which a quorum is present.

Section 13.4 Invalidity. If any provision or provisions of these Bylaws is or are declared invalid, the invalidity shall in no way impair or affect the validity, enforceability, or effect of the remaining provisions of these Bylaws.

Section 13.5 Captions. Captions are inserted in these bylaws for convenience and reference only and shall not be taken in any way to limit or describe the scope of these Bylaws or any provision thereof.

ARTICLE XIV CONFLICTS

Section 14.1 Conflicts. In case of a conflict between these Bylaws and the Articles of Incorporation, the Articles of Incorporation control. In case of a conflict with these Bylaws and the Declaration, the Declaration controls. If any provision of these Bylaws is less restrictive than the Declaration or the Articles of Incorporation when dealing with the same subject, the more restrictive provisions of the Declaration and Articles of Incorporation are applicable in the same manner as if included in the provisions of these Bylaws. In case of any conflict between these Bylaws and any rules, policies, or resolutions of the Association, these Bylaws control.

IN WITNESS WHEREOF, these Bylaws of the Owners Association of Monaco Condominiums, Inc. are hereby adopted as set forth above as of the date below.

Tim Huff
Tim S. Huff, President

DATE: August 1, 2024