

CONTINENTAL COUNTRY CLUB, INC.  
AN ARIZONA NON-PROFIT CORPORATION

**THIRD AMENDED AND RESTATED BYLAWS**

## TABLE OF CONTENTS

<b>ARTICLE I MEMBERSHIP RIGHTS AND RESPONSIBILITIES .....</b>	<b>1</b>
1.1. <i>MEMBERSHIP</i> .....	1
1.2. <i>MEMBERSHIP PRIVILEGES</i> .....	1
a. <i>Dependents</i> .....	1
b. <i>Membership Cards</i> .....	1
c. <i>Guest Cards</i> .....	1
d. <i>Assignment</i> .....	2
1.3. <i>MEMBERSHIP ASSESSMENTS/DUES</i> .....	2
1.4. <i>RULES AND REGULATIONS</i> .....	2
1.5. <i>MEMBERSHIP VOTING</i> .....	2
a. <i>Number of Votes</i> .....	2
b. <i>Method of Voting</i> .....	2
c. <i>Cumulative Voting</i> .....	2
1.6. <i>SUSPENSION</i> .....	3
1.7. <i>MEETINGS OF THE MEMBERS</i> .....	3
1.8. <i>QUORUM</i> .....	3
<b>ARTICLE II BOARD OF DIRECTORS .....</b>	<b>3</b>
2.1. <i>NUMBER</i> .....	3
2.2. <i>NON-VOTING BOARD MEMBER</i> .....	3
2.3. <i>QUALIFICATIONS AND ELIGIBILITY</i> .....	4
2.4. <i>TERM</i> .....	4
2.5. <i>NOMINATION</i> .....	4
2.6. <i>ELECTION</i> .....	4
2.7. <i>REMOVAL/RESIGNATION</i> .....	4
2.8. <i>VACANCIES</i> .....	5
2.9. <i>AUTHORITY</i> .....	5
2.10. <i>COMPENSATION</i> .....	5
2.11. <i>PLACE OF MEETINGS</i> .....	5
2.12. <i>REGULAR MEETINGS</i> .....	5
2.13. <i>SPECIAL MEETINGS</i> .....	5
2.14. <i>WAIVER OF NOTICE</i> .....	6
2.15. <i>QUORUM</i> .....	6
2.16. <i>DIRECTORS' MEANS OF PARTICIPATION IN BOARD MEETINGS</i> .....	6
2.17. <i>PROXY</i> .....	6
2.18. <i>BOARD OF MEETINGS OPEN TO MEMBERS; AGENDA</i> .....	6
2.19. <i>BOARD ACTION IN LIEU OF MEETING</i> .....	6
<b>ARTICLE III OFFICERS .....</b>	<b>6</b>
3.1. <i>OFFICERS</i> .....	6
3.2. <i>ELECTION</i> .....	6

3.3.	<i>OTHER OFFICERS</i> .....	7
3.4.	<i>REMOVAL; RESIGNATION</i> .....	7
3.5.	<i>VACANCIES</i> .....	7
3.6.	<i>PRESIDENT</i> .....	7
3.7.	<i>VICE-PRESIDENT</i> .....	7
3.8.	<i>SECRETARY</i> .....	7
3.9.	<i>TREASURER</i> .....	7
3.10.	<i>IMMEDIATE PAST PRESIDENT</i> .....	8
<b>ARTICLE IV INDEBTEDNESS</b> .....		<b>8</b>
<b>ARTICLE V INSURANCE</b> .....		<b>8</b>
<b>ARTICLE VI EXECUTION OF INSTRUMENTS</b> .....		<b>8</b>
<b>ARTICLE VII AMENDMENTS TO BYLAWS</b> .....		<b>8</b>
7.1.	<i>AMENDMENT; REPEAL</i> .....	8
<b>ARTICLE VIII COMMITTEES</b> .....		<b>8</b>

## RECITALS

WHEREAS, Continental Country Club, Inc., an Arizona nonprofit corporation (the "Association"), is governed by its Bylaws, as they may be amended from time to time;

WHEREAS, Pursuant to Section 7.1 of the Second Amended and Restated Bylaws, the Bylaws may be amended by a vote of two-thirds (2/3) of the Directors entitled to vote;

WHEREAS, the Board of Directors, by a vote of two-thirds (2/3) of the Directors, has adopted amendments to the Second Amended and Restated Bylaws and wish to incorporate those amendments into the Third Amended and Restated Bylaws;

NOW, THEREFORE, the Second Amended and Restated Bylaws are amended in their entirety as follows:

### ARTICLE I MEMBERSHIP RIGHTS AND RESPONSIBILITIES

1.1. *Membership.* Every owner of a lot subject to the Amended and Unified Declaration of Restrictions Continental Country Club ("Declaration") shall be a Member of the Association. In addition, every owner of property subject to recorded covenants that provide the owner of the property is a mandatory member of the Association and obligated to pay assessments to the Association, is a Member of the Association. There shall be one (1) membership per such property. Persons who do not fall into these two categories above but elect to be "social members" are not Members of the Association for the purposes of these Bylaws and under Arizona law; thus, social members do not have the same rights of Association Members. By way of example and not by way of limitation, social members do not have voting rights in the Association. Each Member shall have the rights, privileges, and restrictions of membership as described in these Bylaws or as may later be determined by the Board of Directors. The Board of Directors may establish member categories with differing rights and privileges, fees and obligations.

1.2. *Membership Privileges.*

a. *Dependents.* The privileges of Members and social members shall be extended to the following persons living with the Member / social member: their spouse or partner, their unmarried dependent children under the age of 21, and their children who are full-time students under the age of 25.

b. *Membership Cards.* Members and social members shall receive annual membership cards for the Member / social member and their qualified dependents upon the completion of an appropriate membership form and payment of assessments/dues.

c. *Guest Cards.* Guest Cards may be issued pursuant to rules and regulations set by the Board of Directors.

d. *Assignment.* Membership privileges may be assigned by the Member / social member to other occupants of the Member's / social member's residence pursuant to rules and regulations set by the Board of Directors.

1.3. *Membership Assessments/Dues.* Within thirty (30) days prior to the end of each year, the Board of Directors shall set the annual assessments/dues for each member category for the next succeeding year, and all members shall be sent notice of the amount of the annual assessment/dues. The Association may increase the maximum annual assessment at any time in accordance with the requirements of the Declaration. In addition to the yearly assessments/dues, the Board of Directors may institute reasonable user fees on recreation facilities including, but not limited to, the golf course, swimming pool, tennis courts, and pickleball courts. These user fees may differ according to member category.

1.4. *Rules and Regulations.* All Members and social members, as well as their dependents, assignees, and guests shall abide by such rules and regulations for the use of Association facilities as may be promulgated and amended by the Board of Directors from time to time.

1.5. *Membership Voting.* Members shall be entitled to vote only on matters specifically as set forth in the Declaration and these Bylaws, matters as provided by Arizona law, and matters brought before the Members for a vote by resolution of the Board of Directors.

a. *Number of Votes.* Members shall be entitled to one (1) vote per membership; however, in the case of the election of a director as outlined in these Bylaws, each membership shall be entitled to one (1) vote per Board position to be filled. When there is more than one individual who is the Member for a membership, the vote for the membership shall be exercised as the Members themselves determine, but in no event shall more than one (1) vote be cast with respect to any membership and fractional votes shall not be permitted. If the Members are unable to agree among themselves as to how their vote(s) shall be cast, they shall lose their right to cast their vote(s) on the matter in question. If any Member casts a vote representing a certain membership, it will thereupon conclusively be presumed for all purposes that he or she was acting with the authority and consent of all other Members of the same membership unless objection thereto is made prior to the deadline for casting the vote. In the event that more than one vote is cast by the Member(s) for a particular membership, and one or more conflicting votes are cast, then none of the votes shall be counted and all of the votes for the membership shall be deemed void.

b. *Method of Voting.* A Member may vote either in person or by absentee ballot executed in writing, on a form supplied and approved by the Board of Directors. Votes may be cast by any electronic method permitted by Arizona law if approved by the Board. Votes may be cast by secret ballot, as determined from time to time by the Board. If a Member has more than one membership, a separate ballot shall be executed for each membership. The method of voting of a time share property shall be governed by the rules of the particular time share development.

c. *Cumulative Voting.* Cumulative voting shall not be permitted.

1.6. *Suspension.* In addition to any remedies provided for in the Declaration and in other covenants creating membership rights, upon (i) failure of any Member or social member to pay the assessments/dues due to the Association, (ii) breach of the Declaration by any Member subject to the Declaration (or their spouse/partner, dependent(s), guests, and/or assignee(s)), or (iii) breach of any of the rules and regulations promulgated by the Board of Directors by any Member or social member (or their spouse/partner, dependent(s), guests, and/or assignee(s)), the Board of Directors may suspend all or a portion of the rights/privileges of such Member or social member (and their spouse/partner, dependent(s), guests, and/or assignee(s)). Suspension of these rights/privileges shall not relieve the Member or social members of the obligation to pay any such amount which is due and outstanding, and in the event of the conveyance of the property subject to the membership, the new owner of the property shall not be allowed to exercise any of the rights or privileges of the membership until the entire indebtedness to the Association has been paid in full. The provisions of this Section shall not limit the right of the Board of Directors to file suit to collect any amounts due or to exercise any other remedy available at law.

1.7. *Meetings of the Members.* The Annual Meeting of the Members shall be held during the month of August of each year. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-tenth (1/10) of all of the votes of the memberships. The Board of Directors shall provide written notice to all Members entitled to attend such Members' meeting and the individual Board Members no less than twenty (20) nor more than thirty (30) days prior to the date of the meeting.

1.8. *Quorum.* A quorum of Members for any meeting of the Members shall be constituted by Members represented in person or by absentee ballot holding ten percent (10%) of the votes entitled to be cast at the meeting. Unless the vote of a greater number is required by these Bylaws, the Articles, the Declaration, or Arizona law, the affirmative vote of a majority of the Members represented at a meeting and entitled to vote shall be binding as the act of the Members.

## **ARTICLE II BOARD OF DIRECTORS**

2.1. *Number.* The number of voting Directors of the Association shall be seven (7) or nine (9), as determined by the Board from time to time.

2.2. *Non-Voting Board Member.* In addition to the voting members of the Board of Directors, there is hereby established a position for a non-voting member of the Board. This position shall be held by the managing agent for Tanglewood Townhouse Association, Inc. ("Tanglewood") and Ridgewood Townhouses Property Owners Association, Inc. ("Ridgewood"). The purpose of establishing this position is because of the unique needs of the members of these two communities as timeshare communities. This position shall not be a voting position. However, the Board member shall be entitled to all of the benefits afforded a regular Board member, including, but not limited to, participation in Board meetings and receipt of Board packets, other than the ability to vote. So long as the present managing agent is the managing

agent for Tanglewood and/or Ridgewood, the Association shall maintain this position. However, if the present managing agent is no longer the managing agent for Tanglewood and/or Ridgewood, the Association, through its Board of Directors, may terminate this position. Notwithstanding the amendment provisions in the Bylaws, this provision may not be amended without the majority vote of the Board and the approval of the Board of Directors for Tanglewood and Ridgewood.

2.3. *Qualifications and Eligibility.* All Directors shall be Members of the Association. Members of the Association are eligible to run for and serve on the Board of Directors, so long as such Member is not delinquent in the payment of any dues/assessments or fines due to the Association for a period of more than sixty (60) days, and so long as such Member is not in violation of any provision of (a) the rules and regulations promulgated by the Board of Directors and (b) the Declaration or other covenants that govern the Member for a period of more than sixty (60) days. In the event that, during their term of office, a Director becomes delinquent in the payment of any dues/assessment owed to the Association for a period of more than sixty (60) days, or is in violation of any provision of (a) the rules and regulations promulgated by the Board of Directors or (b) the Declaration or other covenants that govern the Member for a period of more than sixty (60) days, such Director shall be automatically removed from office, and that Director's position shall be deemed vacant.

2.4. *Term.* Directors shall serve three-year, staggered terms and each Director shall serve until such Director's successor is elected, unless such Director shall sooner resign, or shall be removed, or otherwise disqualified to serve. At each annual meeting, the Members shall elect Directors to replace those Directors whose terms have expired, and all such Directors shall be elected for a term of three (3) years, except that the Board shall have the right to cause a Director to be elected for less than a three (3) year term if it becomes necessary to re-establish the staggered terms.

2.5. *Nomination.* Nominations for election to the Board may be made by Members, by the Board of Directors, and, if appointed by the Board, by a nominating committee. Nominations shall be made in accordance with a procedure established by the Board of Directors. Nomination may not be made from the floor of the meeting to elect Directors.

2.6. *Election.* Directors shall be elected at the annual meeting of this Association by the Members. The nominees receiving the most votes cast shall fill those vacancies being elected.

2.7. *Removal/Resignation.* Any Director may be removed, for cause, including but not limited to, being absent for three (3) or more Board of Directors monthly meetings, by a two-thirds (2/3) vote of the Directors present at a duly constituted meeting of the Board. The Members, by a majority vote of Members entitled to vote and voting on the matter at a meeting of the Members held pursuant to Arizona law, may remove any member of the Board of Directors, with or without cause. Any Director may resign at any time by giving written notice to the Board or its President. Any such resignation shall take effect at the date of the receipt of such notice or at any later date specified therein; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

2.8. *Vacancies.* A vacancy shall be deemed to exist in case of the death, resignation, or removal of any Director. The vacancy shall be filled by the election by a majority of the remaining Directors, though less than a quorum, or by a sole remaining Director, and each Director so elected shall hold office for the term that the Director that they are replacing would have held. If the Board accepts the resignation of a Director tendered to take effect at a future time, the Board may elect a successor to take office when the resignation shall become effective. No reduction of the number of Directors shall have the effect of removing any Director prior to the expiration of their term of office.

2.9. *Authority.* The Board of Directors will have the authority to govern this Association by making and directing policy on all matters relating to the objectives for which it has been formed. The Board of Directors may perform all acts on behalf of the Association that are not prohibited by law or otherwise directed to be exercised and done by the Members.

2.10. *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 him or her for the Association in any other capacity, unless a resolution authorizing such remuneration shall have been unanimously adopted by the Board before the services are undertaken. Directors and officers, however, may be reimbursed for any actual expenses incurred in connection with their duties as such officers or Directors.

2.11. *Place of Meetings.* Meetings of the Board of Directors shall be held at the principal office of the Association or at such place within the State of Arizona as the Board shall authorize.

2.12. *Regular Meetings.* Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. It is the custom of the Board of Directors to set the date and time of the successive regular meeting at the end of each regular meeting; however, the time, place, and date of such scheduled regular meeting shall be posted at the Board's regular place of business no less than five (5) days prior to such meeting. The failure of any Member to receive actual notice of a meeting of the Board does not affect the validity of any action taken at that meeting.

2.13. *Special Meetings.* Special meetings of the Board of Directors for any purpose or purposes authorized by statute, the Articles of Incorporation, or these Bylaws may be called at any time by the President or Secretary or upon the written request of any two Directors. Special Meetings shall be held on three (3) days' notice to each Director by mail or upon forty-eight (48) hour notice given personally, by telephone, email, or other legally-recognized electronic means, unless emergency circumstances necessitate a meeting before forty-eight (48) hours' notice can be given. Notice by email or mail shall be deemed to be given at the time when the same is sent. Such notice shall specify the time and place of the meeting and the nature of any special business to be considered. Notice of special meetings of the Board shall be given to 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, unless emergency circumstances necessitate a meeting before forty-eight (48) hours' notice can be given.



2.14. *Waiver of Notice.* Before, at, or after any meeting of the Board, 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, except for the sole purpose of contesting notice, shall be deemed to be a waiver of notice by him/her.

2.15. *Quorum.* A majority of the Directors then in office shall be necessary to constitute a quorum for the transaction of business, and the action of a majority of the Directors present at any meeting at which there is a quorum, when duly assembled, is valid as a corporate act; provided that a minority of the Directors, in the absence of a quorum, may adjourn from time to time, but may not transact any business.

2.16. *Directors' Means of Participation in Board Meetings.* Meetings of the Board of Directors may be held by means of telephone 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. Furthermore, for any Board meetings open to the Members, the means of communication must also allow Members to hear all parties who are speaking during the meeting.

2.17. *Proxy.* There shall be no voting by proxy by the Board of Directors.

2.18. *Board of Meetings Open to Members; Agenda.* Except in those instances enumerated by law when the Board may hold a closed meeting or executive session, all meetings of the Association and the Board shall be open to all Members to attend and listen and Members shall be given an opportunity to speak before the Board takes action on an issue. An agenda will be available to all Members attending a Board meeting.

2.19. *Board Action in Lieu of Meeting.* Unless otherwise expressly restricted by statute, the Declaration, the Articles or these Bylaws, any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if all Directors consent thereto in writing. Each such consent shall be filed with the minutes of proceedings of the Board.

### **ARTICLE III OFFICERS**

3.1. *Officers.* The officers of the Association shall be a President, Vice-President, Secretary, Treasurer, and Immediate Past President (where applicable), and such additional officers as the Board of Directors may deem necessary. The officers shall be members of the Board elected by the Board of Directors and shall hold office for a period of one year or until their successors are duly elected and qualified but shall be subject to removal by the Board of Directors. The officers shall have the duties, powers and responsibilities normally assigned to and possessed by the holders of their respective offices.

3.2. *Election.* The officers of the Association, except such officers as may be appointed in accordance with the provisions of Section 3.3 of this Article III, shall be elected annually by the Board of Directors at an open meeting of the Board held as soon as practical

after the annual meeting of the Members, and each shall hold office until they resign or shall be removed or otherwise disqualified to serve, or a successor shall be elected and qualified.

3.3. *Other Officers.* The Board of Directors may appoint such other officers as the business of the Association may require, each of whom shall hold office for such period, having such authority and perform such duties as are provided in the Bylaws or as the Board of Directors may from time to time determine.

3.4. *Removal; Resignation.* Any officer may be removed, for cause, including but not limited to, being absent for three (3) or more Board of Directors monthly meetings, by a majority of the directors at the time of office, at any meeting of the Board. Any officer may resign at any time by giving written notice to the Board or to the President. Any such resignation shall take effect at the date of the 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.

3.5. *Vacancies.* A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled by the Directors in the manner prescribed in the Bylaws for regular election or appointments to such office.

3.6. *President.* The President shall be the chief executive officer of the Association and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the Association. The President shall preside at all meetings of the Members and the Board. The President shall be an ex officio member of all standing committees, if any. The President shall have the general powers vested in the office of President of a corporation, and such other powers and duties as may be presented by the Board of Directors or the Bylaws.

3.7. *Vice-President.* In the case of the President's absence or inability to act, the Vice-President shall perform all 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. The Vice-President shall have such other duties as from time to time may be prescribed by the Board of Directors or the Bylaws.

3.8. *Secretary.* The Secretary shall keep, or cause to be kept, a book of minutes at the principal office or such other place as the Board of Directors may order, of all meetings of Directors, with the time and place of holding, whether annual or special, and if special, time and place of holding, how authorized, the notice thereof given, the names of those Directors present at Board meetings, and the proceedings thereof. The Secretary shall give, or cause to be given, notice of all the meetings of the Board of Directors required by the Bylaws or by law to be given, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

3.9. *Treasurer.* The Treasurer shall keep and maintain or cause to be kept or maintained, adequate and correct accounts of the properties and business transactions of the Association. The books of account shall at all reasonable times be open to inspection by any

Director. The Treasurer shall deposit all monies and other valuables in the name and to the credit of the Association with such depositaries as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the Association as may be ordered by the Board of Directors, shall render to the President and Directors, whenever they request it, an account of all transactions as Treasurer and of the financial condition of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

3.10. *Immediate Past President.* In the event the person who served most recently in the office of President is on the Board, the Board may appoint such person to the office of Immediate Past President. Subject to the Bylaws, the Immediate Past President, if appointed, shall provide advice and leadership to the Board of Directors regarding past practices and other matters, to assist the Board in governing the Association, and to support the President and the Vice-President on an as-needed basis.

#### **ARTICLE IV INDEBTEDNESS**

The highest total loan amount to which this Association may be subject at any one time (versus other types of indebtedness or liabilities) shall not exceed Two Million Six Hundred Fifty Thousand Dollars (\$2,650,000.00).

#### **ARTICLE V INSURANCE**

The Association shall maintain in full force and effect director and officer liability insurance and fidelity insurance in such amounts as shall be determined by the Board.

#### **ARTICLE VI EXECUTION OF INSTRUMENTS**

All corporate instruments and documents shall be signed or countersigned, executed, verified, or acknowledged by such officer(s) or other person(s) as the Board may from time to time designate.

#### **ARTICLE VII AMENDMENTS TO BYLAWS**

7.1. *Amendment; Repeal.* These Bylaws may be amended and repealed, and/ or new bylaws adopted, by a vote of two-thirds (2/3) of the Directors entitled to vote.

#### **ARTICLE VIII COMMITTEES**

The Board may establish such committees as it deems appropriate to carry out such powers and duties as determined by the Board.

**CERTIFICATION**

The President of the Association hereby certifies that the amendments contained in the Third Amended and Restated Bylaws were duly adopted by the Board of Directors.

DATED this 23<sup>rd</sup> day of March, 2020.

**CONTINENTAL COUNTRY CLUB, INC.**

By: Jon Held

Name: Jon Held

Its: President