

FOURTH AMENDED AND RESTATED  
BYLAWS  
OF  
THE FOOTHILLS COMMUNITY ASSOCIATION

These Fourth Amended and Restated Bylaws of The Foothills Community Association (“Bylaws”) are made this 24<sup>th</sup> of February, 2026 by The Foothills Community Association, an Arizona nonprofit corporation (“Association”).

RECITALS

A. Upon Information and belief, the Bylaws for The Foothills Community Association were adopted in 1987 and amended at the April 27, 1994 Annual Meeting (collectively, the “Initial Bylaws”).

B. In 2013 the Board restated the Initial Bylaws for the purpose of incorporating the April 27, 1994 amendment into a single set of Bylaws (“Amended and Restated Bylaws”). The Amended and Restated Bylaws superseded the Initial Bylaws in their entirety.

C. The Members voted at a Special Meeting held on July 30, 2020 at 6:00 p.m. to further amend the Bylaws. Those amendments are incorporated into the Amended and Restated Bylaws and are set forth below (“Second Amended and Restated Bylaws”).

D. These Second Amended and Restated Bylaws shall supersede the Amended and Restated Bylaws in their entirety.

E. The Members voted at the Annual Meeting held on October 20, 2021 at 6:00 p.m. to further amend the Bylaws. Those amendments are incorporated into the Second Amended and Restated Bylaws and are set forth below (“Third Amended and Restated Bylaws”).

F. These Third Amended and Restated Bylaws shall supersede the Second Amended and Restated Bylaws in their entirety.

G. These Fourth Amended and Restated Bylaws shall supersede the Third Amended and Restated Bylaws in their entirety.

NOW THEREFORE, the Amended and Restated Bylaws, Second Amended and Restated Bylaws and Third Amended and Restated Bylaws are further amended and restated as follows:

ARTICLE 1

GENERAL PROVISIONS

Section 1.1. Defined Terms. Capitalized terms used in these Bylaws without definition shall have the meanings specified for such terms in the Declaration of Covenants, Conditions and Restrictions for The Foothills Community Association Recorded with the County Recorder of Maricopa County, Arizona as Instrument Number 87-218943 (the “Declaration”).

Section 1.2. Conflicting Provisions. In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

Section 1.3. Corporate Seal. The Association shall not be required to have a corporate seal.

Section 1.4. Designation of the Fiscal Year. The fiscal year of the Association shall begin on the 1<sup>st</sup> day of January and end on the 31<sup>st</sup> day of December every year.

Section 1.5. Books and Records. The books, records and papers of the Association shall be available for inspection by any Member during reasonable business hours. The Declaration, Articles and Bylaws shall be available for inspection by any Member during reasonable business hours at the principal office of the Association, where copies may be purchased at reasonable cost.

Section 1.6. Amendment.

(a) These Bylaws may be amended, at a regular or special meeting of the Members by a vote of the Members having a majority (more than 50%) of the votes entitled to be cast by the Members present in person or by electronic or any other reasonable procedure, including U.S. mail and fax.

(b) The Board, without a vote of the Members and without the consent of any First Mortgagee, Eligible Mortgage Holder or Eligible Insurer or Grantor, may amend these Bylaws in order to conform these Bylaws to the requirements or guidelines of the Federal National Mortgage Association, the Federal Home Loan Mortgage, the Federal Housing Administration, the Veterans Administration or any federal, state or local governmental agency whose approval of the project, the plat, or the Declaration, Articles and Bylaws is required by law or requested by the Declarant.

(c) The Board, without a vote of the Members, may amend these Bylaws in order to conform these Bylaws to the Arizona Revised Statutes.

Section 1.7. Indemnification. To the extent it has the power to do so, under the Arizona Nonprofit Corporation Act, A.R.S. Section 10-1001, et seq., the Association shall indemnify any person who was, or is, a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by, or in the right of, the Association, by reason of the fact that he or she is or was a Member, Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees and against judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted, or failed to act, in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interest of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. Indemnification of any such person shall be made in accordance with the procedures set forth in the Arizona Nonprofit Corporation Act.

## ARTICLE 2

### MEETINGS OF MEMBERS

Section 2.1. Annual Meeting. An annual meeting of the Members shall be held at least once each calendar year. These meetings must be held within the state. These meetings should be held within Ahwatukee Foothills at such place to be determined by the Board.

Section 2.2. Special Meetings. Special meetings of the Members may be called at any time by the President or by a majority of the Board or upon written request signed by Members having at least one-tenth (1/10) of the total authorized votes of the Association.

Section 2.3. Notice of the Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting by mailing a copy of each notice, postage prepaid, not fewer than (15) and no more than fifty (50) days in advance of any meeting of the Members to each Member entitled to vote addressed to the Member's address last appearing on the books of the Association or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. By attending a meeting, a Member waives any right he or she may have had to object to the meeting on the basis that the proper notice of the meeting was not given in accordance with these Bylaws or the statutes of the State of Arizona.

Section 2.4. Quorum. Except as otherwise provided in the Articles, the Declaration or these Bylaws, the presence in person or by electronic or any other reasonable procedure, including U.S. mail and fax of Members entitled to cast one-tenth (1/10) of the total authorized votes in the Association shall constitute a quorum at all meetings of the Members. If a quorum shall not be present at any meeting, the Members entitled to vote who are present at the meeting shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 2.5. Voting. At all meetings of the Members a vote on any action may be cast in person or by electronic or any other reasonable procedure, including U.S. mail and fax. All voting procedures shall be stated in the Election Policy and comply with Arizona state statutes.

## ARTICLE 3

### BOARD OF DIRECTORS

Section 3.1. Number. The affairs of this Association shall be managed by a Board of seven (7) Directors. All Directors must be Members of the Association. The Board may change the number of Directors on the Board, but the number of Directors must always be an odd number and shall not exceed nine (9) Directors. If a decision is made by the Board to expand the number of Directors, those positions will be filled at the next annual meeting or special meeting of the Members.

Section 3.2. Term of Office. All Directors shall be elected for staggered two (2) year terms. No member of the Board shall serve more than two (2) consecutive terms.

Section 3.3. Removal. Consistent with current state statutes, at any annual or special meeting of the Members duly called, any one (1) or more of the Directors of the Board may be removed from the

Board, with or without cause, by Members having more than fifty percent (50%) of the votes entitled to be cast by the Members present, in person, at the meeting, or by electronic or any other reasonable procedure, including U.S. mail and fax.

Section 3.4. Compensation. No Director shall receive compensation for any service he or she may render to the Association. However, any Director may be reimbursed for his or her actual expenses incurred in the performance of his or her duties.

Section 3.5. Action Taken Without a Meeting. Except for those actions the Board is allowed to take at an executive session pursuant to state statutes, no action shall be taken without a meeting.

Section 3.6. Vacancies. Vacancies on the Board shall be noticed to the community for a period of 30 days, and shall be subsequently filled by a majority vote of the remaining directors at the first regular or special meeting of the Board held after the notice period for such vacancy, even though the directors present at such meeting may constitute less than a quorum. Each person so elected shall serve the unexpired portion of the prior Director's term.

Section 3.7. Regular Board Meetings. Regular meetings of the Board may be held at such time and place that shall be determined from time to time by the Board. These meetings should be held within Ahwatukee Foothills. Such meetings shall be held at least once during each fiscal year.

Section 3.8. Special Board Meetings. Special meetings of the Board may be called by the President or by the request of two (2) Directors.

Section 3.9. Quorum. A majority of the Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly-held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 3.10. Power and Duties.

(a) The Board shall have all of the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by the Declaration, Articles or Bylaws required to be exercised or done by the Members. In addition to the duties imposed by these Bylaws or by any resolution of the Members that may hereinafter be adopted, the Board shall have the following powers and duties:

- (1) Open bank accounts on behalf of the Association and designate the signatures thereon;
- (2) Make, or contract for the making of, repairs, additions to, improvements to or alterations of the Common Area, in accordance with Declaration, Articles, and Bylaws, after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings;
- (3) In the exercise of its discretion, enforce by legal means the provisions of the Declaration, Articles and Bylaws;
- (4) Designate, hire and dismiss the personnel necessary for the maintenance, operation, repair and replacement of the Common Area and provide services for the Members, and, where appropriate, provide for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties;

- (5) Provide for the operation, care and upkeep and maintenance of all the Common Area and borrow money on behalf of the Association when required in connection with any one (1) instance related to the operation, upkeep and maintenance for the Common Area; provided however, the consent of Members having at least two-thirds (2/3) of the total votes in the Association shall be obtained either in writing or at a meeting called and held for such purpose in accordance with the provisions of these Bylaws in order for the Association to borrow in excess of five thousand dollars (\$5,000);
- (6) Prepare and adopt an annual budget for the Association prior to the commencement of each fiscal year;
- (7) Adopt and publish rules and regulations governing the use of the Common Area and facilities and the personal conduct of the Members and their family members, guests, Lessees and invitees thereon and establish penalties for the infraction thereof;
- (8) Suspend the voting rights and the right to use of the Common Area of a Member during any period in which such member shall be in default in the payment of any Assessment or other amounts due under the terms of the Declaration, Articles and Bylaws for any infraction of the Declaration, Articles and Bylaws, until the default is satisfied or the infraction is corrected;
- (9) Exercise for the Association all powers, duties and authority vested in, or delegated to, the Association and not reserved to the Membership by other provisions of the Declaration, Articles and Bylaws;
- (10) Declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board;
- (11) Employ, hire and dismiss such employees as they deem necessary and to prescribe their duties and their compensation;
- (12) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by any Member entitled to vote;
- (13) Supervise all officers, agents and employees of the Association and see that their duties are properly performed;
- (14) Levy and collect Assessments as provided in the Declaration;
- (15) Issue, or cause an appropriate officer to issue upon demand to any person, a certificate setting forth whether or not any Assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an Assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (16) Procure and maintain adequate property, liability and other insurance as required by the Declaration and establish a written policy on procurement of all goods and services required to support the association to perform its duties that conforms with all relevant regulations of Arizona and local government law and adheres to industry best practice standards;
- (17) Cause all Directors, officers and employees having fiscal responsibilities to be bonded;
- (18) Cause the Common Area to be maintained, as more fully set forth in the Declaration;

- (19) Establish a written policy to ensure free and fair elections. This policy shall include the following provisions:
- i. At least thirty (30) days before any election, there must be a meeting of the Members at which time the candidate can appear and provide background information and goals.
  - ii. Any Member who runs for office must disclose whether he or she resides within the Foothills Community Association and any prior bankruptcies, judgments, or felony convictions when submitting an application to run.
- (20) Institute electronic voting for all elections in accordance with A.R.S. § 10-3708(F); and,
- (21) The Bylaws must be reviewed on an annual basis to remove any and all obsolete text and to ensure the Bylaws conform with Arizona and local government law.
- (22) Approve requests for consolidated ballots, notices and assessment billings for Members with multiple memberships in the Association;
- (23) Establish additional written policies and procedures to efficiently run and manage the association.
- (24) Establish a written policy for standing and ad hoc committees that complies with Arizona state statutes.

(b) The Board may employ for The Foothills a “Managing Agent” at a compensation established by the Board. The Managing Agent may either be an employee of the Association or an independent professional management company. The Managing Agent shall perform such duties and services as the Board shall authorize, including, but not limited to, all of the duties listed in the Declaration and these Bylaws except for such duties and services that under the Declaration may not be delegated to the Managing Agent. The Board may delegate to the Managing Agent all the powers granted to the Board or the officers of the Association by the Declaration and these Bylaws other than the following powers:

- (1) To adopt the annual budget, any amendment thereto or to levy Assessments;
- (2) To adopt, repeal or amend The Foothills Rules (Declaration 5.3), governing documents, policies and procedures;
- (3) To designate signatories on Association bank accounts;
- (4) To borrow money on behalf of the Association.

(c) 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 ninety (90) days written notice. The term of any such contract may not exceed three (3) years.

#### ARTICLE 4 OFFICERS AND THEIR DUTIES

Section 4.1. Enumeration of Officers. The principal officers of the Association shall be the President, the Vice President, the Secretary, and the Treasurer, all of whom shall be elected by the Board. All officers must be Directors of the Board.

Section 4.2. Election of Officers. The election of officers shall take place at the first open meeting of the Board following each annual meeting of the Members.

Section 4.3. Term. The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless he or she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4.4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 4.5. Resignation and Removal. Any officer may be removed from office, with or without cause, by the Board. 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.

Section 4.6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

Section 4.7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of special offices created pursuant to Section 4.4 of this Article.

Section 4.8. Powers and Duties. To the extent such powers and duties are not assigned or delegated to a Managing Agent pursuant to Section 3.10(b) of these Bylaws the powers and duties of the Officers shall be as follows:

(a) President. The President shall be the chief executive officer of the Association; shall preside at all meetings of the Board or the Members; shall see that orders and resolutions of the Board are carried into effect; and have general and active management of the business of the Association;

(b) Vice President. The Vice President shall act in the place and stead of the President in the event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him or her by the Board;

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board. These duties may be delegated to a Managing Agent with oversight by the Secretary;

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds for appropriate Association purposes as set forth in the Declaration, Articles and Bylaws; keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the Board and which shall be made available to the Membership at its regular annual meeting; and,

in general, perform all duties incident to the office of Treasurer. These duties may be delegated to a Managing Agent with oversight by the Treasurer.

(e) Director(s) At Large. All Directors, who are not officers, shall be designated Directors at Large and may perform any additional duties as designated by the Board.

The Fourth Amended and Restated Bylaws were approved by the Board of Directors at a duly called and noticed meeting held on February 24, 2026.

The Foothills Community Association

*Keith Smith*

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President