

SECOND AMENDED BYLAWS FOR THE  
ARROWCREEK HOMEOWNERS ASSOCIATION

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ARROWCREEK HOMEOWNERS ASSOCIATION

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## SECOND AMENDED BYLAWS OF THE ARROWCREEK HOMEOWNERS ASSOCIATION

A Nevada Corporation

### ARTICLE I OFFICES

**Section 1.01. INCORPORATION OF DECLARATION.** The provisions of the ArrowCreek Second Amended and Restated Declaration of Covenants, Conditions and Restrictions ("Declaration"), as amended from time to time and recorded in the office of the Recorder of Washoe County, Nevada, are incorporated herein. A copy of the Second Amended Declaration is attached hereto as **Exhibit "A"**.

**Section 1.02. PRINCIPAL OFFICE.** The Association's principal office shall be fixed and located at such place as the Board of Directors (the "Board") shall determine. The Board is granted full power and authority to change said principal office from one location to another.

**Section 1.03. OTHER OFFICES.** Branch or subordinate offices may be established at any time by the Board at any place or places.

**Section 1.04. GOVERNING LAW.** The Association is subject to the Uniform Common-Interest Ownership Act as adopted by Nevada and reflected in Chapter 116 of the Nevada Revised Statutes.

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### ARTICLE II MEMBERSHIP

**Section 2.01. MEMBERS.** There shall be one class of voting- members, as specified in the Declaration. Owners of Lots ~~and Equivalent Lot Owners~~ are referred to herein as "members".

#### **Section 2.02. ASSESSMENTS.**

(a) Members shall pay monthly and special assessments as specified in the Declaration.

(b) All assessments shall be collected by the Association. Association funds shall be paid out or distributed as authorized or directed by the Board.

(c) The Board may not waive the assessments of a member on grounds of financial hardship or for any other cause except in cases where assessments are not subject to collection due to foreclosure or other Nevada law.

(d) A member whose assessments are delinquent as defined by the Collection Policy shall not be in good standing and shall not be qualified eligible to vote or to hold office or run for the Board of Directors, or to participate in business meetings of the Association, and shall not be entitled to rights and privileges of members until the delinquent assessments are fully paid.

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~~shall not be in good standing and shall not be qualified to vote, to hold office, or to participate in business meetings of the Association, and shall not be entitled to rights and privileges of members until the delinquent assessments are fully paid.~~

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**Section 2.03. PLACE OF MEETINGS.** Meetings of members shall be held at such places as the Board shall designate.

**Section 2.04. ANNUAL MEMBERS MEETINGS.** Annual meetings of members shall be held. The date and the time of annual meetings shall be fixed by the Board as provided herein. Any proper business may be transacted at the annual meeting.

**Section 2.05. CONDUCT OF MEMBERS MEETINGS.** The President or other officer of the corporation shall preside as chairman at all meetings of the members. The chairman shall conduct each such meeting in a businesslike and fair manner according to principles and procedures set by the board. ~~but shall not be obligated to follow any technical, formal or parliamentary rules or principles of procedure.~~ The chairman shall have all of the powers usually vested in the chairman of a meeting of members including voting. Without limiting the generality of the foregoing, the chairman's rulings on procedural matters shall be conclusive and binding on all members, unless at the time of a ruling, a petition request for a vote is made by a majority of the members entitled to vote, in which case a decision of a majority of such members shall be conclusive and binding on all members. This provision specifically supersedes and replaces the "Certificate of First Amendment to the Bylaws for the ArrowCreek Homeowners Association," dated May 13, 1997.

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~~This provision specifically supersedes and replaces the Certificate of First Amendment to the Bylaws for the Arrowcreek Homeowners Association," dated May 13, 1997.~~

**Section 2.06. PROXIES.** Persons entitled to vote may do so by written proxy executed by a member. The member may give a proxy only to a member of his or her immediate family, a tenant of the member who resides in ArrowCreek, another member who resides in ArrowCreek or a delegate or representative authorized specifically by NRS 116.31105. The form and manner of the proxy must comply with NRS 116.311, must be dated, must not purport to be revocable without notice, must designate the meeting for which it is executed, and must designate each specific item on the agenda of the meeting for which the member has executed the proxy.

**Section 2.07. ACTION WITHOUT MEETING BY WRITTEN BALLOT.**

(a) Any action which may be taken at any regular or special meeting of the members may be taken without a meeting, provided there is satisfaction of the requirements of NRS 82.326, NRS 116.31034, NRS 116.31035 and:

(1) The Association distributes a written ballot to every member entitled to vote on the matter;

(2) The ballot sets forth the proposed action, provides an opportunity to specify approval or disapproval of any proposal, and provides a reasonable time within which to return the ballot to the Association;

(3) The number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action; and

(4) The number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

(b) Directors must be elected by secret ballot as further provided in Section 3.03 of these Bylaws and NRS 116.31034.

**Section 2.08. MINUTES OF MEMBERS MEETING.** A quorum is not required to be present when the ~~units' owners~~ members approve the minutes.

**Section 2.09. NOTICE.** Annual meetings of the Board shall be held upon at least fifteen (15) days, but no more than sixty (60) days ~~on~~ notice. Such notice must state the time and place of the meeting and include a copy of the meeting agenda.

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Regular meetings of the Board may be held upon at least ten (10) days notice. Any officer shall cause notice of the meeting to be given to the members. Such notice must be either given to the members by mail or electronic means if such member has consented in writing to receive notice by electronic means, or published in a newsletter or other similar publication that is circulated to each member. Such notice must state the time and place of the meeting and either include a copy of the meeting agenda or the location where copies of the agenda may be conveniently obtained by the members.

Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mail, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient, is delivered to a common carrier for transmission, or via previously consented to electronic means, ~~or is delivered to a common carrier for transmission, including electronic means.~~

In an emergency, any officer, if practicable, shall cause notice of the meeting to be sent prepaid by United States mail to the mailing address of each member. If delivery of the notice in this manner is impracticable, the notice must be hand-delivered to each unit within community ~~or~~, posted in a prominent place or places within the common elements of the Association, or delivered electronically.

**Section 2.10. QUORUM.** A quorum of members is present at any meeting of the members if persons entitled to cast 20 percent of the votes in the Association are present in person, by proxy, or have cast absentee ballots, or any combination of the same.

### ARTICLE III DIRECTORS

**Section 3.01 POWERS.** Subject to limitations contained in the Articles, these Bylaws or ~~in~~ the applicable law relating to action required to be approved by the members or by a majority of all members, the activities and affairs of the Association shall be conducted and all corporate powers shall be exercised by or under the direction of the Board. The Board may delegate the management of the activities of the corporation to any person or persons, a management company or committees however composed, or otherwise delegate any owner or authority of the Board, provided that the activities and affairs of the Association shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Board shall have the following powers in addition to the other powers enumerated in the Articles, these Bylaws and the law:

(a) To select and remove all agents and employees of the Association, prescribe powers and duties for them as may not be inconsistent with law, the Articles of Incorporation, the Declaration or these Bylaws, fix their compensation and require from them such security, if any, for faithful service as the Board may deem appropriate.

(b) To conduct, manage and control the affairs and activities of the Association and to make such rules and regulations therefore not inconsistent with law, the Declaration, the Articles or these Bylaws, as they may deem appropriate.

(c) To borrow money and incur indebtedness for the purposes of the corporation, and to cause to be executed and delivered therefor, in the corporate name, contracts, promissory notes, bonds, debentures, leases, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities. Provided, however, that the Board acting on behalf of the Association, may not convey or encumber any asset of the Association without written approval from a majority of members of the Association.

**Section 3.02 NUMBER OF DIRECTORS AND QUALIFICATIONS.** The number of directors shall be not less than three (3) persons nor more than seven (7) persons. Only members may serve as directors. The members shall decide the exact number of directors from time to time, within the limitations specified in this section.

**Section 3.03 ELECTION AND TERM OF OFFICE.** Annual elections shall be held for those directors whose terms are expiring. Terms of directors shall be two (2) three (3) years, except when the Board shall set some initial terms of directors at one (1) or two (2) years solely for the purpose of creating staggered expirations of directors' terms so that, as much as possible, one-half ~~third half~~ of all directors are elected annually. If, for any reason, a successor is not elected to replace a director after the expiration of the directors' term, then that directors' term shall be extended until a successor is elected not to exceed the limitations of an appointment subject to approval by a majority of the Board of Directors.

Not less than thirty (30) days before the preparation of a ballot for the election of members of the Board, any director shall cause notice to be given to each member of the member's eligibility to serve as a member of the Board. Each member who is qualified to serve as a member of the Board

may have his or her name placed on the ballot along with the names of the nominees selected by the members of the Board or a nominating committee established by the Association.

The election of any member of the Board must be conducted by secret written ballot in the following manner:

- (a) The Board director shall cause a secret ballot and a return envelope to be sent, prepaid by United States mail, to the mailing address of each unit within the community or to any other mailing address designated in writing by any member.
- (b) Each member must be provided with at least fifteen (15) days after the date the secret written ballot is mailed to the unit's owner/member to return the secret written ballot to the Association.
- (c) A quorum is not required for the election of any member of the Board.
- (d) Only the secret written ballots that are returned to the Association or its authorized agent may be counted to determine the outcome of the election.
- (e) The secret written ballots must be opened and counted at a meeting of the Association. A quorum is not required to be present when the secret written ballots are opened and counted at the meeting as per NRS 116.31034.
- (f) The incumbent members of the Board and each person whose name is placed on the ballot as a candidate for membership on the Board, or spouses or any other persons related to such persons, may not possess, be given access to or participate in the opening or counting of the secret written ballots that are returned to the Association before those secret written ballots have been opened and counted at a meeting of the Association.

Each member of the Board shall, within ninety (90) days after his or her appointment or election, certify in writing to the association, on a form prescribed by the Administrator, that the member has read and understands the governing documents of the Association and the provisions of this chapter to the best of his or her ability.

#### **Section 3.04. VACANCIES.**

- (a) Any director may resign effective upon giving written notice to the President or the Secretary of the Board, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be appointed before such time to take office when the resignation becomes effective.
- (b) Vacancies in the Board shall be filled by appointment by majority vote of all directors. Such vacancies may be filled as they occur and not on an annual basis. Each director so appointed shall hold office until the next regularly scheduled election of Board members.
- (c) A vacancy or vacancies in the Board shall be deemed to exist in case of the death, resignation or removal of any director.
- (d) No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of the director's term of office.



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(e) During the period of a vacancy, the Board shall retain all powers to act, notwithstanding the fact that the Board during that period may not have three persons.

(f) Any director of the Board may be removed from the Board, with or without cause, if at a removal election held pursuant NRS 116.31036, the number of votes cast in favor of removal constitutes at least 35 percent of the total number of voting members of the Association; and at least a majority of all votes cast in that removal election.

**Section 3.05. PLACE OF BOARD MEETINGS.** ~~MEETINGS~~ Regular or special meetings of the Board shall be held at any place within Washoe County, Nevada which has been designated from time to time by the Board. In the absence of such designation, regular meetings shall be held at the principal office of the Association.

**Section 3.06. BOARD REGULAR MEETINGS.** Regular meetings of the Board may be held on such dates and at such times as may be fixed by the Board, to occur at least once every quarter, and not less than once every one hundred (100) days. Regular meetings must be held at a time other than during standard business hours from 9 a.m. to 5 p.m. at least twice annually.

**Section 3.07. BOARD SPECIAL MEETINGS.** Special meetings of the Board for any purpose or purposes may be called at any time by the President or any three directors, notice being ten-fifteen (105) days, but no more than sixty (60) days notice. Such notice must state the time and place of the meeting and include a copy of the meeting agenda.

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**Section 3.08. QUORUM AT BOARD MEETING.** A majority of the directors in office constitutes a quorum of the Board for the transaction of business. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board, unless a greater number be required by law or by the Articles, except as provided in the next sentence. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

~~A quorum of members is present at any meeting of the Board if persons entitled to cast 20 percent of the votes in the Association are present in person, by proxy, or have cast absentee ballots, or any combination of the same.~~

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**Section 3.09. RIGHTS OF INSPECTION.** Every member shall have the absolute right to inspect and copy (at the member's expense, not to exceed ten dollars (\$10) per hour, at twenty-five cents (\$0.25) per page for the first ten (10) pages, and ten cents (\$0.10) per page thereafter), all books, records and documents of every kind and to inspect the physical properties of the corporation. The corporation may require inspections to be made by appointment, not to exceed five (5) days after the date of the request. Such right shall not apply to the personnel records of the employees of the Association, except for those records relating to the number of hours worked and the salaries and benefits of those employees; the records of the Association relating to another ~~unit's owner~~ member, including, without limitation, any architectural plan or specification submitted by a ~~unit's~~ owner member to the Association during an approval process required by the governing documents; or any draft document, including, without limitation, minutes of a Board meeting, a reserve study, a

budget, and a business proposal if the document is in the process of being developed for final consideration by the Board, and has not been placed on an agenda for final approval by the Board.

**Section 3.10. STANDING OR SPECIAL COMMITTEES.** In the event that the Board determines that the management of the Association would be benefitted by the establishment of one or more standing or special advisory committees, the Board may from time to time establish one or more such committees. The establishment of a standing or special advisory committee shall be effected by a resolution of the Board approved by the vote of the majority of the directors then in office, which specifically sets forth the charter which addresses the powers and duties delegated to such committee. Each such committee shall consist of one or more directors, one of which shall serve as liaison to the Board. The term "standing committee" or "special committee" shall mean any committee appointed by the Board, which is authorized by specific delegation, without further Board action, to work at the direction of the Board pursuant to guidelines established by the Board. Notice of, and procedures for, meetings of standing or special committees shall be as prescribed by the chairman of each such standing or special committee, and meetings of standing or special committees may be called by the Board, President, or the chairman or Board liaison of the standing or special committee.

**Section 3.11. ADVISORY COMMITTEES.** The Board or the President may from time to time create and appoint such advisory committees as it deems appropriate with specific charters that consist of directors or persons who are not directors, but such advisory committees shall not be deemed committees having the authority of the Board and shall not exercise any powers of the Board. Notice of, and procedures for, meetings of advisory committees shall be as prescribed by the chairman of each such advisory committee, and meetings of advisory committees may be called by the Board, the President or the chairman of the advisory committee.

**Section 3.12. LIMITATIONS UPON COMMITTEES OF THE BOARD.** No committee of the Board shall have any of the authority of the Board with respect to:

- (a) the approval of any action for which the law also requires approval of the members or approval of a majority of all members;
- (b) the filling of vacancies on the Board or on any committee;
- (c) the amendment, alteration or repeal of Bylaws or the adoption of new Bylaws;
- (d) the amendment or repeal of any resolution of the Board which by its express terms may not be amended, altered or repealed;
- (e) authorizing the sale, purchase, lease or exchange of all of the property and assets of the Association;
- (f) the expenditure of corporate funds to support a nominee for director after there are more people nominated for director than can be elected;
- (g) adopting a plan for the distribution of the assets of the Association;

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- (h) authorizing the voluntary dissolution of the Association or revoke proceeding therefor; or
- (i) the amendment or repeal of the Articles, or adopting of any plan or merger or consolidation with another corporation.

**Section 3.13. ACTION BY CONSENT.** Any action ~~of a majority~~ of the Board, although not at a regularly convened meeting, if assented to in writing , paper or electronic, by all of the members of the Board, shall be as valid and as effective in all respects as if passed by the Board in a subsequent meeting, provided that such action is further ratified as a noticed agenda item at the next regular Board meeting.

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#### ARTICLE IV OFFICERS

**Section 4.01. OFFICERS.** The officers of the Association shall be a President, Vice President, a Secretary and a Treasurer. The Association may also have, at the discretion of the Board, such other officers as may be deemed advisable by the Board. Any number of offices may be held by the same person. Only members may be officers. The President, Vice President, Secretary and Treasurer shall all be authorized to prepare, execute, certify and record amendments to the Declaration on behalf of the Association upon approval of a majority of members.

**Section 4.02. SELECTION AND TERM OF OFFICE.** The directors of the Association shall select its officers for annual terms. If at the end of an annual term a replacement for an officer is not elected or appointed, the officer shall hold the office until a replacement is elected or appointed as determined by a majority of the Board. If needed, the directors may select officers prior to the end of an annual term.

**Section 4.03. REMOVAL, RECALL AND/OR RESIGNATION.** Any director of the Board may be removed from the Board if a removal *or recall* petition has been filed with the Board requesting a ballot. The ~~removal~~ petition can be with or without cause, per NRS 116.31036 ~~per NRS 116.xxx.~~ If removal/recall election determines that the number of votes cast is in favor of removal, the director or officer shall immediately resign.

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Any officer may resign his or her position at any time by giving written notice to the Board. 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.

**Section 4.04. VACANCIES.** A vacancy in any office because of death, resignation, removal or any other cause shall be filled in the manner prescribed in these Bylaws for regular election or appointment to such office, provided that such vacancies shall be filled as they occur and not on an annual basis.

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**Section 4.05. PRESIDENT.** The President is the chief executive officer of the Association and has, subject to the control of the Board, general supervision, direction and control of the business and officers of the Association. The President shall preside at all meetings of the members and -at all meetings of the Board. The President has the general powers and duties of management usually vested in the office of president of a corporation and such other powers and duties as may be prescribed by the Board.

**Section 4.06. VICE PRESIDENT.** The Vice-President shall have ~~such~~ powers and perform ~~such~~ duties as ~~from time to time~~ may be prescribed by the Board. The Vice-President shall serve as backup to the President and have the duties of the President when the President is absent.

**Section 4.07. SECRETARY.** The Secretary shall keep or cause to be kept, at the principal office or such other place as the Board may order, a book of minutes of all meetings of members and the Board, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at Board meetings, the number of members present or represented at members' meetings, and the proceedings thereof. The Secretary shall keep, or cause to be kept, at the principal office in the State of Nevada the original or a copy of the Association's Articles and any other documents required by law.

The Secretary shall give, or cause to be given, notice of all meetings of the members and of the Board required by these Bylaws or by law to be given, shall keep the seal of the Association in safe custody, and shall have ~~such~~ other powers and perform ~~such~~ other duties as may be prescribed by the Board.

**Section 4.08 TREASURER** The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transaction of the Association, and shall send or cause to be sent to the members of the corporation such financial statements and reports as are by law or ~~be by~~ these Bylaws required to be sent to them. The books of account shall at all times be open to inspection by any director. The Treasurer shall manage the Association's independent auditing process to reconcile the books of the Association on a yearly basis.

The Treasurer shall deposit, or cause to be deposited, all moneys and other valuables in the name and to the credit of the Association. The Treasurer shall organize, oversee, coordinate and cause to invest, and cause to be insured, the members' funds per the Association's -investment policy. The Treasurer shall disburse the funds of the corporation as may be ordered by the Board, shall render to the Board periodic financial statements, as requested. In addition, the Treasurer shall have ~~such~~ other powers and perform ~~such~~ other duties as may be prescribed by the Board.

## ARTICLE V OTHER PROVISIONS

**Section 5.01. INSPECTION OF ARTICLES AND BYLAWS.** The Association shall keep in its principal office in the State of Nevada a copy of its Articles and of these Bylaws, as amended to date, which shall be open to inspection by the members at all reasonable times during office hours.

**Section 5.02. CONSTRUCTION AND DEFINITIONS.** Unless the context otherwise requires, the general provisions, rules of construction and definitions of Nevada law shall govern the construction of these Bylaws.

**Section 5.03. AMENDMENTS.** These Bylaws may be amended or repealed by approval of majority (50% plus one) of the members, provided any amendment of a provision of the Declaration incorporated herein shall be made under the procedure specified in the Declaration and such an amendment shall be deemed fully incorporated herein.

*A request for amendment of these Bylaws may be submitted by written petition of at least 10% of the members, with a ballot vote sent in conjunction with the next annual meeting election mailer. The Board may recommend amendments at any time.*

**Section 5.04. MAINTENANCE OF CORPORATE RECORDS.** The accounting books, records, minutes of proceedings of the members and the Board shall be kept at such place or places designated by the Board or, in the absence of such designation, at the principal business office of the Association. The minutes shall be kept in written or typed form and the accounting books and records shall be kept either in written or typed form, or in any other form capable of being converted into written, typed or printed form.

**Section 5.05 INDEMNIFICATION.** The Association shall, to the maximum extent permitted by the Law, have the power to indemnify its officers, directors, committee members and other agents against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding arising by reason of the fact that any such person is or was an officer, director or agent of the Association and shall have the power to advance to such persons expenses incurred in defending any such proceedings.

#### **CERTIFICATION**

I hereby certify that the foregoing Second Amended Bylaws were validly adopted at a meeting of the members by written approval from a majority of members in good standing on the \_\_\_\_ day of \_\_\_\_\_, 2015, and are the current Bylaws of the Association.

\_\_\_\_\_  
Secretary

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