[RIO DE BELLA HOMEOWNERS ASSOCIATION]

An Oklahoma Non-profit Corporation

BYLAWS

ARTICLE I
NAME

1.01 Name (reviewed 08.27.26)

The name of this corporation shall be **Rio De Bella Homeowners Association.** The business of the corporation may be conducted as **Rio De Bella Homeowners Association** or **Rio De Bella HOA.**

ARTICLE II
PURPOSES AND POWERS

2.01 Purpose (reviewed 08.27.26)

Rio De Bella Homeowners Association is a non-profit corporation and shall be operated exclusively for the primarily engagement in promoting the common good and general welfare of the people of the community and govern the administration of the association and the members of which are owners within the platted community. Within the meaning of Section 501(c)(4) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code.

Mission of Rio De Bella HOA

The Mission of the Rio De Bella Homeowners Association is to engage in promoting and protecting the common good of the designed community and general welfare of the people as it is related to the Rio De Bella Homeowners community.

2.02 Powers (reviewed 08.27.26)

The Board of Directors shall have all of the powers and duties necessary for the administration of the Association's affairs and for performing all responsibilities and exercising all rights of the Association as set forth in the Declaration, these Bylaws, the article of incorporation and as provided by law. The Board may do or cause to be done all acts and things which the Declaration, Articles, these bylaws or Oklahoma Law do not direct to be done and exercised exclusively by Members or the membership in general.

2.03 Nonprofit Status and Exempt Activities Limitation. (Reviewed 08.27.26)Change language to operates as or board vote to register with IRS

(a) Nonprofit Legal Status**.** Rio De Bella Homeowners Association is a Oklahoma] non-profit public benefit corporation, recognized as tax exempt under Section 501(c)(4) of the United States Internal Revenue Code.

(b) Exempt Activities Limitation**.** Notwithstanding any other provision of these Bylaws, no director, officer, employee, member, or representative of this corporation shall take any action or carry on any activity by or on behalf of the corporation not permitted to be taken or carried on by an organization exempt under Section 501(c)(4) of the Internal Revenue Code as it now exists or may be amended, or by any organization contributions to which are deductible under Section 170(c)(2) of such Code and Regulations as it now exists or may be amended. No part of the net earnings of the corporation shall inure to the benefit or be distributable to any director, officer, member, or other private person, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Articles of Incorporation and these Bylaws.

(c) Distribution Upon Dissolution**.** Upon termination or dissolution of the Rio De Bella Homeowners Association, any assets lawfully available for distribution shall be distributed to a fund set up for the continued maintenance of the common areas until such time as the funds are depleted or a new organization is formed to govern the development.

ARTICLE III
MEMBERSHIP

3.01 Membership (Reviewed 08.27.26)

Ownership of a lot in **Rio De Bella HOA** development is required to qualify for membership in the association. Any person on becoming an owner of a lot shall mandatorily and automatically become a member of the association and be subject to the bylaws, covenants and governing documents. Such membership shall terminate without any formal association action whenever such person ceases to own a lot, but such termination shall not relive or release any such former owner from any liability or obligations incurred under or in any way connected with the association, during the period of such ownership and membership or impairment of any rights or remedies which the members have, either through the Board of Directors of the association or directly, taken against such former owner and member arising out of or in any way connected with ownership and membership and the governing documents and obligations incident thereto.

3.02 Voting by Members (Reviewed 08.27.26 committee agreed to spend time in review of the language and start conversation back at next meeting)

- **A.** The voting rights of the members shall be protected and guaranteed as defined and outlined in the Bylaws, Covenants and governing documents.
- **B.** Voting by eligible members of the association can be cast by appearing in person, assigning a proxy to vote in their absence, or when available absentee voting.
- **C.** The Board of Directors retains the Power to suspend the voting rights and the right of use of any recreational facility located on any common area during any period in which the member is in default in any payment of any assessment levied by the association

and or in violation of the covenants and restrictions and or policy and procedures of the organization.Added language

Existing: Bylaws Article 6.5.6.3 - Power to suspend rights for non payments. The board of directors shall have the power to suspend the voting rights and the right of use of any recreational facility located on any common area during any period in which the member is in default and the payment of any assessment levied by the association

3.03 **Majority of Members**

A simple majority shall mean the members of more than fifty-one (51%) percent of the eligible number of total members/lots to vote for are present either in person; proxy vote or vote by absentee ballot.

3.04 **Voting Quorum of Members**

Except as otherwise provided in these Bylaws, the presence in person, by proxy or absentee ballot, of Fifty-One (51%) percent of the members eligible shall constitute a quorum. In the event a quorum is not met, and a second meeting is required by the guidelines outlined in the governing documents the number of members represented in person by proxy or absentee ballot shall constitute a quorum. An affirmative vote of a majority of the members present at any meeting shall be required to transact the business of the meeting.

Existing:

5.3.5 **Quorum** To have a quorum, there must be present at the meeting, in person and/or by proxy 51% of the total votes of the Membership (i.e. sum of the votes of Class A members and the votes of Class B members). Fifty-one percent of the total votes of the Membership shall constitute a quorum for any action except as otherwise provided in the Declaration or these By-Laws. If, however such quorum shall not be present or represented, the meeting may be adjourned, and a second meeting may be held within 30 days upon giving Notice as required by these By-Laws. If the second meeting is held within 30 days of the adjourned meeting, 30 percent of the total votes of the Membership shall constitute a quorum for that meeting only.

3.05 **Proxies of Members and Absentee Ballots**

A. Members of the association have the ability/right to assign their voting rights to another member of the association by filing out a proxy form and presenting it in accordance with the following guidelines:
   1) Proxies must be received by the Secretary of the designee before the appointed time, a minimum of 48 forty-Eight hours in advance of the scheduled vote/meeting.
   2) Each lot is entitled to one in person or one proxy or one absentee vote per topic.
   3) Each representative member must assign the "attorney of fact/Proxy Vote" to another member of the association.

B. Every Proxy shall be revocable and shall automatically cease upon: (a) conveyance of any lot for which it was given; (b) receipt by the Secretary of written notice of revocation of the proxy or (c) on the date specific to the proxy.

C. If such proxies have not been properly completed or returned in a timely fashion to the Secretary or appointed person and a member or such person's duly authorized attorney-in-fact does not personally appear at a meeting, the vote of the member shall be deemed to have been forfeited.

D. Absentee Ballots may be cast when determined by the board that sufficient information and education is available to the community to make such decisions/votes.

   a. Absentee ballots shall be received by the Secretary of the designee before the appointed time, a minimum of 48 forty-Eight hours in advance of the scheduled vote/meeting.

Existing:

action shall be taken by members of the Association.

2.3 **Proxies** At all meetings of members, each voting member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. A proxy shall be revocable until it is cast.

3.06 Annual Meeting of Members

An annual meeting of the members of ***Rio De Bella Property Owners*** shall commence in the third quarter of each year. An appropriate time, place and date set by the board, with a minimum of 30 days' notice so that members could reasonably attend. **(Updated Language)**

a. Shall a quorum, as defined by the bylaws not be reached a second meeting is required within fourteen (14) days of the first meeting. If during the second meeting a majority of eligible members are not present either by proxy or in person, the total number of members represented in person or by proxy shall constitute a quorum.

3.07 Special Meeting of Members

The President may call for a special meeting to address only issues directly related to the cause for the special meeting as directed by the board or upon a petition signed by members representing at least twenty-five percent (25%) of the total eligible membership of the Association. At the time of the special meeting no business other than what is described in the agenda shall be discussed and no action can be taken.

3.08 Notice of Meeting of Member

Notice of meetings shall contain information reflecting the place, day, time and reason for the meeting. Notice to the members can be delivered in person; official social media; email, for those members who give written consent and appropriate email addresses; or by mail to registered addresses. If email consent is not given notice must be given by mail or hand delivered, in instance of special meeting; in addition to other potential methods and is considered delivered within three days after deposit at the postal service. Annual meetings require a minimum of 30 days' notice and special meetings require no less than 24 hours' notice.

Existing Language:

5.3.2 **Annual meetings** Each subsequent meeting of the Members shall be in the same month of each year thereafter, at a date, time and place within Cleveland County selected by the Board of Directors of the Association.

5.3.3 **Special meetings** 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 eight Lot Owners.

5.3.4 **Notice of meetings** Written notice of each meeting of the Members shall be hand-delivered and/or mailed, postage prepaid, not less than ten days nor more than 40 days before the meeting, to each Member addressed to the Member address last appearing on the books of the Association or supplied in writing by the Member to the Association. The notice shall specify the place, day and hour of the meeting. In the case of a special meeting, the notice shall state the purpose of the meeting.

3.09 Right of Lot Owner

A. Each owner, in common with all other owners, shall have the right and privilege to use and enjoy the common areas for the purposes for which the same were designed. This right and privilege shall be appurtenant to and pass with title to the lot. Each lot owner shall have a nonexclusive easement of access to, use and enjoyment of, and ingress and egress through the common areas, and such easement shall be appurtenant to and shall pass with the title to every lot. (Existing Bylaw Article IV.4.1)

ARTICLE IV
BOARD OF DIRECTORS

4.01 Number of Directors

Rio De Bella Homeowners Association shall have a board of directors consisting of at least 3 and no more than 6 directors. Within these limits, the board may increase or decrease the number of directors serving on the board, including for the purpose of staggering the terms of directors.

Existing:

5.4.2 **Number** The affairs of this Association shall be managed by a three member Board of Directors who must be Members of the Association.

4.02 Powers and Duties of the Board of Directors

All corporate powers and duties necessary for the administration of the Associations affairs and for performing all responsibilities and exercising all rights of the Association as set forth in the Articles, Bylaws and Covenants and governing documents hall be exercised by or under the authority of the board of the ***Rio De Bella Homeowners Association*** and shall be managed under the direction of the board, except as otherwise provided by law.

Duties of the Board of Directors shall include, but not limited to:

a. Preparing and adopting an annual budget and establishing each members' share of the common expenses. *The Board of Directors may raise dues no more than a total of ten percent (10%) in one year without the review and approval at a meeting of the membership.* **New language to discuss**

b. **Power to enforce covenants, conditions, and restrictions**: The board of directors shall have the power to enforce those certain covenants, conditions and restrictions for the Rio de Bella addition and the provisions of the declaration herein. Should a violation of said covenants and/ or this declaration be known to the board of directors, the board has the authority two send written notice to the lot owner. Said written notice shall describe the violation and provide a reasonable deadline for cure of the violation. Should owner/ member fail to cure the violations as requested, the board of directors may seek relief as allowed in the policy and procedures set forth by the board and by law. **(This is an updated version of 5.6.1 and 5.6.2)**

Existing:

5.6.1 **Power to adopt rules** The Board of Directors shall have the power to adopt and publish rules and regulations governing the use of the Common Areas including any improvements and amenities located thereon, and the personal conduct of the Members and the guests thereon and to establish penalties for the infraction thereof.

5.6.2 Power to enforce covenants, conditions, and restrictions: The board of directors shall have the power to enforce those certain covenants, conditions and restrictions for Rio de Bella addition recorded at book 4115 page 1484 in the office of the county clerk of Cleveland County and the provisions of the declaration herein. Should a violation of said covenants and/ or this declaration be known to the board of directors, the board shall send written notice by certified mail to the relevant law owners. Said written notice shall describe the violation and provide a reasonable deadline for cure of the violation. Should the law owners fail to cure the violation as requested the board of directors may seek relief as allowed by law.

c. Designating, hiring, and dismissing of personnel or contracts with companies necessary to carry out the rights and responsibilities of the Association and where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

Existing:

5.6.5 **Power to employ** The Board of Directors shall have the power to employ a manager, independent contractors or other employees or contractors as they deem necessary, and to prescribe their duties.

d. **Duty to Set and Collect assessment**: As more Fully provided in the assessment, it is the duty of the board of directors to (a) fix the amount of the annual assessment and/ or any special assessment (b) send written notice to each assessment to every lot owner subject there to no later than 30 days in advance of its due date; (C) receive such assessment; (d) enforce the collection of unpaid assessments by the legal proceedings if necessary. **(Existing article 6.5.6.8)**
e. Making and amending use restriction and rules in accordance with the covenants of the Association.
f. Enforcing the provisions of the covenants, these bylaws, and the rules adopted pursuant thereto and bringing any legal proceedings which may be instituted on behalf of or against the member(s) concerning the Association; provided, the Association shall not be obligated to take action to enforce any covenant, restriction, or rule which the Board has specific knowledge of the circumstances regarding the member/lot owner and chooses to continue to pursue other enforcement methods with the member.
    (1) Notwithstanding anything to the contrary in this Article, the Board may elect to enforce any provision of the governing documents of the Association by self-help. And to recover monetary damages or enjoin a violation, from the owner/member responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred. Any entry onto a lot for purposes of exercising this power of self help shall not be deemed a trespass.

g. Obtaining and carrying property and liability insurance and fidelity bonds, as provided in the covenants, paying the cost thereof, and filing and adjusting claims, as appropriate.
h. Paying the cost of all services rendered to the Association.
i. **Duty to Keep Records**: It is the duty of the board of directors to keep a complete record of all its acts and of the proceedings of its meetings, and to present a full statement at the regular meetings of the members showing in detail that condition of the affairs of the association. **(Existing article 6.5.6.6)**
j. Indemnifying a director, officer or committee member, or former director, officer, or committee member of the Association to the extent such indemnity is authorized by Oklahoma Law, the Articles of the Incorporation, or the Declaration.
k. Enforcing the provisions of the Declaration, these Bylaws an the rules adopted pursuant thereto and bringing any legal proceedings which may be instituted on behalf of or against the owners concerning the association; provided, the

association shall not be obligated to take action to enforce any covenant, restriction or rule which the Board in the exercise of its business judgment determine is, or is likely to be construed as, inconsistent with applicable law, or in any case in which the board reasonable determine that the associations position is not strong enough to justify taking enforcement action.

4.03 Terms

(a) All directors shall be elected to serve a one-year term, however the term may be extended until a successor has been elected.

(b) Director terms shall be staggered so that approximately half the number of directors will end their terms in any given year.

(c) Directors may serve terms in succession.

(d) The term of office shall be considered to begin January 1 and end December 31 of the second year in office, unless the term is extended until such time as a successor has been elected.

Existing:

5.4.4 **Term of office** The terms of each Director other than the Charter Director shall be for one year. Each Director, other than the Charter Director shall be elected at the annual meeting.

4.04 Qualifications and Election of Directors

In order to be eligible to serve as a director on the board of directors, the individual must be 18 years of age and member in good standing with Rio De Bella HOA. **(New Language)**

4.05 Vacancies

The board of directors may fill vacancies due to the expiration of a director's term of office, resignation, death, or removal of a director or may appoint new directors to fill a previously unfilled board position, subject to the maximum number of directors under these Bylaws.

(a) Unexpected Vacancies. Vacancies in the board of directors due to resignation, death, or removal shall be filled by the board for the balance of the term of the director being replaced.

Existing:

5.4.5 **Unexpired term** In the event of the death, resignation or removal of a Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired terms of his predecessor.

5.7.4 **Vacancies** A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to the vacancy shall serve for the remainder of the unexpired term

4.06 Removal of Directors (New Language)

A director may be removed by two-thirds (⅔) vote of the board of directors then in office, if:

(a) the director is absent and unexcused from three or more meetings of the board of directors in a twelve-month period. Further, a director who is thirty (30) days delinquent in the payment of any assessment or other charge due to the association, may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present. The board president is empowered to excuse directors from attendance for a reason deemed adequate by the board president. The president shall not have the power to excuse him/herself from the board meeting attendance and in that case, the board vice president shall excuse the president. Or:

(b) for cause or no cause, if before any meeting of the board at which a vote on removal will be made the director in question is given electronic or written notification of the board's intention to discuss her/his case and is given the opportunity to be heard at a meeting of the board.

(c) Any director elected by membership may be removed with or without cause by a vote of the members. Removal shall be by a majority vote of members eligible to cast a vote. Any director whose removal is sought shall be properly notified prior to the meeting called for that purpose. Upon removal of a director a successor shall be elected by the members to fill the vacancy for the remaining balance of the term.

4.07 Board of Directors Meetings.

(a) Regular Meetings. The board of directors shall have a minimum of four (4) regular meetings each calendar year at times and places fixed by the board. Board meetings shall be held with no less than two (2) days' notice or properly waived notice by Board members.

Existing:

5.5.1 **Regular meetings** Regular meetings of the Board of Directors shall be held at least annually at such place and hour as may be fixed from time to time by resolution of the Board. Notice of the Board meeting shall be given to each Director at least ten days before the date of the meeting, unless specifically waived.

(b) Special Meetings. Special meetings of the board may be called by the president, vice president, secretary, treasurer, or any two (2) other directors of the board of directors. A special meeting must be preceded by at least 2 days notice to each director of the date, time, and place, but not the purpose, of the meeting.

Existing:

5.5.2 **Special meetings** Special meetings of the Board of Directors shall be held when called by the President of the Association or by any two Directors. Any and all business may be transacted at a special meeting. Each call for a special meeting shall be in writing, and signed by the person or persons making the same request. The request must be addressed and delivered to the Secretary, and shall state the time and place of such meeting. Notice of a special meeting of the Board shall be given at least ten days before the date of the meeting, unless specifically waived.

(c) Waiver of Notice. (New Language) Any director may waive notice of any meeting, in accordance with Oklahoma State law.

(d) Proper Notice. (New Language) Proper notice to any director shall be proved through written text, mailing or a meeting of the board where everyone is able to hear and acknowledge receipt of notice. Notice shall also be available for members, should they wish to attend, in a manner where all members can access the meeting information.

4.08 Manner of Acting.

(a) Quorum. A majority of the directors in office immediately before a meeting shall constitute a quorum for the transaction of business at that meeting of the board. 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 that meeting.

Existing:

5.5.3 **Quorum** Two Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by two Directors at duly held meeting at which a quorum is present shall be regarded as an act of the Board.

(b) Majority Vote. **New Language** Except as otherwise required, the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board.

(c) Hung Board Decisions.New Language On the occasion that directors of the board are unable to make a decision based on a tied number of votes, the president or treasurer in the order of presence shall have the power to swing the vote based on his/her discretion.

(d) Participation. **New Language** Except as required otherwise by law, the Articles of Incorporation, or these Bylaws, directors may participate in a regular or special meeting through the use of any means of communication by which all directors participating may simultaneously hear each other during the meeting, including in person, internet video meetings or by telephonic conference call.

(e) Action without a meeting. (New Language This allows for email action) Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a consent in writing, setting forth the action so taken, is acknowledged by all of the directors, and such consent shall have the same force and effect as a unanimous vote.

4.09 Compensation for Board Service

Directors shall receive no compensation for carrying out their duties as directors. The board may adopt policies providing for reasonable reimbursement of directors for expenses incurred in conjunction with carrying out board responsibilities, such as expenses related to board training or purchases made for the benefit of the community.

Existing:

5.4.6 **<u>Compensation</u>** No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

4.10 Compensation for Professional Services by Directors (New Language)

Directors are not restricted from being remunerated for professional services provided to the corporation. Such remuneration shall be reasonable and fair to the corporation and must be reviewed and approved in accordance with the board Conflict of Interest policy and state law.

ARTICLE V
<u>COMMITTEES</u>

5.01 Committees (NEW LANGUAGE)

a. The board of directors may, by the resolution adopted by a majority of the directors then in office, designate one or more committees, each consisting of two or more members, to serve at the pleasure of the board.
b. The board shall establish the parameters for which the committee shall operate and report to the board their actions and/or recommendations. (This is where you could have a committee to review lawn contracts etc)

ARTICLE VI
<u>OFFICERS</u>

6.01 Board Officers

The officers of the corporation shall be a board president, vice-president, secretary, and treasurer, all of whom shall have been elected by the members of Rio De Bella Homeowners Association to serve on the Board of Directors. Each officer shall be chosen by the elected Board of Directors based on their skills and ability to complete the requirements of the job duties.

Each board officer shall have the authority and shall perform the duties set forth in these Bylaws or by resolution of the board or by direction of an officer authorized by the board to prescribe the duties and authority of other officers.

Existing:

5.7.1 **Officers** The officers of this Association shall be a President and Vice-President, who at all times shall be Members of the Board of Directors, a Secretary and a Treasurer, and such other officers as the Board may from time to time by resolution create.

5.7.2 Election of Officers The Election of officers shall take place at the first meeting of the board of directors and thereafter at the first meeting of the board of directors following each annual meeting of the members.

6.02 Term of Office

Each officer shall serve a one-year term of office and may not serve more than three (3) consecutive terms of office. Unless unanimously elected by the board at the end of his/her three (3) year terms or to fill a vacancy in an officer position, each board officer's term of office shall begin upon the adjournment of the board meeting at which elected and shall end upon the adjournment of the board meeting during which a successor is elected.

Existing:

5.7.3 **Term** The officers of this Association shall be elected annually by the Board and each shall hold office for one year unless such officer shall sooner resign, or shall be removed or otherwise disqualified to serve.

6.03 Removal and Resignation (New language – resigning from an officer position is different than resigning from the board)

A. The board of directors may remove an officer at any time, with or without cause. Any officer may resign at any time by giving written notice to the corporation without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party. Any resignation shall take effect at the date of the receipt of the notice or at any later time specified in the notice, unless otherwise specified in the notice. The acceptance of the resignation shall not be necessary to make it effective.

B. Resignation from an officer position does not qualify as resignation from the Board of Directors unless such person elected by the members states they are resigning from the Board of Directors.

C. Removal of an officer from their duties by the Board of Directors does not qualify as removal from the Board of Directors; as the party was elected by the members of the association and that right is protected unless due cause has been shown.

6.04 Board President

The board president shall be the chief volunteer officer of the corporation. The board president shall lead the board of directors in performing its duties and responsibilities, including, if present, presiding at all meetings of the board of directors, and shall perform all other duties incident to the office or properly required by the board of directors.

Existing:

5.7.6 **Duties of President** The President shall preside at all meetings of the Members and of the Board of Directors and see that the orders and resolutions of the Board are carried out. The President shall have authority to sign all leases, mortgages, deeds, and other written instruments.

6.05 Vice President

In the absence or disability of the board president, the ranking vice-president or vice-president designated by the board of directors shall perform the duties of the board president. When so acting, the vice-president shall have all the powers of and be subject to all the restrictions upon the board president. The vice-president shall have such other powers and perform such other duties prescribed for them by the board of directors or the board president. **(I like to give the vice president an actual duty instead of back up to the president – like in charge of overseeing committees?)**

Existing:

5.7.7 **Duties of Vice President** The Vice President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and exercise and discharge such other duties as may be required of him by the Board. The Vice President shall likewise have authority to sign all leases, mortgages, deeds, and other written instruments.

6.06 Secretary

The secretary shall keep or cause to be kept a book of minutes of all meetings and actions of directors and committees of directors. The minutes of each meeting shall state the time and place that it was held and such other information as shall be necessary to determine the actions taken and whether the meeting was held in accordance with the law and these Bylaws. The secretary shall cause notice to be given of all meetings of directors and committees as required by the Bylaws. The secretary shall have such other powers and perform such other duties as may be prescribed by the board of directors or the board president. The secretary may appoint, with approval of the board, a director to assist in performance of all or part of the duties of the secretary.

Existing:

5.7.8 **Duties of Secretary** The Secretary shall record the votes and keep the minutes o fall meetings and proceedings of the Board and of the Members; 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, attest and affix the seal of the association to all leases, mortgages, deeds and other written instruments ; and perform such other duties as required by the Board.

6.07 Treasurer

The treasurer shall be the lead director for oversight of the financial condition and affairs of the corporation. The treasurer shall oversee and keep the board informed of the financial condition of the corporation and of audit or financial review results. In conjunction with other directors or officers, the treasurer shall oversee budget preparation and shall ensure that appropriate financial reports, including an account of major transactions and the financial condition of the corporation, are made available to the board of directors on a timely basis or as may be required by the board of directors. The treasurer shall perform all duties properly required by the board of directors or the board president. The treasurer may appoint, with approval of the board a qualified fiscal agent or member of the staff to assist in performance of all or part of the duties of the treasurer.

Existing:

5.7.9 **Duties of Treasurer** The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and disburse these funds as directed by resolution of the Board of Directors; keep proper books of account; cause an annual audit of the Association books to be made at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the Members at its regular annual meeting; and deliver a copy of each to the Members requesting same.

6.08 Director Non-Officer Positions (New Language)

The board of directors may designate additional officer positions of the corporation and may appoint and assign duties to other non-officer Directors of the corporation.

ARTICLE VII
CONTRACTS, CHECKS, LOANS, INDEMNIFICATION AND RELATED MATTERS

7.01 Contracts and other Writings

Except as otherwise provided by resolution of the board or board policy, all contracts, deeds, leases, mortgages, grants, and other agreements of the corporation shall be executed on its behalf by the president and/or treasurer or other persons to whom the corporation has delegated authority to execute such documents in accordance with policies approved by the board.

7.02 Checks, Drafts

All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents, of the corporation and in such manner as shall from time to time be determined by resolution of the board.

7.03 Deposits

All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depository as the board or a designated committee of the board may select.

7.04 Loans

No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the board. Such authority may be general or confined to specific instances.

7.05 Indemnification

(a) Mandatory Indemnification. The corporation shall indemnify a director or former director, who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which he or she was a party because he or she is or was a director of the corporation against reasonable expenses incurred by him or her in connection with the proceedings.

(b) Permissible Indemnification. The corporation shall indemnify a director or former director made a party to a proceeding because he or she is or was a director of the corporation, against liability incurred in the proceeding, if the determination to indemnify him or her has been made in the manner prescribed by the law and payment has been authorized in the manner prescribed by law.

(c) Advance for Expenses. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding, as authorized by the board of directors in the specific case, upon receipt of (I) a written affirmation from the director, officer, employee or agent of his or her good faith belief that he or she is entitled to indemnification as authorized in this article, and (II) an undertaking by or on behalf of the director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the corporation in these Bylaws.

(d) Indemnification of Officers, Agents and Employees. An officer of the corporation who is not a director is entitled to mandatory indemnification under this article to the same extent as a director. The corporation may also indemnify and advance expenses to an employee or agent of the corporation who is not a director, consistent with [YOUR STATE] Law and public policy, provided that such indemnification, and the scope of such indemnification, is set forth by the general or specific action of the board or by contract.

ARTICLE VIII
MISCELLANEOUS

8.01 Books and Records

The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of all meetings of its board of directors, a record of all actions taken by board of directors without a meeting, and a record of all actions taken by committees of the board. In addition, the corporation shall keep a copy of the corporation's Articles of Incorporation and Bylaws as amended to date.

8.02 Fiscal Year

The fiscal year of the corporation shall be from January 1 to December 31 of each year.

8.03 Conflict of Interest

The board shall adopt and periodically review a conflict of interest policy to protect the corporation's interest when it is contemplating any transaction or arrangement which may benefit any director, officer, employee, affiliate, or member of a committee with board-delegated powers.

8.05 Bylaw Amendment

These Bylaws may be amended, altered, repealed, or restated by a vote of the majority of the board of directors then in office at a meeting of the Board, provided, however,

(a) that no amendment shall be made to these Bylaws which would cause the corporation to cease to qualify as an exempt corporation under Section 501 (c)(4) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code; and,

(b) that an amendment does not affect the voting rights of directors. An amendment that does affect the voting rights of directors further requires ratification by a two-thirds (⅔) vote of a quorum of directors at a Board meeting.

ARTICLE XIII
AMENDMENT OF ARTICLES OF INCORPORATION

13.01 Amendment

Any amendment to the Articles of Incorporation may be adopted by approval of Fifty-One (51%) of the membership.

Existing:

6.0 **Amendments** This Declaration and By-laws may be amended, at a regular or special meeting of the Association by written ballot (in person or by proxy) representing 75% of the total votes of the Membership (i.e. the sum of the votes of Class A members and the votes of Class B members).

ARTICLE XIV
AMENDMENT OF BYLAWS

14.01 Amendment

Any amendment to the Bylaws may be adopted by approval of Fifty-One (51%) of the membership.

CERTIFICATE OF ADOPTION OF BYLAWS

I do hereby certify that the above stated Bylaws of Rio De Bella Homeowners Association were approved by the Rio De Bella Homeowners Association board of directors and Membership on XX, XX, 20XX and constitute a complete copy of the Bylaws of the corporation.

____
[Secretary's Name], Secretary
Date: _________________________