

AMENDED AND RESTATED BYLAWS
OF
BLACKHAWK HOMEOWNERS ASSOCIATION, INC.,
an Arizona nonprofit corporation

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AMENDED AND RESTATED BYLAWS

OF

**BLACKHAWK HOMEOWNERS ASSOCIATION, INC.,
an Arizona nonprofit corporation**

Article I

Name, Principal Office, and Definitions

1.1 Name.

The name of the corporation is Blackhawk Homeowners Association, Inc. (the "corporation").

1.2 Principal Office.

The principal office of the corporation shall be located at such address in Yavapai County, Arizona as shall be determined from time to time by the Board of Directors. The initial office shall be located at 821 Flaming Arrow, Prescott, AZ 86301. The corporation may have such other offices, either within or outside Arizona, as the Board of Directors may determine or as the affairs of the corporation may require.

1.3 Definitions.

The words used in these Bylaws shall be given their normal, commonly understood definitions. Capitalized terms shall have the same meaning as set forth in the certain recorded Amended and Restated Declaration of Restrictions and Covenants for Blackhawk dated _____, 2008 and recorded in Book ___ at Page ___ in the official records of Yavapai County, as amended, unless the context indicates otherwise.

Article II

Membership: Meetings, Quorum, Voting, Absentee Ballots

2.1 Membership.

The qualification of Members, the manner of their admission and voting by such Members shall be as follows:

A. The Lot Owners of the Blackhawk Subdivision shall be Members of the corporation and no other person or entities shall be entitled to Membership.

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B. Members in the corporation shall be established by the recording in the official records of the Yavapai County Recorder, State of Arizona, of a deed or other instrument establishing a change of record title to a Lot in the Subdivision and notification in writing to the corporation of the recording information, the new Owner or Owners designated by such instrument thereby becoming a Member of the corporation. The Membership of the prior Owner shall thereby terminate.

C. Membership in the corporation cannot be assigned, pledged, or transferred in any manner except as an appurtenance to the transfer of the ownership of the individual Lot.

D. The Lot Owners of Blackhawk Subdivision shall be Members of the corporation and no other person or entities shall be entitled to Membership

2.2 Place of Meetings.

Meetings of the corporation shall be held at the principal office of the corporation or at such other suitable place as the Board may designate.

2.3 Annual Meetings.

Regular annual meetings of the Members of the corporation shall be set by the Board so as to occur during the second quarter of the corporation's fiscal year on a date and at a time set by the Board.

2.4 Special Meetings

The president of the Board may call special meetings. In addition, it shall be the duty of the president to call a special meeting if so directed by resolution of the majority of the Board or upon a petition signed by twenty-five percent (25%) of the Members entitled to vote.

2.5 Notice of Meetings.

Written or printed notice stating the place, day, and hour of any meeting of the Members shall be delivered, either personally, by email, by United States mail or by any combination of such methods, to each Member, not less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the president, or the secretary of the Association.

In the case of a special meeting or when otherwise required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

If emailed, the notice shall be deemed to be delivered when "electronically forwarded" to

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the email address of the Member as it appears in the corporation's records.

If mailed, the notice shall be deemed to be delivered when deposited in the United States mail addressed to the Member at the Member's address as it appears on the corporation's records, with postage prepaid.

2.6 Waiver of Notice.

Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may waive, in writing, notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting also shall be deemed waiver of notice of all business transacted at such meeting unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

2.7 Adjournment of Meetings.

If any meeting of the corporation cannot be held because a quorum is not present, a majority of the Members entitled to vote who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business may be transacted which might have been transacted at the meeting originally called. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings.

Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members entitled to vote to leave less than a quorum present.

2.8 Voting.

The voting rights of the Members shall be as set forth in the Declaration and in these Bylaws. The Owner of a Lot shall be entitled to one (1) vote on each matter submitted to a vote of the Members. The vote attributable to each Lot must be cast as a whole; fractional votes shall not be allowed. In the event that a Lot is owned by two (2) or more persons, the joint or common owners shall designate to the Association in writing one (1) of their number who shall have the right to cast votes with respect to such Lot. If multiple persons own a Lot and are unable to agree upon how their vote shall be cast, they shall lose their right to vote on the matter in question. If any Member casts a vote

representing a certain Lot, it will thereafter be conclusively presumed that he/she was acting with the authority and consent of all other owners of the same Lot unless objection thereto is made at the time the vote is cast. In the event that more than one (1) vote is cast with respect to particular Lot, all such votes shall be deemed void. In the event that an Owner owns more than one (1) Lot, such Member shall be entitled to one (1) vote for each Lot owned.

2.9 Absentee Ballots

On any matter as to which a Member is entitled personally to cast the vote for his Lot, such vote may be cast in person or by absentee ballot, subject to the limitations of Arizona law relating to use of absentee ballots and subject to any specific provision to the contrary in the Declaration or these Bylaws.

Every absentee ballot shall indicate the Lot for which it is given, be dated, and filed at the principal office with the secretary of the corporation prior to the meeting for which it is to be effective, unless otherwise specifically provided in the absentee ballot.

All absentee ballots must: (a) set forth each proposed action, (b) provide space to vote "for" or "against" each proposed action (other than as to the election of Directors), (c) specify the date and time for the ballot to be delivered in order to be counted (must be at least seven (7) days after the ballot is delivered to the Member), and (d) be valid for only one meeting. Absentee ballots shall not be revocable

2.10 Majority.

As used in these Bylaws, the term "majority" shall mean those votes or Owners, as the context may indicate, totaling more than 50% of the total eligible number.

2.11 Quorum.

Except as otherwise provided in these Bylaws or in the Declaration or required by statute, the presence of Members, in person or by absentee ballot, entitled to cast a majority of the votes that may be cast at such meeting shall constitute a quorum at all properly noticed corporation meetings.

If a quorum is not present at any meeting of the Members of the corporation, those Members present may vote to adjourn and reschedule the meeting to a date not less than forty-eight (48) hours nor more than sixty (60) days after the time the original meeting was called. At the second meeting, the quorum required shall be one-half of the quorum required at

the initially called meeting.

2.12 Conduct of Meetings.

The president shall preside over all meetings of the corporation. The secretary shall keep the minutes of the meetings and record in a minute book and/or file all resolutions adopted and all other transactions occurring at such meetings. An Owner may attend any meeting of the Members of the corporation and shall be permitted to speak at any such meeting; provided, the Board may establish reasonable limitations on the number of Owners that may speak and upon the time each Owner may speak at a meeting.

Article III
Board of Directors: Selection, Meetings, Powers

A. Composition and Selection.

3.1 Governing Body; Composition.

The affairs of the corporation shall be governed by a Board of Directors, each of whom shall have one vote. Directors shall be Members. If a Member is not a natural person, any officer, director, partner, or trust officer of such Member shall be eligible to serve as a Director unless otherwise specified by written notice to the corporation signed by such Member; provided, no Member may have more than one such representative on the Board at a time.

3.2 Number of Directors.

The number of Directors of the Association shall be not less than three (3) nor more than five (5) as determined from time to time by the Board of Directors. The number of Directors shall at all times be an odd number. If the number of Directors is reduced, all Directors whose terms have not yet expired and who are in good standing shall be allowed to serve the balance of their terms.

3.3 Nomination and Election Procedures.

(a) Nomination of Directors. Nominations for election to the Board of Directors shall be made by a nominating committee. The nominating committee shall consist of a chairperson, who shall be a member of the Board of Directors, and three (3) or more Members or representatives of Members. The nominating committee shall be appointed by the Board of Directors not less than thirty (30) days prior to each election to serve a term of one-year or until their successors are appointed, and such appointment shall be announced at each such election. The nominating committee shall make as many nominations for election to the Board

of Directors as it shall in its discretion determine, but in no event less than the number of positions to be filled as provided in section 3.5 below. All candidates nominated by the nominating committee shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes. Nominations from the floor at the meeting shall be permitted.

(b) Election Procedures. Each Member entitled to vote may cast all votes assigned to the Lots which it represents for each position to be filled from the slate of candidates. There shall be no cumulative voting. That number of candidates equal to the number of positions to be filled at the meeting receiving the greatest number of votes shall be elected. Directors may be elected to serve any number of consecutive terms.

3.4 Election and Term of Office.

Except as these Bylaws or statute may otherwise specifically provide, election of Directors shall take place at the corporation's annual meeting. Directors shall hold office until their respective successors have been elected and qualified.

Directors shall be elected to and shall serve staggered two-year terms as follows: One-half of the number of Directors (or if there are an uneven number of Directors, as close to one-half as is possible, rounding up and then down in consecutive years) shall be elected for two-year terms at each annual meeting, or each year if voting is conducted by mail. All elections and appointments of Directors under these Bylaws shall be made in a manner to preserve the staggering of terms contemplated hereby.

3.5 Removal of Directors and Vacancies.

Any Director may be removed by the Members with or without cause. A special membership meeting must be called and held within thirty (30) days of the presentation to the Board of a petition, calling for the removal of a Director or Directors, signed by the Members entitled to cast twenty-five percent (25%) of the eligible votes of the corporation. Any Director whose removal is sought shall be given notice prior to any meeting called for such purpose.

At the special meeting duly called and held for such removal, the quorum requirement for such meeting shall be the presence in person or by absentee ballot of at least twenty percent (20%) of the Members entitled to vote at such meeting. In the event a quorum is present at the meeting, the vote necessary to remove a Director is a vote for such removal cast by a simple majority of those present at the meeting.

A petition to remove a Director can only be submitted once during the director's term. If removal is not successful, the director cannot be subjected to another recall effort

for the remainder of the Director's term.

Upon removal of a Director or Directors, at such special meeting held for the removal of the Director or Directors, a successor or successors shall be elected by the Members to fill the vacancy for the remainder of the term of such Director or Directors.

Any Director who has three consecutive unexcused absences from Board meetings, or who is more than fifteen (15) days delinquent (or is the representative of a Member who is so delinquent) in the payment of any assessment or other charge due the corporation, may be removed by a majority of the Directors present at a regular or special meeting of the Board at which a quorum is present, and the Board may appoint a successor to fill the vacancy for the remainder of the term of the Director that has been removed.

In the event of the death, disability, or resignation of a Director, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Members may elect a successor for the remainder of the term of such Director.

B. Meetings.

3.6 Organizational Meetings.

The annual meeting of the Board shall be held within 10 days following each annual meeting of the membership at such time and place as the Board shall fix.

3.7 Regular Meetings.

Regular meetings of the Board may be held at such time and place as a majority of the Directors shall determine, but at least four such meetings shall be held during each fiscal year with at least one meeting held per quarter.

3.8 Special Meetings.

Special meetings of the Board shall be held when called by written notice signed by the president or vice president or by any two Directors.

3.9 Notice: Waiver of Notice.

(a) Notices of Board meetings shall specify the time and place of the meeting. The notice shall be given to each Director by: (i) personal delivery; (ii) first class mail, postage prepaid; (iii) telephone communication, either directly to the Director or to a person at the Director's office or home who would reasonably be expected to communicate such notice promptly to the Director; or (iv) facsimile, computer, fiber-optics, or other

electronic communication device, with confirmation of transmission, unless otherwise prohibited by Arizona law. All such notices shall be given at the Director's telephone number, fax number, electronic mail number, or sent to the Director's address as shown on the records of the corporation. Notices sent by first class mail shall be deposited into a United States mailbox at least three (3) business days before the time set for the meeting. Notices given by personal delivery, telephone, or other device shall be delivered or transmitted at least twenty-four (24) hours before the time set for the meeting.

(b) Transactions of any Board meeting, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (i) a quorum is present, and (ii) either before or after the meeting each Director not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.10 Telephonic Participation in Meetings.

Members of the Board or any committee designated by the Board may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this subsection shall constitute presence in person at such meeting.

3.11 Quorum of Board.

At all Board meetings, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board, unless otherwise specifically provided in these Bylaws or the Declaration. 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. If any Board meeting cannot be held because a quorum is not present, a majority of the Directors present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

3.12 Conduct of Meetings.

The president shall preside over all meetings of the Board, and the secretary shall

record all Board resolutions and all transactions and proceedings occurring at such meetings.

3.13 Open Meeting.

(a) Except in an emergency, notice of Board meetings shall be posted at least forty-eight (48) hours in advance of the meeting at a conspicuous place within the Subdivision which the Board establishes for the posting of notices relating to the corporation. This notice requirement may also be fulfilled by the use of "electronic forwarding." Notice of any meeting at which assessments are to be established shall state that fact and the nature of the assessment. Subject to the provisions of subsection (b) of the Section 3.13, all Board meetings shall be open to all Members. Members shall be entitled to speak at such meetings subject to the right of the president may limit the number of Members who may speak and the time each Members may speak.

(b) Notwithstanding the provisions of subsection (a) of this Section 3.13, the president may adjourn any meeting of the Board and reconvene in executive session, and may exclude persons other than Directors and parties invited by the Board to attend, to discuss matters the following matters: (i) legal advice from an attorney for the Board or the corporation, (ii) pending or contemplated litigation, (iii) personal, health, and financial information about an individual Member of the corporation, an individual employee, or a contractor of the corporation, and (iv) matters or records relating to the job performance or, compensation of, health records of, or specific complaints against an individual employee or a contractor of the corporation, who works under the direction of the corporation.

3.14 Action Without a Formal Meeting.

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, shall be signed by all of the Directors, and such consent shall have the same force and effect as a unanimous vote. Written consent or consents shall be filed with the minutes of the Board's proceedings. A notice of the Board's action shall be posted in a prominent place within the Subdivision or communicated by "electronic forwarding" within three (3) business days after the signatures of all Directors to the written consents to an action have been obtained. Failure to give notice shall not render the action taken invalid.

C. Powers and Duties.

3.15 Powers.

The Board shall have all of the powers and duties necessary for the administration of the corporation's affairs and for performing all responsibilities and exercising all rights of the

corporation as set forth in the Governing Documents, and as provided by law. The Board may do or cause to be done on behalf of the corporation all acts and things except those which the Governing Documents or Arizona law require to be done and exercised exclusively by the Members entitled to vote or the membership generally.

3.16 Duties.

Duties of the Board shall include, without limitation:

- (a) preparing and adopting, in accordance with the Declaration, an annual budget establishing each Owner's share of the common expenses;
- (b) levying and collecting assessments from the Owners;
- (c) providing for the operation, care, upkeep, and maintenance of Sewer System consistent with the standards set forth in the Declaration;
- (d) designating, hiring, and dismissing personnel necessary to carry out the corporation's rights and responsibilities and where appropriate, providing for 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;
- (e) depositing all funds received on behalf of the corporation in a bank depository which it shall approve, and using such funds to operate the corporation; provided, any reserve funds may be deposited, in the Board's best judgment, in depositories other than banks;
- (f) making and amending use restrictions and rules in accordance with the Declaration;
- (g) opening bank accounts on behalf of the corporation and designating the signatories required;
- (h) making or contracting for the making of repairs, additions, and improvements to or alterations of the Sewer System in accordance with the Declaration and these Bylaws;
- (i) enforcing by legal means the provisions of the Governing Documents and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the corporation; provided, the corporation's obligation in this regard shall be conditioned in the manner provided in the Declaration;
- (j) paying the cost of all services rendered to the corporation;
- (k) keeping books with detailed accounts of the corporation's receipts and

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expenditures;

(l) making available to any prospective purchaser of a Lot, any Owner, and the holders, insurers, and guarantors of any mortgage on any Lot, current copies of the Governing Documents, and all other books, records, and financial statements of the corporation as provided in section 6.4;

(m) permitting utility suppliers to use portions of any common area reasonably necessary to the ongoing development or operation of the Subdivision;

(n) indemnifying a Director, officer or committee Member, or former Director, officer or committee Member of the corporation to the extent such indemnity is permitted or required by Arizona law, the Articles of Incorporation, or the Declaration.

3.17 Compensation.

Directors shall not receive any compensation from the corporation for acting as such unless approved by Members representing a majority of votes at a regular or special meeting of the corporation. Any Director may be reimbursed for expenses incurred on behalf of the corporation upon approval of a majority of the other Directors. Nothing herein shall prohibit the corporation from compensating a Director, or any entity with which a Director is affiliated, for services or supplies furnished to the corporation in a capacity other than as a Director pursuant to a contract or agreement with the corporation, provided that such Director's interest was made known to the Board prior to entering into such contract and such contract was approved by a majority of the Board, excluding the interested Director.

3.18 Management.

The Board may employ for the corporation a professional management agent or agents at such compensation as the Board may establish to perform such duties and services as the Board shall authorize. The Board may delegate such powers as are necessary to perform the manager's assigned duties, but shall not delegate policy-making authority or those duties set forth in sections 3.16(a), 3.16(b), 3.16(f), 3.16(g) and 3.16(i).

The Board may delegate to one of its Members the authority to act on the Board's behalf on all matters relating to the duties of the managing agent or manager, if any, which might arise between Board meetings.

3.19 Accounts and Reports.

The following management standards of performance shall be followed unless the Board by resolution specifically determines otherwise:

(a) accrual or cash accounting, as defined by generally accepted accounting

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- principles, shall be employed;
- (b) accounting and controls should conform to generally accepted accounting principles;
- (c) cash accounts of the corporation shall not be commingled with any other accounts;
- (d) no remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the corporation, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; any thing of value received shall benefit the corporation;
- (e) any financial or other interest which the managing agent may have in any firm providing goods or services to the corporation shall be disclosed promptly to the Board;
- (f) financial reports shall be prepared for the corporation at least quarterly containing:
- (i) an income statement reflecting all income and expense activity for the preceding period on an accrual or cash basis;
 - (ii) a statement reflecting all cash receipts and disbursements for the preceding period;
 - (iii) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;
 - (iv) a balance sheet as of the last day of the preceding period; and
 - (v) a delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report and describing the status of any action to collect such assessments which remain delinquent (any assessment or installment thereof shall be considered to be delinquent on the 30th day following the due date unless otherwise specified by Board resolution); and
- (g) an annual report consisting of at least the following shall be made available to all Members within one-hundred-twenty (120) days after the close of the fiscal year: (i) a balance sheet; (ii) an operating (income) statement; and (iii) a statement of changes in financial position for the fiscal year. Such annual report shall be prepared on an audited, reviewed, or compiled basis, as the Board determines, by an independent public accountant.

3.20 Borrowing.

The corporation shall have the power to borrow money for any legal purpose; provided, the Board shall obtain approval of the Members in the same manner provided in Section 21.0 of the Declaration for amendment of the Declaration if the proposed borrowing is for the purpose of making discretionary capital improvements and the total amount of such borrowing, together with all other debt incurred within the previous 12-month period, exceeds or would exceed 100% of the corporation's budgeted gross revenues for that fiscal year

3.21 Right to Contract.

Subject to the provisions of these Bylaws, the corporation shall have the right to contract with any person for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational, or other agreements with trusts, cooperatives, or other owners or residents associations, within and outside the property. Any common management agreement shall require the consent of a majority of the Board.

3.22 Enforcement.

The corporation shall have the power, as provided in the Declaration, to impose sanctions for any violation of the Governing Documents. To the extent specifically required by the Declaration, the Board shall comply with the following procedures prior to imposition of sanctions:

(a) Notice. If informal resolution efforts fail, the Board or its delegate shall mail to the alleged violator with written notice describing the nature of the alleged violation and a period of ten (10) business days within which the alleged violator may respond in writing or request a hearing before the Board. If a timely response does not occur, a second notice will be sent to the alleged violator advising that sanctions will take effect fifteen (15) business days after the date of this second notice. If a timely response is received and the alleged violation is cured within ten (10) business days of the initial notice or fifteen (15) days within the second notice, the Board will suspend and proposed action. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any person.

(b) Hearing. If a hearing is requested within the allotted 10-day period, the hearing shall be held before the Board. The alleged violator shall be afforded a reasonable opportunity to be heard. Prior to the effective date of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and

manner of delivery, is entered by the officer, Director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or its representative appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(c) Additional Enforcement Rights. Notwithstanding anything to the contrary in this Section 3.22, the Board may elect to enforce any provision of the Governing Documents by self-help (specifically including, but not limited to, towing vehicles that violate parking rules) or, if applicable, by suit at law or in equity to enjoin any violation or to recover monetary damages or both, without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant 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 as trespass.

3.23 Board Standards.

In the performance of their duties, corporation Directors and officers shall be insulated from personal liability as provided by Arizona law for Directors and officers of nonprofit corporations, and as otherwise provided in the Governing Documents. Directors are required to exercise the ordinary and reasonable care of Directors of a corporation, subject to the business judgment rule.

Board determinations of the meaning, scope, and application of Governing Documents provisions shall be upheld and enforced so long as such determinations are reasonable. The Board shall exercise its power in a fair and nondiscriminatory manner and shall adhere to the procedures established in the project documents.

Article IV Officers

4.1 Officers.

Officers of the corporation shall be a president, vice president, secretary, and treasurer. The president and secretary shall be elected from among Board members; other officers may, but need not be Board Members. The Board may appoint such other officers, including one or more assistant secretaries and one or more assistant treasurers, as it shall deem desirable, such officers to have such authority and perform such duties as the Board prescribes. Any two or more offices may be held by the same person, except the offices of president and secretary.

4.2 Election and Term of Office.

The Board shall elect the corporation's officers at the first Board meeting following each annual meeting of the Members, to serve until their successors are elected and qualified.

4.3 Removal and Vacancies.

The Board may remove any officer at any time, and may fill any vacancy in any office arising because of death, resignation, removal, or otherwise.

4.4 Powers and Duties.

The corporation's officers shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may specifically be conferred or imposed by the Board. The president shall be the chief executive officer of the corporation. The treasurer shall have primary responsibility for preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

4.5 Resignation.

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 the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, acceptance of such resignation shall not be necessary to make it effective.

4.6 Agreements, Contract, Deeds, Leases, Checks.

All agreements, contracts, deeds, leases, checks, and other instruments of the corporation shall be executed by at least two officers or by such other person or persons as may be designated by Board resolution.

4.7 Compensation.

Compensation of officers shall be subject to the same limitations as compensation of directors under section 3.17.

Article V Committees

5.1 General.

The Board may appoint such committees as it deems appropriate to perform such tasks and to serve for such periods as the board may designate by resolution. Each committee shall operate in accordance with the terms of such resolution.

5.2 Architectural Control Committee.

In addition to any other committees which the Board may establish pursuant to section 5.1, the Board may appoint an architectural control committee consisting of as many regular and alternative Members as necessary to effectively carry out the functions of the committee.

Article VI Miscellaneous

6.1 Fiscal Year.

The corporation's fiscal year shall be the calendar year unless the Board establishes a different fiscal year by resolution.

6.2 Conflicts.

If there are conflicts among the provisions of Arizona law, the Articles of Incorporation, the Declaration, and these Bylaws, the provisions of Arizona law, the Declaration, the Articles of Incorporation, and these Bylaws (in that order) shall prevail.

6.3 Books and Records.

(a) Inspection by Members and Mortgagees. Subject to applicable law, the Board shall make available for inspection and copying by any holder, insurer, or guarantor of a first mortgage on a Lot, any Member, or the duly appointed representative of any of the foregoing at any reasonable time and for a purpose reasonably related to his or her interest in a Lot: the Governing Documents, the membership register, books of account, and the minutes of meetings (other than executive session meetings) of the Members, the Board, and committees. The Board shall provide for such inspections to take place at the corporation's office or at such other place as the Board shall designate.

(b) Rules for Inspection. Subject to applicable law, the Board shall establish rules with respect to:

- (i) notice to be given to the custodian of the records;

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- (ii) hours and days of the week when such an inspection may be made; and
- (iii) payment of the cost of reproducing documents requested.

(c) Inspection by Directors. Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the corporation and the physical property owned or controlled by the corporation. The right of inspection by a Director includes the right to make a copy of relevant documents at the corporation's expense.

6.4 Notices.

Except as otherwise provided in the Declaration or these Bylaws, all notices, demands, bills, statements, or other communications under the Declaration or these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally, if "electronically forwarded," or if sent by United States mail, first class postage prepaid:

(a) if to a Member, at the United States mail address or email address which the Member has designated in writing or otherwise communicated and filed with the secretary or, if no such address has been designated, at the address of the Lot of such Member;

(b) if to the corporation, the Board, or the managing agent, at the principal office of the corporation or the managing agent or at such other address as shall be designated by notice in writing to the Members pursuant to this section; or

(c) if to any committee, at the principal address of the corporation or at such other address as shall be designated by notice in writing to the Members pursuant to this section.

6.5 Amendment.

(a) By Members Generally. These Bylaws may be amended only by the affirmative vote, of Members entitled to vote representing fifty-one percent (51%) of the total votes in the corporation. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(c) Validity and Effective Date of Amendments. Amendments to these Bylaws shall become effective upon the date of the approval thereof by the Members. Any procedural challenge to an amendment must be made within six months of its approval, or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these Bylaws.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting secretary of Blackhawk Homeowners Association, Inc., an Arizona nonprofit corporation;

That the foregoing Amended and Restated Bylaws constitute the updated Bylaws of said corporation, as duly adopted at a meeting of the Members of the Association held on _____, 2008.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said corporation this _____ day of _____ 2009.

Janet Lovelady, Secretary

Note: This is a copy of the Bylaws master document on file with the Homeowners secretary. The Master document was signed by Janet Lovelady, Secretary, and dated April 01, 2009 after adoption by the majority (>50%) of Homeowners during the January-March 2009 approval voting period.