



The Refuge Community Association, Inc.

BYLAWS

THE REFUGE COMMUNITY ASSOCIATION, INC.

ARTICLE I – GENERAL

Application of Declaration

These Bylaws are the Bylaws of The Refuge Community Association, Inc. (the "Association"), an Arizona nonprofit corporation formed pursuant to that certain "Declaration of Covenants, Conditions and Restrictions for The Refuge Community Association" as amended from time to time, recorded in the official records of the Mohave County Recorder on October 2, 2002, in Book 4221, Page 292 (the "Declaration").

Defined Terms

Unless otherwise defined herein, capitalized terms or phrases used herein shall have the meanings given to those terms, or phrases in the Declaration or the Articles.

Nonprofit Corporation

The Association is an Arizona nonprofit corporation, and is organized and existing under and by virtue of the laws of the State of Arizona. The office of the Association shall be located at 2563 N. Kiowa Blvd, Lake Havasu City, AZ 86403, but meeting of the Members and the Board may be held at such places as may be designated by the Board.

ARTICLE II – MEMBERSHIP

Membership

The Members of the Association and their voting rights shall be as provided in the Declaration. It is hereby acknowledged that the Declaration may be amended from time to time to change the qualifications and requirements of the Members and their voting rights.

Location of Meetings

Meetings of the Members shall be held at such places as may be designated by the Board and stated in the notice of meeting.

Annual Meeting

An annual meeting of the Members shall be held during the month of February of each year for the purpose of electing the Board and transacting other business authorized to be transacted by the Members.

Special Meetings

Special meetings of the Members may be called for any purpose or purposes by the President, the Board, or upon the Boards receipt of a written request by Members holding a majority of the total votes of the membership.

Only those items listed on the special meeting notice may be addressed at the special meeting.

Notices and Quorums

Unless otherwise provided in the Declaration, written notice of any annual or special meeting shall be sent to all Members not less than ten (10) days nor more than sixty (60) days in advance of the meeting and shall specify the time and place of the meeting. Any notice of a special meeting shall also specify the purpose for which it is called. Written notice of each meeting shall be given by, or at the direction of, the Secretary or person authorized to call the meeting. Notice shall be given by mailing a copy of the notice, postage prepaid, to each Member entitled to vote at the meeting, addressed to the Member at the address last appearing on the books of the Association or supplied by the Member for the purpose of notice.

Quorum

Unless otherwise provided in the Declaration, at any meeting, the presence of a Majority of the Members in person or by proxy shall constitute a quorum. If the required quorum is not present, a majority of those present may adjourn the meeting. At any adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted by the Board without further notice. Unless the vote of a greater number is required by the Declaration, the Articles, the Bylaws or applicable law, the affirmative vote of a Majority of the Members shall be binding as the act of the Members.

Proxies

At all meetings of Members, each Member entitled to vote may vote in person or by proxy. All proxies must be in writing and must be filed with the Secretary prior to the day of the meeting or Record Date, whichever comes first. The Board may, from time to time, specify a specific form of proxy to be used in connection with a particular meeting. Every proxy shall be revocable and shall automatically terminate (a) as of the date the Member giving the proxy ceases to be a Member, or (b) eleven (11) months from the date of its execution, unless otherwise provided in the proxy. Memberships held by a legal personal representative or by a court-appointed receiver may be voted, in person or by proxy, by the representative or receiver without the transfer (except as required under a valid voting trust agreement) of membership into the name of the trustee or receiver.

Remote Attendance

Any Member may participate in any regular or special meeting by means of conference telephone or similar communication equipment, if and only if all of the Members participating in the meeting can hear one another. Participation by means of a conference telephone or similar communication equipment shall constitute as attendance in person.

Informal Action

Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action taken, is signed by the greater of (a) the percentage required under Arizona law, or (b) the percentage required under the Declaration, the Articles or these Bylaws.

Irregularities

All information and/or irregularities in calls, notice of meetings and in the manner of voting, form of proxies, credentials and method of ascertaining those present, shall be deemed waived if no objection is made at the meeting or if waived in writing.

Record Date

For the purpose of determining Members entitled to notice of (or to vote at) any meetings of Members, or in order to make a determination of Members for any other purpose, the Board may direct the membership books to be closed for a stated period, not to exceed fifteen (15) days prior to the event concerned.

ARTICLE III – BOARD OF DIRECTORS**Number and Term of Office**

The initial Board of Directors shall consist of three (3) individuals as described in the Articles. Until the Transition Date, Developer shall have the absolute power and right to appoint and remove the Members of the Board after the Transition Date, the Board of Directors shall consist of not less than five (5) nor more than seven (7) individuals. The qualifications of the Members of the Board of Directors shall be as provided in the Declaration. At the first annual meeting, the Members shall appoint two (2) directors for a term of three (3) years, two (2) directors for a term of two (2) years and one (1) director for a term of one (1) year. At each annual meeting thereafter, the Members shall appoint or elect, as the case may be, the number of directors as is appropriate to replace those directors whose terms have expired and to maintain staggered terms for the directors for a term of three (3) years each. If the number of directors is increased above five (5), the additional directors shall be elected to serve such terms so that, to the extent possible, a proportionate number of directors are serving in staggered terms.

Powers and Duties

The Board shall have the powers and duties necessary for the administration of the affairs of the Association, and may do all such acts and things as are not prohibited by law or otherwise directed to be exercised and done by the Members. The powers of the Board shall include, but not limited to, all of the rights, powers, privileges, duties and obligations assigned to the Board in the Declaration, the Articles and these Bylaws.

Organizational Meeting

The organizational meeting of the Board and annual board meeting thereafter shall be held immediately after each Annual Meeting.

Vacancies; Removal of Directors

If the office of any director becomes vacant by reason of death, resignation, retirement, disqualification, removal from office, disability or otherwise, his place on the Board shall be deemed vacant. Vacancies on the Board shall be filled by vote of the remaining Board Members. The person selected to fill any vacancy shall serve for the remainder of the un-expired term. A director may be removed from the Board with or without cause in the same manner as such director was appointed or elected to the Board.

Disqualification and Resignation of Directors

Any director may resign at any time by sending written notice of resignation to the Secretary of the Association. Unless otherwise specified therein, any resignation shall take effect upon receipt by the Secretary. Except in the case of injury, illness or similar circumstances. More than three (3) consecutive absences from regular meeting of the Board by any director may be cause for immediate removal, effective as of the conclusion of the last missed meeting.

Regular Board Meetings

The Board shall establish a schedule of regular board meetings to be held at such time and place as the Board may designate. Notice of regular board meetings shall nevertheless be given to each director personally, or by mail, telephone or facsimile, at least five (5) days prior to the day named for the meeting.

Special Board Meetings

Special meetings of the Board may be called by the President of the Association, or by any two (2) directors, after not less than three (3) days notice to each director, given personally or by mail, telephone or facsimile. Notice shall state the time, place and purpose of the meeting. Any member of the Board may participate in any regular or special meeting of the Board by means of a conference telephone or similar communication equipment if and only if all Members participating in the meeting can hear one another. Participation by conference telephone or similar equipment shall constitute attendance in person.

Waiver of Notice

Before or at any meeting of the Board, any director may, in writing, waive the requirement of prior notice of the meeting. Waiver of notice shall be deemed equivalent to the receipt of required notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him, except when a director attends for the express purpose of objection to lack of notice. If all the directors are present at any meeting of the Board, no notice shall be required, and any business may be transacted at the meeting.

Quorum

At all meetings of the Board, a majority of the directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board. If there is less than a quorum present at any meeting of the Board, the majority of those present may adjourn the meeting. At any adjourned meeting, any business that might have been transacted at the original meeting may be transacted without further notice.

Informal Action

Any action required to be taken at a meeting of the directors, or any other action that may be taken at such meeting, may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all the directors pursuant to Arizona Statutes.

ARTICLE IV – OFFICERS

Enumeration and Election of Officers

The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer. The election of officers shall take place at the first meeting of the Board following each annual meeting of the Members.

Term

The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless an officer shall resign sooner, be removed or otherwise disqualified to serve. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board. The officer appointed to fill a vacancy shall serve for the remainder of the term of the officer replaced.

Special Appointments

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

Resignation and Removal

Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. A resignation shall take effect on the date of receipt of the resignation 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.

Multiple Offices

The office of the Secretary may be held in conjunction with any other office: the office of Treasurer may be held in conjunction with any office other than President.

The President

The President shall be the chief executive officer of the Association; shall preside at all meetings of the Members and of the Board; shall have executive powers and general supervision over the affairs of the Association; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments, shall co-sign all promissory notes, and has the authority to sign all checks.

The Vice President

The Vice President shall perform all of the duties of the President in the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him from time to time by the Board.

The Secretary

The Secretary shall record the votes and keep the minutes of all 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, and shall perform such other duties as required by the Board. The Secretary shall be allowed to delegate the keeping of the minutes of all meetings and Association records to a professional management company

hired by the Association to handle the on-going operation of the Association as directed by the Board, which records and minutes shall be periodically reviewed and approved by the Board.

The Treasurer

The Treasurer shall receive and deposit in appropriate bank accounts all funds of the Association and shall disburse such funds as directed by resolution of the Board; shall co-sign all promissory notes of the Association; shall keep proper books of account; shall cause an annual review of the Association books to be made by an independent public accountant at the completion of each fiscal year; shall cause audits of the Association books to be made from time to time; and shall prepare an annual budget and statement of income and expenditures to be presented to the membership at its regular meeting, and deliver a copy to each of the Members. The Treasurer shall be allowed to delegate the collection, deposit and disbursement of funds by establishing a reasonable method of accounting, which shall be periodically reviewed by the Board.

ARTICLE V – COMMITTEES

Committees to perform such tasks and to serve for such periods as may be designated in the Declaration or by a resolution adopted by a majority of the Directors at a meeting hereby authorized. Such committees shall perform such duties and have such powers as may be provided in the Declaration or such resolution. Each committee shall be composed and shall operate in accordance with the terms of the Declaration or such resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

ARTICLE VI – FISCAL MANAGEMENT

Depositories

The funds of the Association shall be deposited in such banks and depositories as may be determined by the Board from time to time, upon resolutions approved by the Board, and shall be withdrawn only upon checks and demands for money signed by an officer or officers of the Association (President or Vice President), or by a professional management company hired by the Association to handle the on-going operation of the Association as directed by the Board.

Records and Statement of Account

The Board, under the direction of the Treasurer, shall cause detailed and accurate records to be kept, in accordance with generally accepted accounting practice. To the extent required under the Declaration and Arizona law, the records of the Association shall be available for examination by the Members at convenient hours designated by the Board.

Fiscal Year

The fiscal year of the Association shall be the calendar year unless otherwise determined by the Board.

Contracts

Unless otherwise provided by the Board, all contracts shall be executed on behalf of the Association by either the President or Vice President.

ARTICLE VII – CONSTRUCTION

In the case of any conflict between these Bylaws and the Articles, the Articles shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control. If any provision of these Bylaws is less restrictive than the Declaration or the Articles when dealing with the same subject, the more restrictive provisions of the Declaration or Articles (as the case may be) shall be applicable in the same manner as if included in the provisions of these Bylaws.

ARTICLE VIII – AMENDMENTS OF THE BYLAWS

Until the Transition Date, these Bylaws may be amended by the affirmative vote of a majority of the Board. After the Transition Date, these Bylaws may be amended at a regular or special meeting of the Members, by a vote of sixty-seven percent (67%) of Members of each class of Members present in person or by proxy. These Bylaws shall not be amended to contain any provisions that would be contrary to or inconsistent with the Declaration or the Articles, and any provisions or purported amendment or modification to these Bylaws which is contrary to or inconsistent with the Declaration or the Articles shall be void to the extent of the inconsistency.

ARTICLE IX – LIABILITY SURVIVES TERMINATION OF MEMBERSHIP

The termination of ownership of a Lot shall not relieve or release any former Owner or Member from any liabilities or obligations incurred under or in any way connected with the Property and/or Association, during the period of ownership and membership, or impair any rights or remedies which the Association may have against the former Owner and/or Member arising out of or in any way connected with ownership and membership, and the duties and obligations incident thereto.

ADOPTED by the Board of Directors of THE REFUGE COMMUNITY ASSOCIATION, INC. in this 1st day of October, 2002.