

**FIRST AMENDMENT
TO
AMENDED AND RESTATED BYLAWS
OF
THE ISLANDS COMMUNITY ASSOCIATION**

The Islands Community Association (“Association”) hereby amends the Bylaws of The Islands Community Association (“Bylaws”) as set forth below:

1. Within Article V, Officers, Section 5.6, The Treasurer, is hereby amended in its entirety to state as follows:

Section 5.6 - The Treasurer. The Treasurer shall have custody of and shall keep full and accurate account of receipts and disbursements in books belonging to the Association and shall deposit and/or invest all monies and other valuable effects in the name of and to the credit of the Association, in such banks and/or other financial institutions as may be designated from time to time by the Board of Directors. The Treasurer shall be allowed to delegate the collection, deposit, investment, and disbursement of monies by establishing a reasonable method of accounting which shall be reviewed by the Board of Directors on a monthly basis. All books of account shall be kept on a consistent basis in accordance with generally accepted accounting practices.

2. Within Article VI, Fiscal Management, Section 6.1, Depositories, is hereby amended in its entirety to state as follows:

Section 6.1 - Association Funds. The funds of the Association shall be deposited and/or invested in such banks and/or other financial institutions as may be determined by the Board of Directors from time to time, upon resolutions approved by the Board of Directors, and shall be withdrawn by checks, electronic funds transfers or any other means signed and/or authorized by such officer or officers of the Association or a professional management company as may be designated by the Board of Directors.

The President of the Association hereby certifies that the above amendment was adopted by the Association Members in accordance with the Bylaws.

DATED this 15 day of June, 2015.

The Islands Community Association, an
Arizona non-profit corporation

By: _____

Its: President

AMENDED AND RESTATED BYLAWS
OF
THE ISLANDS COMMUNITY ASSOCIATION

ARTICLE I

Corporation

These Bylaws shall constitute the Bylaws of The Islands Community Association (the "Association"), an Arizona nonprofit corporation, organized and existing under and by virtue of the corporate laws of the State of Arizona. The principal office of this corporation shall be located at the place designated by the Association from time to time in accordance with the Arizona statutes governing nonprofit corporations.

ARTICLE II

Membership and Voting Rights

Section 2.1 - Membership. Every Owner of a Lot or Parcel which is subject to assessment shall be a Member of the Association. When more than one person holds an interest in any Lot or Parcel, all such persons shall be Members. Each such Owner shall have the number of Memberships provided for in the Declaration. Membership shall be appurtenant to and may not be separated from ownership of any Lot or Parcel which is subject to assessment. Transfer of a Membership, either voluntarily or by operation of law, shall terminate Membership of the transferors thereof in the Association. However, no change in the ownership of a Membership shall be effective for voting purposes until the Board is given written notice of such change together with satisfactory proof thereof. Membership shall be evidenced by an official list of Owners, which list shall be kept by the Secretary of the Association, unless such duty is delegated to managing agent in accordance with Section 4.15.D of these Bylaws.

Section 2.2 - Voting Rights. An Owner shall be entitled to one (1) vote for each Membership owned, subject to the authority of the Board to suspend the Owner's voting rights in accordance with the Declaration.

Section 2.3 - Vote Indivisible. The vote of a Membership, whether or not the Membership is owned by more than one (1) individual Member, shall not be divisible. In the event that a Membership is owned by more than one person or entity, the vote allocated to that Membership may be cast as the Members among themselves agree, but in no event shall more than one (1) vote be cast with respect to any Membership. If such Members are unable to agree among themselves as to 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 Membership, it will thereafter be conclusively presumed for all purposes that he or she was acting with the authority

and consent of all other Members of the same Membership unless objection thereto is made at the time the vote is cast. In the event the vote for a particular Membership is cast more than once and there is a conflict among the votes cast, none of the votes shall be counted and all of the votes shall be deemed void.

Section 2.4 – Majority Vote. A majority of the votes of Members present at any meeting (i.e. fifty-one percent of those Members present and voting in person or by absentee ballot) shall decide any question unless the Bylaws, Declaration or applicable law shall provide otherwise, and in such event, the voting percentage required in these Bylaws, the Declaration, or such applicable law shall control.

ARTICLE III

Meetings of the Membership

Section 3.1 - Annual Meeting. An annual meeting of Members shall be held in the month of April of each year at a location to be designated by the Board in Maricopa County, Arizona.

Section 3.2 - Special Meetings. Except as otherwise provided in the Declaration or by law, and except for meetings of the Members to remove Directors pursuant to Section 4.4, special meetings of the Members may be called for any purpose or purposes allowed by law or the Association's governing documents by the President or the Board of Directors, or will be called by the President upon written petition of the Members who are entitled to cast one-tenth (1/10) of all of the votes of the Members filed with the Secretary of the Association. If a special meeting is called pursuant to petition filed by the Members, the meeting shall be held within forty-five (45) days from the date the petition was filed with the Secretary.

Section 3.3 - Place. All meetings of the Members shall be held at such place within Maricopa County, Arizona and at such time as shall be designated by the Board of Directors and stated in the notice of meeting.

Section 3.4 - Notices. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary, by delivering a copy of such notice at least ten (10) days but no more than fifty (50) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 3.5 - Record Date. For the purpose of determining Members entitled to notice (as provided in Section 3.4) of or to vote on any action requiring or permitting a vote of the Members, or in order to make a determination of Members for any other purpose, the Board of Directors may fix in advance a date, not more than forty (40) days prior to the event concerned. If a record date is not fixed by the Board of Directors, the record date will be determined in accordance with applicable law. An Owner whose vote has been suspended as of the record date for voting shall not be entitled to vote.

Section 3.6 - Quorum. Except as otherwise provided by statute, the Declaration, or the Articles of Incorporation, for any meeting or action of the Members, ballots submitted by Members entitled to cast one tenth (1/10) of the votes entitled to be cast by the membership shall constitute a quorum for the transaction of business.

Section 3.7 – Method of Voting. Members’ votes may be cast in person or by absentee ballot and the Board may allow for voting by some other form of delivery. Votes may be cast by any electronic method permitted by Arizona law.

Section 3.8 - Irregularities. All information and/or irregularities in calls, notices of meetings and in the manner of voting, form of absentee ballots, credentials, and method of ascertaining these present, shall be deemed waived if no objection is made at the meeting or if waived in writing.

ARTICLE IV

Board of Directors

Section 4.1 - Number; Qualifications and Terms of Directors. The Board shall consist of seven (7) Directors, who shall serve three (3) year, staggered terms. At the time of their election or appointment and throughout their term, each Director shall meet the following qualifications: (a) be an Owner of a Lot or Parcel, (b) have been an Owner of a Lot or Parcel for at least six (6) months, (c) be no more than thirty (30) days delinquent in the payment of Assessments and/or any other amounts owed to the Association, excluding fines. If the Lot or Parcel is owned by one or more individuals, any such individuals may serve on the Board; if a Lot or Parcel is owned by a corporation, partnership or trust, an officer, partner, trustee, or beneficiary of such Owner may serve on the Board. Notwithstanding the foregoing, no more than one Owner or Owner’s representative per Lot or Parcel may serve on the Board at any one time.

Section 4.2 - Nomination and Election of Directors. There shall be a Nomination and Election Committee appointed by the Board no later than November 30 of each year, to serve through the annual meeting occurring in April of the following calendar year. The Nomination and Election Committee shall consist of at least three (3) Members of the Association, a majority of whom shall be members of the Board of Directors not up for election. In addition to the tasks specifically outlined herein, the Nomination and Election Committee may undertake additional administrative tasks as Directed by the Board. Nominations for election to the Board of Directors will be solicited from the membership by a call for nominations sent to all Members. A Member may self-nominate by submitting the nomination form adopted by the Nomination and Election Committee to the Association by the required deadline. Nominations may not be made from the floor of the annual meeting. The Nomination and Election Committee will review the candidate applications solely for the purpose of ensuring that the candidate: (a) has been (or will be by the date of the annual meeting) an Owner of a Lot or Parcel for at least six (6) months and (b) is no more than thirty (30) days delinquent in the payment of Assessments and/or any other amounts owed to the Association, excluding fines. The Nomination and Election Committee will also coordinate a “Meet the Candidates” night. Election to the Board of Directors by the Members shall be by written ballot. Cumulative voting shall not be permitted.

The absentee ballot for election of Directors, along with the annual meeting notice, shall be delivered to each Member at least ten (10) days but no more than fifty (50) days before the annual meeting. Votes may be submitted by absentee ballot or in person at the Association clubhouse up until 5:00 PM the business day before the annual meeting. The Nomination and Election Committee shall count and tally the ballots for election of Directors; however, the Nomination and Election Committee shall have the power to solicit and receive assistance from the Association's managing agent, attorney and/or accountant in this process. The persons receiving the largest number of votes shall be elected.

Section 4.3 - Removal of Directors. At any time, any one or more of the Directors may be removed with or without cause by the affirmative vote of the Members at a special Members' meeting called for such purpose in accordance with Arizona law regarding the removal of Directors. Any vacancy in the Board occurring because of removal of a Director by the Members shall be filled by a plurality vote of the Members and any Director so elected shall hold office for the remainder of the term of the replaced Directors.

Section 4.4 - Vacancies on Board of Directors. Except as provided by Section 4.3 herein, if the office of any Director or Directors becomes vacant by reason of death, resignation, retirement, disqualification, disability or otherwise, a majority of the remaining Directors, though less than a quorum, shall choose a successor or successors, who shall hold office for the balance of the unexpired term.

Section 4.5 - Disqualification and Resignation of Directors. Any Director may resign at any time by sending written notice of such resignation to the President, Secretary, or management agent of the Association. Unless otherwise specified therein, such resignation shall take effect upon receipt. If a resignation is made effective at a later date, the Board may fill the pending vacancy before the effective date if the Board provides that the successor does not take office until the effective date. Except in the case of injury, illness or similar circumstances, more than three (3) consecutive absences from regular meetings of the Board of Directors shall automatically constitute a resignation to be effective as of the conclusion of the last missed meeting. In the event a Director ceases to be an Owner of a Lot or Parcel or have an interest therein, the directorship shall immediately and automatically terminate. A Director will be deemed to have resigned automatically if such Director becomes more than thirty (30) days delinquent in the payment of Assessments and/or any other amounts owed to the Association, excluding fines.

Section 4.6 - Regular Meetings. The Board of Directors may establish a schedule of regular meetings to be held at such time and place within the State of Arizona as the Board of Directors at its discretion may designate. Notice of regular Board meetings shall be given to each Director, personally or by mail, e-mail, facsimile or telephone, at least three (3) days prior to the day of the meeting. Notice of regular meetings of the Board shall be given to Members at least forty-eight hours in advance of the meeting by newsletter, conspicuous posting or any other reasonable means as determined by the Board.

Section 4.7 - Special Meetings. Special meetings of the Board may be called to discuss business that cannot be delayed until the next regular Board meeting and the minutes of such

special meeting must state the reason necessitating the special meeting. Such special meetings of the Board of Directors may be called by the President, the Secretary, or upon the written request of any three (3) Directors, on forty-eight (48) hours notice to each Director, unless emergency circumstances necessitate a meeting before forty-eight (48) hours notice can be given. Notice shall be given to each Director personally or by mail, e-mail, facsimile or telephone, which notice shall include the time, place and purpose of the meeting. Notice of special meetings of the Board shall be given to Members as set forth in Section 4.6, except that notice to Members of meetings of the Board is not required if emergency circumstances require action by the Board before notice can be given.

Section 4.8 - Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof.

Section 4.9 - Board of Directors' Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors.

Section 4.10 – Open Board Meetings. Unless the Board or a committee is permitted by Arizona law to hold a closed meeting or a closed executive session for portions of a meeting, all meetings of the Board of Directors and committees of the Association shall be open to the Members. At any open meeting of the Board of Directors, Members will be entitled to speak before the Board takes formal action on an item under discussion in addition to any other opportunities to speak. The Board of Directors may meet in closed session to discuss the following:

- A. Legal advice from an attorney for the Board or the Association;
- B. Pending or contemplated litigation;
- C. Personal, health, or financial information about an individual Member of the Association, an individual employee of the Association, or an individual employee of a contractor for the Association;
- D. Matters relating to job performance of, compensation of, health records of, or specific complaints against an individual employee of the Association, or an individual employee of a contractor of the Association who works under the direction of the Association;
- E. An Owner's appeal of any violation cited or penalty imposed by the Association except on request of the affected Owner that the meeting be held in an open session; and

- F. Any other matters which the law allows to be discussed in a closed session.

Section 4.11 – Conduct of Board Meetings. An agenda will be available to all Members attending a Board meeting. Meetings of the Board may be held by means of conference telephone or other similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation at such meeting shall constitute presence in person at the meeting. Furthermore, for any Board meetings open to the Members, the means of communication must also allow Members to hear all parties who are speaking during the meeting.

Section 4.12 – Director Proxies. At all meetings of the Board, a Director's vote may be cast in person or by proxy. A proxy may be granted by any Director in favor of only another Director. A proxy shall be duly executed in writing and it shall be valid only for the particular meeting designated in the proxy. All proxies must be filed with the Secretary prior to the commencement of the Board meeting for which the proxy is given. The proxy shall be deemed revoked only upon actual receipt by the person presiding over the meeting of a notice of revocation signed by the Board member who granted the proxy. No proxy shall be valid after one month from the date of its execution.

Section 4.13 - Informal Action. Unless otherwise expressly restricted by statute, the Declaration, the Articles, or these Bylaws, any action required to be taken at a meeting of the Directors or any other action which may be taken at such meeting, 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. Any such written consent shall be filed with the minutes of the proceedings of the Board.

Section 4.14 - Compensation. No Director shall receive compensation for any service he may render to the Association in such capacity as a Director or for any service such Director may render to the Association as an independent contractor or employee of the Association while serving as a Director. However, any Director may be reimbursed for his or her actual expenses incurred in the performance of his or her duties as a Director.

Section 4.15 - Powers. The Board of Directors shall have the powers necessary for the administration of the affairs of the Association. Unless otherwise provided by the Declaration, Articles, these Bylaws or applicable law, the Board shall have all of the powers and authority of the Association to take any actions or make decisions that are not reserved to the Members. These powers of the Board shall include, but not be limited to, the following:

- A. To make, collect, use, and expend Assessments to carry out the purposes and powers of the Association, as further provided in the Declaration;
- B. To employ, dismiss and control the personnel necessary for the maintenance and operation of Association and of the Common Areas, including the right and power to employ attorneys, accountants, contractors and other professionals as the need arises;

- C. To make and amend rules and regulations respecting the operation, use and maintenance of the Common Areas;
- D. To contract for the management of Association and to designate to such manager all or a portion of the powers and duties of the Association, as permitted by law;
- E. To engage in the management of the business affairs of the Association;
- F. To use and disburse the proceeds of Assessments in the exercise of its powers and duties;
- G. To maintain, repair, replace and operate the Common Areas;
- H. To reconstruct improvements after casualty loss and to make further improvements to The Islands;
- I. To establish committees of the Board and to delegate to such committees the Board's authority to carry out certain duties of the Board;
- J. To enforce by legal means, if necessary, the provisions of the Declaration, Tract Declarations, the Articles of Incorporation, the Bylaws and Rules of the Association, the Architectural Review Committee Guidelines and other documents and laws respecting the Association and The Islands;
- K. To pay taxes and assessments which are liens against any part of Common Areas;
- L. To pay the cost of all power, water, sewer and other utility services rendered to the Common Areas and not metered and billed to individual Lots or Parcels; and
- M. To select the officers of the Association.

ARTICLE V

Officers

Section 5.1 – Designation of Officers. The principal officers of the Corporation shall be a President, Vice President, Secretary and Treasurer. Each officer shall be an Owner of a Lot or Parcel. If the Lot or Parcel is owned by one or more individuals, any such individuals may serve as an Officer; if a Lot or Parcel is owned by a corporation, partnership or trust, an officer, partner, trustee, or beneficiary of such Owner may serve as an Officer.

Section 5.2 - Term. The officers of the Association shall be appointed by the Board of Directors and hold office for one year, until their successors are appointed. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

Section 5.3 - The President. The President shall be the chief executive officer of the Association and, unless otherwise determined by the Board, shall preside at all meetings of the Members and of the Board of Directors. He shall have executive powers and general supervision over the affairs of the Association.

Section 5.4 - The Vice President. The Vice President shall perform all of the duties of the President in his absence or disability and such other duties as may be required of him from time to time by the Board of Directors.

Section 5.5 - The Secretary. The Secretary shall issue notices of all meetings of the Members, shall attend and keep the minutes of such meetings, and shall have charge of all of the Association's books, records and papers, including the Membership list.

Section 5.6 - The Treasurer. The Treasurer shall have custody of and shall keep full and accurate account of receipts and disbursements in books belonging to the Association and shall deposit all monies and other valuable effects in the name of and to the credit of the Association, in such depositories as may be designated from time to time by the Board of Directors. The Treasurer shall be allowed to delegate the collection, deposit and disbursement of monies by establishing a reasonable method of accounting which shall be reviewed by the Board of Directors on a monthly basis. All books of account shall be kept on a consistent basis in accordance with generally accepted accounting practices.

Section 5.7 - Compensation. No officer shall receive compensation for any service he may render to the Association in such capacity as an officer or for any service such officer may render to the Association as an independent contractor or employee of the Association while serving as an officer. However, any officer may be reimbursed for his or her actual expenses incurred in the performance of his or her duties as a Director.

ARTICLE VI

Fiscal Management

Section 6.1 - Depositories. The funds of the Association shall be deposited in such banks and depositories as may be determined by the Board of Directors from time to time, upon resolutions approved by the Board of Directors, and shall be withdrawn only upon checks and demands for money signed by such officer or officers of the Association or a professional management company as may be designated by the Board of Directors.

Section 6.2 - Determination of Budget. The Board shall cause to be prepared an estimated annual budget for each fiscal year of the Association. Such budget shall take into account the estimated cash requirements and income of the Association for the year. The annual budget shall also provide for a reserve for contingencies for the year and an adequate reserve for

maintenance, repairs and replacements of those Common Areas that must be replaced on a periodic basis, as determined by the Board. To the extent that the Assessments and other cash income collected from the Owners during the preceding year shall be more or less than the expenditures for such preceding year the surplus or deficit, as the case may be, shall be taken into account in determining the annual budget. The estimated annual budget for each fiscal year shall be approved by the Board, and copies thereof shall be available to each Owner not later than thirty (30) days before the beginning of such year.

Section 6.3 - Contracts. Unless otherwise provided by the Board, all contracts shall be executed on behalf of the Association by either the President or Vice President and countersigned by the Secretary.

Section 6.4 - Fidelity Bonds. The Board of Directors may require that all Directors, officers, contractors and employees of the Association handling or responsible for Association funds, and all other persons designated by the Declaration, shall furnish adequate fidelity bonds or coverage. The premiums on such bonds or coverage shall be paid by the Association.

ARTICLE VII

Books and Records

The books, records and papers of the Association, including, but not limited to the Declaration and Bylaws, membership register, books of account, and minutes of meetings of the Members, the Board, and committees, shall be made available for inspection by any Member or any person designated by the member in writing as the Member's representative during reasonable business hours within ten (10) business days of such request. Each Member may also purchase copies of the Association records within ten (10) business days of such request for a reasonable price, not to exceed any limit imposed by law. Notwithstanding the foregoing, the following are not subject to inspection by any party other than the Board of Directors, its management agent, if any, and its attorneys and accountants, as necessary and appropriate:

- A. Privileged communication between an attorney for the Association and the Association, including, but not limited to, legal advice from an attorney for the Board or the Association;
- B. Pending litigation;
- C. Meeting minutes or other records of a closed executive session of the Board held in accordance with Arizona law;
- D. Personal, health or financial information about an individual Member of the Association, an individual employee of the Association, or an individual employee of a contractor for the Association;
- E. Records relating to job performance of, compensation of, health records of, or specific complaints against an individual employee of the

Association or an individual employee of a contractor of the Association who works under the direction of the Association;

- F. Financial and other records of the Association if disclosure would violate any state or federal law; and
- G. Any other records which may be withheld pursuant to the law.

Notwithstanding the foregoing, every Director shall have the right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make extracts and reasonable copies of documents at the expense of the Association. However, no Director shall disclose to anyone other than the Association's attorneys, accountants, and management agent, if any, any of the records set forth in paragraphs A. through G. above.

ARTICLE VIII

Miscellaneous

Section 8.1 - Terms. The terms utilized in these Bylaws shall, except as otherwise provided herein, have the meaning set forth in the Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements for The Islands, as amended from time to time (the "Declaration").

Section 8.2 - Amendments. These Bylaws may be amended by the Members through a vote of two-thirds (2/3) of the votes cast or a majority of the total votes in the Association, whichever is less. Notwithstanding the foregoing, the Board may amend these Bylaws in order to conform these Bylaws to Arizona law, without a vote of the Members. Notwithstanding the foregoing, these Bylaws shall not be amended to contain any provision which would be contrary to or inconsistent with the Declaration as in effect from time to time and any provisions of or purported amendment to these Bylaws which is contrary to or inconsistent with the Declaration shall be void to the extent of such inconsistency.

Section 8.3 - Conflicts of Interest. Any Association transaction or decision in which a Director has a conflict of interest, as defined in the Planned Community Act or Arizona Non-Profit Corporation Act, will be handled in accordance with the Planned Community Act and/or Arizona Non-Profit Corporation Act provisions for directors' conflicting interest transactions.

Section 8.4 - Indemnification. The Association shall indemnify every officer, Director, and agent of the Association against any and all expenses, including attorneys' fees, reasonably incurred by or imposed upon any officer or Director of the Association in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, Director, or an agent of the Association, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The officers, Directors, and agents shall have no personal liability with respect to any contract or other commitment made by them, in good

faith, on behalf of the Association (except indirectly to the extent that such officers or directors may also be Owners of the Association and therefore subject to Assessment to fund a liability of the Association), and the Association shall indemnify and forever hold each such officer, Director, and agent free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, Director, agent or former officer, director, or agent of the Association, may be entitled. This indemnification shall be mandatory in all circumstances in which indemnification is permitted by law; provided, however, that the Association shall have the right to refuse indemnification if the person to whom indemnification would otherwise have been applicable shall have unreasonably refused to permit the Association, at its own expense and through counsel of its own choosing, to defend him or her in the action.

Section 8.5 - Limitation of Director Liability. In accordance with the provisions of the Nonprofit Corporation Act (set forth at A.R.S. § 10-3101 et seq., as may be amended from time to time), each director shall be immune from civil liability and shall not be subject to suit indirectly or by way of contribution for any act or omission resulting in damage or injury if said director was acting in good faith and within the scope of his official capacity (which is any decision, act, or event undertaken by the Association in furtherance of the purpose or purposes for which it is organized) unless such damage or injury was caused by willful and wanton or grossly negligent conduct of the director. This provision intends to give all directors the full extent of immunity available under the Nonprofit Corporation Act.

Section 8.6 - Liability Survives Termination of Membership. The termination of Membership in the Association shall not relieve or release any such former Owner or Member from any liability or obligations incurred under or in any way connected with the Association, during the period of such Membership, or impair any rights or remedies which the Association may have against such former Owner and Member arising out of or in any way connected with such Membership, and the duties and obligations incident thereto.

Section 8.7 - Construction. Any inconsistencies or conflicts between the provisions of the Arizona Revised Statutes or applicable law, the Declaration, the Articles and Bylaws, and the Rules and Regulations of the Association shall, unless otherwise provided, be resolved by giving priority first to the Arizona Revised Statutes or applicable law, second to the Declaration, third to the Articles, fourth to the Bylaws, and fifth to the Rules.

Section 8.8 - Interpretation. In the event of any dispute or disagreement between any Owners relating to the interpretation or application of the provisions of the Articles of Incorporation, Declaration, or these Bylaws, or any questions of interpretation thereof, the determination thereof by the Board shall be final and binding on the Owners, in the absence of any adjudication to the contrary by a court of competent jurisdiction.

CERTIFICATION

I, the undersigned, do hereby certify that the above amendments were adopted by the required percentage of the Members.

DATED this 22 day of July, 2014.

THE ISLANDS COMMUNITY ASSOCIATION

By: [Signature]

Its: President