

BYLAWS
OF
THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE COUNTY OF COCHISE, ARIZONA
(a political subdivision of the State of Arizona)

SECTION 1

OFFICES AND CORPORATE SEAL

1.1 Principal Office. The Industrial Development Authority of the County of Cochise's (the "Corporation") principal place of business is in the County of Cochise, Arizona. The Corporation's mailing address is: [ADDRESS].

1.2 Other Offices. The Corporation may maintain offices at such other place or places, within the State of Arizona, as may be designated from time to time by the board of directors, where the business of the Corporation may be transferred with the same effect as though done at the principal office.

1.3 Corporate Seal. A corporate seal shall not be requisite to the validity of any instrument executed by or on behalf of the Corporation. At the pleasure of the board of directors, a corporate seal may be created in any legal form desired.

SECTION 2

BOARD OF DIRECTORS

2.1 Not a Membership Corporation. The Corporation shall not be a membership corporation and shall have no members. All rights, powers and responsibilities which inure to the members of a nonprofit membership corporation shall be vested in the board of directors of this Corporation.

2.2 Number, Qualifications and Election. The board of directors (the "Board") shall consist of not less than three (3) nor more than nine (9) persons. All directors shall be duly qualified electors of the County of Cochise, Arizona (the "County"). No member of the Board shall be an officer or employee of the County. The directors shall be elected by the Board of Supervisors of Cochise County, Arizona (the "Board of Supervisors") and must be elected so that they shall hold office for overlapping terms. At the time of the election of the first Board, the Board of Supervisors shall divide the directors into three groups containing as nearly equal whole numbers as possible. The first term of the directors included in the first group shall be two (2) years, the first term of the directors included in the second group shall be four (4) years, the first term of the directors included in the third group shall be six (6) years, and thereafter the terms of all directors shall be six (6) years.

Every two (2) years, the Board of Supervisors shall elect the requisite number of directors needed to fill the vacancies occurring in any particular group which vacancies are created by the expiration of the term of the directors in that particular group.

2.3 Vacancies. A vacancy in the Board occurring by reason other than the normal expiration of the term of a director shall be filled by election by the Board of Supervisors. Any director elected shall serve for the unexpired term of the vacant office. [Failure of the election by the Board of Supervisors to fill vacancies shall not operate to reduce the size of the Board, but the directors actually in office shall at any time constitute the Board.]

2.4 Powers and Duties. All corporate powers of the Corporation shall be exercised by the authority of, and the affairs of the Corporation shall be controlled by, the Board, subject to the limitation of these Bylaws, the Articles of Incorporation, as may be amended from time to time, and other applicable law.

2.5 Place of Meetings. All meetings of the Board shall be held at the principal office of the corporation as may be fixed from time to time by the Board, as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof. Any meeting held by the Board for any purpose whatsoever shall be open to the public.

2.6 Annual Meetings. Annual meetings of the Board may be held on [August 1] of each year, if not a legal holiday, and if a legal holiday, then on the next secular day following, or at such other date and time as shall be designated from time to time by the Board and stated in the notice of the meeting. Officers shall be elected at the annual meeting and the Board shall transact such other business as properly may be brought before the meeting. Notice of the time, date and place of any annual meeting shall be given to the public not less than 24-hours previous thereto by or at the direction of the Board.

2.7 Regular Meetings. The Board may establish a fixed time, date and place for regularly scheduled meetings. Regular meetings of the Board may be held without notice to directors at such time and at such place as shall from time to time be determined by the Board. Notice of the time, date and place of any regular meeting shall be given to the public not less than 24-hours previous thereto.

2.8 Special Meetings. Special meetings of the Board may be called by the President or any [five (5) members] of the Board on 24-hours previous notice to each director, either personally, by regular mail or by electronic mail. Notice of the time, date and place of any special meeting shall be given to the public not less than 24-hours previous thereto.

2.9 Quorum. A majority of the membership of the Board shall constitute a quorum and the concurrence of a majority of those present and entitled to vote shall be sufficient to conduct the business of the Board, except as may be otherwise specifically provided by statute or by the articles of incorporation. If a quorum shall not be present at any meeting of the Board, the directors present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

2.10 Waiver of Notice. Attendance by a director at a meeting shall constitute waiver of notice of such meeting, except when the person attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Any director may waive notice of any annual, regular or special meeting of directors by executing a written waiver of notice either before or after the time of the meeting.

SECTION 3

OFFICERS, EMPLOYEES AND AGENTS

3.1 General. The officers of the Corporation shall be a president, vice president, secretary, treasurer and such other officers as may be determined by the Board from time to time to perform such duties as may be designated by the Board. All officers of the Corporation shall be members of the Board and any person may hold more than one office except that of President and Vice President.

3.2 Election of Officers. The officers of the Corporation shall be elected [by ballot] every two (2) years by the Board at the first meeting of the Board held immediately after the election of new directors by the Board of Supervisors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be at any special meeting or at any regular meeting. The term of office of each officer shall be [one year] or until the election of their respective successor. The Board may fill any vacancy occurring in any office from whatever cause and may appoint such additional officers and agents as it deems appropriate at the annual meeting of the Board, at any special meeting held in lieu thereof, or at any regular meeting of the Board.

3.3 Removal of officers and agents by directors. Any officer or agent elected or appointed by the Board may be removed by a majority vote of the Board whenever in its judgment the best interests of the Corporation will be served thereby.

3.4 President. The President:

(a) shall be the principal executive officer of the Corporation and, unless otherwise determined by the members of the Board, shall preside at all meetings of the Board;

(b) may sign any deeds, mortgages, deeds of trusts, notes, bonds, contracts or other instruments authorized by the Board to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed; and

(c) shall in general perform all duties incident to the office of President and such other duties as may be prescribed by the Board from time to time.

3.5 Vice President. In the absence of the President, or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall also perform such other duties as from time to time may be assigned to him by the Board.

3.6 Secretary. The Secretary shall:

(d) keep the minutes of the meetings of the Board in one or more books provided for that purpose;

(e) see that all notices are duly given in accordance with these Bylaws or as required by law;

(f) be custodian of the corporate records and of the seal of the Corporation and affix the seal of the Corporation to documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these Bylaws;

(g) keep a register of the names and post office addresses of all members of the Board;

(h) have general charge of the books of the Corporation;

(i) keep on file at all times a complete copy of the Articles of Incorporation and Bylaws of the Corporation containing all amendments thereto and, at the expense of the Corporation, forward a copy of the Bylaws and of all documents thereto to each member of the Board; and

(j) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him/her by the Board.

3.7 Treasurer. The Treasurer shall:

(a) have charge and custody of and be responsible for all funds and securities of the Corporation;

(b) be responsible for the receipt of and the issuance of receipts for all moneys due and payable to the Corporation and for the deposit of all such monies in the name of the Corporation in such bank or banks as shall be selected in accordance with the provision of these Bylaws; and

(c) in general perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board.

3.8 Compensation. The powers, duties and compensation of agents and employees of the Corporation shall be fixed by the Board.

SECTION 4

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS

4.1 Indemnification. To the extent permitted by the laws of the State of Arizona, the

corporation shall hold harmless and indemnify each of its directors, officers, employees and agents (“indemnitee”) against any and all liability and expenses incurred by an indemnitee in connection with any threatened or actual proceeding or legal action resulting from the indemnitee’s service to the corporation or to another entity at the corporation’s request.

4.2 Settlement of Claims. The corporation is not obligated to indemnify an indemnitee for any amounts incurred in settlement if settlement is made without the corporation’s prior written consent. The corporation shall not enter into any settlement that would impose any penalty or limitation on an indemnitee without the indemnitee’s prior written consent. Neither the corporation nor the indemnitee will unreasonably withhold consent to any proposed settlement.

SECTION 5

MISCELLANEOUS

5.1 Non-profit Operation. The Corporation shall at all times be operated on a non-profit basis and no interest or dividends shall be paid or payable by the Corporation and no part of its net earnings remaining after the payment of its expenses shall inure to the benefit of any individual, firm or corporation.

5.2 Dissolution. Whenever the Board, by resolution, shall determine that the purposes for which the Corporation was formed have been substantially complied with and that all bonds theretofore issued and all obligations theretofore incurred by the Corporation have been fully paid, the Board shall thereupon dissolve the Corporation in accordance with the provisions of Title 10 of the Arizona Revised Statutes. Upon dissolution, all assets of the Corporation shall immediately vest in the County.

5.3 Rules and Regulations. The Board shall have the power to make and adopt such rules and regulations, not inconsistent with law, the Articles of Incorporation or these Bylaws, as it may deem advisable for the management of the business and affairs of the Authority.

5.4 Accounting System and Reports. The Board shall cause to be established and maintained in accordance with generally accepted principles of accounting, an appropriate accounting system.

5.5 Execution of Instruments. All documents and instruments or writings which are required to be executed in the usual course of business of the Corporation shall be signed, executed, verified, acknowledged and delivered by any officer of the Corporation, and if required to be attested, shall be attested to by the Secretary or Assistant Secretary.

5.6 Fiscal Year. The affairs of the Corporation shall be conducted on a fiscal year basis. The fiscal year of the Corporation shall begin on the first day of July of each year and shall end on the last day of June of the next year.

SECTION 6

REPEAL, ALTERATION OR AMENDMENT

6.1 These bylaws may be repealed, replaced, altered or amended at any time by the affirmative vote of a majority of the directors of the Corporation then in office.