

**BYLAWS**  
**OF**  
**[SAN LUIS FACILITY DEVELOPMENT CORPORATION]**  
**(An Arizona Nonprofit Corporation)**

**ARTICLE I**

**NAME**

The name of the Corporation is [SAN LUIS FACILITY DEVELOPMENT CORPORATION] (hereinafter referred to as the "Corporation").

**ARTICLE II**

**MEMBERSHIP**

The Corporation shall not have any members or membership rights as such terms are defined in Section 10-3101 et seq. of the Arizona Revised Statutes, or the corresponding sections of any future Arizona nonprofit code.

**ARTICLE III**

**BOARD OF DIRECTORS**

**Section 3.01. General Powers.** The affairs of the Corporation shall be managed by its Board of Directors. The Board of Directors shall have the powers and duties necessary for the administration of the Corporation's affairs and for the operation and maintenance of any and all Corporation property. The Directors shall in all cases act as a Board; and they may adopt such rules and regulations for the conduct of their meetings and the management of the Corporation as they deem proper, not inconsistent with these Bylaws, the Articles of Incorporation or the laws of the State of Arizona.

**Section 3.02. Other Powers and Duties.** Without limiting the generality of the foregoing, the Board of Directors shall be empowered and shall have the duties as follows:

- (a) To borrow funds and to give security therefor in order to pay any expenditure or outlay required pursuant to the authority granted by the provisions of the Articles of Incorporation and these Bylaws, and to execute all such instruments evidencing such indebtedness as the Board of Directors may deem necessary; and such indebtedness shall be the obligation of the Corporation.

(b) To establish one or more bank accounts for the common treasury and for all separate funds which are required or may be deemed advisable by the Board of Directors.

(c) To keep and maintain, or cause the same to be kept and maintained, detailed, accurate records in chronological order of receipts and expenditures affecting the Corporation.

(d) To prepare not less often than once per year a statement showing all receipts, expenses or disbursements since the last such statement.

(e) To meet at such intervals as shall be deemed appropriate by the Board of Directors.

(f) To buy or otherwise acquire, sell or otherwise dispose of, mortgage or otherwise encumber, exchange, lease, hold, use, operate or otherwise deal in and with real, personal and intangible property of all kinds and all rights or interests therein for any purpose of the Corporation.

(g) To enter into contracts for services and facilities for the benefit of the Corporation and to do all acts that a natural person could do for the benefit of the Corporation.

(h) In general, to carry on the administration of the Corporation, to do all of those things necessary and reasonable in order to carry out the governing, administration and operation of the Corporation.

**Section 3.03. Number.** The Board of Directors shall consist of five Directors.

**Section 3.04. Election and Term of Office.** Directors shall be elected to serve terms of three years. The Directors shall hold office until their successors have been elected and held their first meeting. Directors shall be elected by the City Council of the City of San Luis, Arizona (the "City").

**Section 3.05. Vacancies.** Vacancies in the Board of Directors shall be filled by the City Council of the City. Each person so elected or appointed shall be a Director for the remainder of the term of the Director so replaced.

**Section 3.06. Removal of Members of Board of Directors.** Any Director may only be removed, with or without cause, with the approval of the City Council of the City; and a successor may then and there be elected to fill the vacancy and unexpired term thus created. Any Director whose removal has been proposed shall be given an opportunity to be heard at such meeting.

**Section 3.07. 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 act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of

Directors, unless otherwise provided in these Bylaws. If, at any meeting of the Board of Directors, there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At such adjourned meeting subsequently held, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

**Section 3.08. Annual Meetings.** An annual meeting of the Board of Directors shall be held each year in a month selected by the Board of Directors. At such annual meeting, officers of the Corporation shall be appointed by the Board of Directors.

**Section 3.09. Special Meetings.** Special meetings of the Board of Directors may be called by the President on at least twenty-four (24) hours notice to each Director, given personally or by mail, electronic transmission, telephone, telegraph or facsimile, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors may also be called by the President in like manner and on like notice upon the request of a majority of the Directors.

**Section 3.10. Location of Meetings.** All meetings of the Board of Directors shall be held at such location as shall, from time to time, be designated by the Board of Directors.

**Section 3.11. 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 of Directors shall constitute a waiver of notice by him or her of the time and place thereof; unless the Director attends the meeting for the express purpose of objecting to the transaction of any business before the meeting which is not lawfully called or convened.

**Section 3.12. Action Taken Without Meeting.** The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

**Section 3.13. Meetings by Telephone.** One or more Directors may participate in a meeting of the Board of Directors by means of a conference telephone or similar communications arrangement by which all participants in the meeting can hear each other at the same time. Such participation shall be equivalent for all purposes to attendance in person at such meeting.

## ARTICLE IV

### OFFICERS

**Section 4.01. Designation.** The principal officers of the Corporation shall be a President, one or more Vice Presidents (at the option of the Board of Directors), a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors, and such assistant officers as the Board of Directors shall, from time to time, designate. The President shall be a member of

the Board of Directors and the Vice President(s), Treasurer and Secretary may, but need not, be members of the Board of Directors.

**Section 4.02. Election and Term of Officers.** The officers of the Corporation shall be elected annually by the Board of Directors, and shall hold office at the pleasure of the Board of Directors. One person may hold concurrently any two offices; provided, however, that the offices of President and Secretary shall not be held by the same person. The office of Vice President need not be filled.

**Section 4.03. Removal of Officers.** Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his or her successor elected at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for such purpose.

**Section 4.04. Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by a majority vote of the members of the Board of Directors.

**Section 4.05. President.** The President shall be the chief executive officer of the Corporation and, subject to the control of the Directors, shall, in general, supervise and control all of the business and affairs of the Corporation. He or she shall preside at all meetings of the Board of Directors. He or she shall cause to be called regular and special meetings of the Board of Directors in accordance with these Bylaws. He or she shall have the power to appoint committees from among the members of the Board of Directors, from time to time as he or she may, in his or her discretion, decide is appropriate to assist in the conduct of the affairs of the Corporation. He or she shall sign and make all contracts and agreements in the name of the Corporation. He or she shall enforce these Bylaws and perform all of the duties incident to the position and office and which are required by law.

**Section 4.06. Vice President.** The Vice President shall have the powers and authority and shall perform all functions and duties of the President in the absence of the President or his or her inability, for any reason, to exercise such powers and functions or perform such duties.

**Section 4.07. Secretary.** The Secretary shall keep all minutes of the meetings of the Board of Directors and minutes of all meetings of the Corporation; he or she shall have charge of such books and papers as the Board of Directors may direct; and he or she shall, in general, perform all duties incident to the office of Secretary.

**Section 4.08. Treasurer.** The Treasurer shall have the responsibility for supervising the Corporation's funds and shall be responsible for supervising all receipts and disbursements in books belonging to the Corporation. He or she shall, in general, perform all of the duties incident to the office of Treasurer.

**Section 4.09. Agreements, Deeds, Checks, Etc.** All agreements, deeds, leases, checks and other instruments of the Corporation shall be executed by any officer of the Corporation or by any other person or persons designated by the Board of Directors.

## **ARTICLE V**

### **NONPROFIT CORPORATION**

This Corporation is a nonprofit corporation organized under Arizona law. No Director or officer shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof; and in no event shall part of the funds or assets of the Corporation be paid as salary or compensation to, or distributed to, or inure to the benefit of, any member of the Board of Directors or officer of the Corporation; provided, however, (a) that reasonable compensation may be paid to any Director or officer while acting as an agent or employee of the Corporation for services rendered in effectuating the purposes of the Corporation; and (b) that any Director or officer may, from time to time, be reimbursed for actual and reasonable expenses incurred in connection with the administration of the affairs of the Corporation.

## **ARTICLE VI**

### **AMENDMENT**

These Bylaws may be amended by the Board of Directors by a vote of two-thirds of the votes entitled to be cast by the Board of Directors at a meeting of the Board of Directors, provided that written notice has been given to each member of the Board of Directors at least two weeks prior to the date of said meeting.

## **ARTICLE VII**

### **INDEMNIFICATION**

The Corporation shall indemnify Directors and officers of the Corporation to the maximum extent permitted by Arizona law, as amended from time to time.

## **ARTICLE VIII**

To the extent permitted by applicable law, no Director or officer of the Corporation shall have individual liability for the payment or performance of debts or obligations of the Corporation.

## **ARTICLE IX**

### **ENACTMENT CLAUSE**

These Bylaws of the Corporation, as amended and approved by the Board of Directors, shall become effective immediately.

IN WITNESS WHEREOF, the undersigned has hereunto set the official hand and seal of the Corporation this 11th day of October, 2005.

[SAN LUIS FACILITY DEVELOPMENT CORPORATION], an Arizona Nonprofit Corporation

By   
Secretary