



THIRD RESTATED BYLAWS

OF

LAKE RIVERSIDE ESTATES COMMUNITY ASSOCIATION

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LAKE RIVERSIDE ESTATES COMMUNITY ASSOCIATION

THIRD RESTATED BYLAWS

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LAKE RIVERSIDE ESTATES COMMUNITY ASSOCIATION

THIRD RESTATED BYLAWS

ARTICLE 1. *THIRD RESTATED BYLAWS*

The Governing Documents of the Association include, but are not limited to the *Articles of Incorporation*, the *Third Restated Covenants, Conditions and Restrictions* ("CC&Rs"), the *Third Restated Bylaws*, the *Rules and Regulations* and other Governing Documents as may be adopted from time to time by the Board.

These Governing Documents must be in compliance with state and federal laws and County ordinances, including without limitation, §4000 through §6000 of the *California Civil Code* known as the *Davis-Stirling Common Interest Development Act* ("Act").

The original *Bylaws* for the Lake Riverside Estates Community Association were enacted on April 18, 1970. The *2001 Amended and Restated Bylaws* superseded and replaced the original *Bylaws* and all amendments thereto. The *2005 Second Restated Bylaws* superseded and replaced the *2001 Amended and Restated Bylaws* and all amendments thereto. The Association now desires to amend and restate the *Second Restated Bylaws* and replace it in its entirety with the *Third Restated Bylaws*.

ARTICLE 2. DEFINITIONS

The terms used in these *Bylaws*, unless the context clearly indicates a contrary intention, shall have the same meaning as those set forth in Article 1 of the *CC&Rs* which is incorporated by reference as part of these *Bylaws*.

"Election Rules" are the procedures adopted by the Board in conformance with Civil Code §5105 of the *Act*.

"Good Standing" means an Owner/Member who is current in the payment of all Assessments levied against the Owner/Member's Lot, has no unpaid fines or fees, and is not subject to any suspension of privileges (i.e., voting or use of recreational facilities) as a result of any disciplinary proceeding conducted in accordance with the Governing Documents.

"Majority of a Quorum" means the vote of a majority [fifty percent (50%) plus one (1)] of the votes cast at a meeting or by written ballot when the number of Members attending the membership meeting or represented at the membership meeting or the number of written ballots cast equals or exceeds the Quorum requirement specified in the *Act* or the Association's Governing Documents. "Majority of a Quorum" for meetings of the Board means the affirmative votes of a majority of the Directors in filled positions.

"Office of the Recorder" means the Office of the Recorder, County of Riverside, State of California.

"Quorum" for membership meetings means the presence in person or by ballot or proxy of one-third (1/3) of the Voting Power of the Association. Notwithstanding the foregoing, the Governing Documents may set forth a different Quorum requirement for certain actions to be taken by the Members. In such cases, the specific Quorum requirement shall control. "Quorum" for meetings of the Board means a majority of the Directors in filled positions.

“Voting Power” means the total number of Lot Owners eligible to vote at any election or vote of the Owners. Owner(s)’ voting privileges that have been suspended shall not be included in the Voting Power during the effective period of any such suspension.

ARTICLE 3. THE CORPORATION

Section 3.1 Name of Corporation

The name of the corporation is LAKE RIVERSIDE ESTATES COMMUNITY ASSOCIATION. The Association is organized under the California Nonprofit Mutual Benefit Corporation Law and is a planned development within the meaning of §4175 of the *Davis-Stirling Common Interest Development Act* (“Act”).

Section 3.2 Principal Office

3.2.1 The principal office for the transaction of the business of the Association is hereby fixed and located within the County at 41610 Lakeshore Blvd., Aguanga, 92536, or at such other place within the County as may be determined by resolution of the Board.

3.2.2 The Board is hereby granted full power and authority to change said principal office from one location to another within the County.

Section 3.3 Other Offices

The Board may at any time establish branch or subordinate offices at any place or places where the Association is qualified to transact business.

Section 3.4 Fiscal Year of the Corporation

3.4.1 The fiscal year of the Association shall begin on the first (1st) day of January of each year and end on the thirty-first (31st) day of December of each year.

3.4.2 The fiscal year of the Association is subject to change from time to time as the Board shall determine.

Section 3.5 General Purpose of the Corporation

3.5.1 The general purpose for which this Association is organized is to

3.5.1.1 Protect the common plan of the Development,

3.5.1.2 Provide for a mechanism for financial support for the upkeep of Common Area, Common Facilities and Easements,

3.5.1.3 Enhance the quality of life in the Development, and

3.5.1.4 Carry on any lawful activity or do anything whatsoever which may be calculated, directly or indirectly, to promote the interest of the Association or of the property over which it has jurisdiction under the *Act* and Nonprofit Mutual Benefit Corporation Law of California.

3.5.2 However, nothing in this article shall be construed to authorize the Association to carry on any activity for the profit of its Officers, Directors or other persons or to distribute any gains, profits or dividends to any of its Officers, Directors or other persons.

3.5.3 Nothing in this article shall be construed as allowing the Association to engage in any activity forbidden under federal law, state statutes, and/or County ordinances.

Section 3.6 Specific Purposes of the Corporation

The specific and primary purposes of this Association shall be

3.6.1 To manage, operate, improve, repair, maintain, replace, beautify, care for and add to the Common Area, Common Facilities and Easements within the Lake Riverside Estates Subdivision, Tract No. 3925, as recorded in Book 65, pages 15-43 in the Office of the Recorder;

3.6.2 To enhance and promote the use and enjoyment of the Common Area, Common Facilities, and Easements by the Members;

3.6.3 To enforce federal, state, and local laws and the terms, provisions, covenants, restrictions, and conditions of the Governing Documents pertaining to the Association and Members;

3.6.4 To regulate the use of the Common Area, Common Facilities, Easements, and Lots; and

3.6.5 To levy Assessments sufficient to perform its obligations under the Governing Documents and the *Act*.

Section 3.7 Prohibited Activities of the Corporation

3.7.1 This Association has been formed under the California Nonprofit Mutual Benefit Corporation Law for the mutual purposes described above, and it shall be nonprofit and nonpartisan.

3.7.2 No substantial part of the activities of the Association shall consist of the publication or dissemination of materials with the purpose of attempting to influence legislation, and the Association shall not participate or intervene in any political campaign on behalf of any candidate for public office or for or against any cause or measure being submitted to the people for a vote.

3.7.3 The Association shall not, except in any insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes described in Article 3, Sections 3.5 and 3.6 of these *Bylaws*.

Section 3.8 Dedication of Corporate Assets

The property of this Association is irrevocably dedicated to mutual benefit purposes, or any other purposes permitted under the California Mutual Benefit Corporation Law.

3.8.1 No part of the net income or assets of this Association shall ever inure to the benefit of any Director or Officer thereof or to the benefit of any private person.

3.8.2 However, section 3.8.1 shall not prevent payment to any such person of reasonable compensation for services performed for the Association in effecting any of its mutual benefit purposes as long as such compensation is otherwise permitted by these *Bylaws* and is fixed by resolution of the Board; and

3.8.3 No such person or persons shall be entitled to share in the distribution of, and shall not receive, any of the Association assets on the dissolution of the Association.

3.8.4 Notwithstanding possible legal conditions for dissolution, the affirmative vote of a Majority of a Quorum is required to dissolve the Association. For purposes of this subsection, Quorum shall mean ninety percent (90%) of the Voting Power of the Association and shall not be reduced.

3.8.5 Upon the dissolution or winding up of the Association, its assets remaining after payment, or provision for payment, of all debts and liabilities shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable, scientific or education purposes and which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code.

ARTICLE 4. ASSOCIATION MEMBERSHIP

Section 4.1 Automatic Membership

4.1.1 Only the Owner or Owners of Lots whose name(s) are listed on a deed as shown by the official records of the Office of the County Recorder are considered to be Association Members.

4.1.2 Every person or entity who is an Owner of a Lot subject to imposition of Assessments shall be a Member of the Association as provided in these *Bylaws* and the *CC&Rs*.

4.1.3 Membership shall be appurtenant to and may not be separated from ownership of any Lot.

4.1.4 Membership is not intended to include persons or entities that hold an interest in a Lot merely as security such as for performance of an obligation; nor is a Member intended to include contract purchasers.

4.1.5 Any conveyance, judicial sale, or other voluntary or involuntary transfer of the Owner's entire estate shall also include the Owner's membership interest in the Association.

Section 4.2 Proof of Membership

No person shall exercise the rights of membership in the Association until satisfactory proof thereof has been furnished to the Secretary of the Board.

Section 4.3 Ownership Restrictions

4.3.1 Restrictions regarding the use of Lots and the Common Area, Common Facilities and Easements are as set forth in the Governing Documents.

4.3.2 By purchasing Lots in the Association, Members agree to abide by the Governing Documents.

Section 4.4 Requests Made to the Association

4.4.1 To be effective, any of the following requests shall be delivered in writing to the Secretary or President of the Board:

4.4.1.1 A request to change the Member's information in the Association's membership list,

4.4.1.2 A request to add or remove a second address for delivery of Individual Notices to the Member,

4.4.1.3 A request for Individual Delivery of General Notices to the Member or a request to cancel a prior request for Individual Delivery of General Notices,

4.4.1.4 A request to opt out of the membership list or a request to cancel a prior request to opt out of the membership list,

4.4.1.5 A request to receive a full copy of a specified Annual Budget Report or Annual Policy Statement, or

4.4.1.6 A request to receive all reports in full or a request to cancel a prior request to receive all reports in full.

4.4.2 A document delivered pursuant to this section may be delivered by any of the following methods:

4.4.2.1 By e-mail, facsimile or other electronic means.

4.4.2.2 By personal delivery. The Association shall provide a written receipt acknowledging delivery of the document.

4.4.2.3 By first-class mail, postage prepaid, registered or certified mail, priority mail, express mail, or overnight delivery by an express service center.

ARTICLE 5. MEMBERSHIP MEETINGS

Section 5.1 Procedural Rules

5.1.1 Meetings of the Members of the Association shall be conducted in accordance with a recognized system of parliamentary procedure or any parliamentary procedures the Board may adopt.

5.1.2 The Board shall permit any Member to speak at any meeting of the membership of the Association. A reasonable time limit for all Members to speak at a membership meeting shall be established by the Board.

5.1.3 All membership meetings shall be held on the Development, if feasible, or at such other location in the County in reasonable proximity to the Development as may be designated in the notice of meeting.

5.1.4 There shall be no cumulative voting at any membership meeting or in any election.

5.1.5 The Members present at a duly called or held meeting at which a Quorum is present may continue to do business until adjournment. Once a Quorum is established, the meeting may proceed regardless of whether there is a withdrawal of Voting Power which leaves less than a full Quorum.

5.1.6 Notwithstanding section 5.2.2, the time to provide notice of membership meetings is independent of the timeframe within which ballots must be delivered to the Members for elections conducted pursuant to the Election Rules. The

Association is not precluded from delivering the notice required in section 5.2.2 with the election materials required by the Election Rules.

Section 5.2 Annual Membership Meeting

The annual meeting of Members shall be held once a year or as determined by the Board on a day and date and at a time and place determined by the Board.

5.2.1 Unless the Board specifies otherwise in a notice to the Members, the annual membership meeting is for the purpose of electing Directors and for such other business as may be required.

5.2.2 All notices shall be mailed not fewer than ten (10) days and not more than ninety (90) days before each annual membership meeting and shall specify the day, date, time and place of such meeting and shall be sent by Individual Delivery to each Member in Good Standing and eligible to vote as of the record date established by the Board.

5.2.3 No business may be transacted at the meeting other than those items specified in the notice.

5.2.4 Upon written request by a first Mortgagee written notice of each such annual meeting shall be given to said first Mortgagee.

5.2.5 The presence in person, by proxy or by ballot of one-third (1/3) of the Voting Power shall constitute a Quorum for the transaction of business at the annual membership meeting and may be reduced as set forth in section 5.2.7.

5.2.6 The Lots owned by the Association, including those designated as Common Area, may be counted to achieve Quorum in any election held at an annual membership meeting but these Lots shall not be used to cast votes or be counted as votes in any election.

5.2.7 In the event the annual membership meeting cannot be held because a Quorum is not present, either in person, proxy, or by ballot, the annual membership meeting may be adjourned for a time not fewer than five (5) days nor more than thirty (30) days following the time the original annual membership meeting was called.

5.2.7.1 The Quorum for any annual membership meeting adjourned due to lack of Quorum shall be reduced to twenty-five percent (25%) of the Voting Power.

5.2.7.2 The only matters that may be voted upon at the adjourned annual membership meeting are those matters included in the original meeting notice published prior to the adjourned meeting.

5.2.8 Voting at the annual membership meeting may be by voice, show of hands, written ballot, or proxy.

5.2.8.1 Notwithstanding the foregoing, Directors shall be elected by secret written ballot as set forth in the Election Rules and the *Act*.

5.2.8.2 Minutes and the approval of the tabulation of votes by the inspector or inspectors of election may be by voice vote or by a show of hands.

5.2.9 If any annual membership meeting is not held or the election of Directors did not take place, the Board shall arrange for a special membership meeting to be held for the purpose of elections. The Members may at any time call a special meeting to elect Directors to fill any vacancy not filled by the Directors.

5.2.9.1 At such election, the Members, or their proxy holders, may cast, in respect to each vacancy, as many votes as they are entitled to cast under the provisions of the *CC&Rs* and these *Bylaws*.

5.2.9.2 The candidate(s) receiving the highest number of votes shall be deemed elected to the vacant position(s).

5.2.9.3 In the case of a tie, the vacancy shall be filled by a coin toss.

Section 5.3 Special Membership Meetings

Special membership meetings may be called at any time by the President or by a Majority of a Quorum of the Board. Special membership meetings shall be called by the Board upon receipt of a written request for a special membership meeting for authorized purposes signed by Members in Good Standing representing at least five percent (5%) of the Voting Power.

5.3.1 If a special membership meeting is called by Members rather than the Board or President, the request shall be submitted by such Members in writing specifying the general nature of the business proposed to be transacted and shall be delivered in accordance with the procedures set forth in the Annual Policy Statement or §4035 of the *Act* to the President, Vice President, or the Secretary of the Association.

5.3.2 The Officer receiving the request shall, within twenty (20) days of receiving the request, cause notice to be promptly given to the Members entitled to vote, in accordance with the provisions of these Bylaws, that a meeting will be held, and the day, date, time, place and purpose for such meeting, which date shall be not fewer than thirty-five (35) days nor more than ninety (90) days following the receipt of the request.

5.3.3 If notice of the meeting is not given by the Board within twenty (20) days after receipt of the request, the Members requesting the meeting may give the notice. Nothing contained in this subsection shall be construed as limiting, fixing, or affecting the time when a special membership meeting may be held when the meeting is called by action of the Board or the President.

5.3.4 Except as provided in these *Bylaws* with regard to special membership meetings requested by Members, notice of special membership meetings shall be given in the same manner and timeframe as for the annual membership meeting.

5.3.5 Except as specifically provided otherwise in the Governing Documents or the *Act*, the presence in person, by proxy or by ballot of one-third (1/3) of the Voting Power shall constitute a Quorum for the transaction of business at a special membership meeting and shall not be reduced.

5.3.6 The Lots owned by the Association, including those designated as Common Area, may be counted to achieve Quorum in any election held at a special membership meeting but these Lots shall not be used to cast votes or be counted as votes in any election.

5.3.7 No business may be transacted at the meeting other than those items specified in the notice.

Section 5.4 Special Membership Meeting to Reverse a Board Adopted Rule

5.4.1 Five percent (5%) of the Voting Power of the membership may call a special membership meeting to vote on reversal of a rule change if the request is sent within thirty (30) days after notice of a rule adoption or change from the Board.

5.4.1.1 The meeting shall be called pursuant to these *Bylaws*.

5.4.1.2 The Board is obligated to provide notice of the special membership meeting to the Members pursuant to these *Bylaws*.

5.4.1.3 A Majority of a Quorum of the Voting Power is required to reverse a rule change adopted by the Board. The Quorum for a special membership meeting to reverse a Board adopted rule change shall be one-third (1/3) of the Voting Power of the Association and shall not be reduced.

5.4.1.4 Voting shall be conducted by secret ballot in accordance with the Election Rules, these *Bylaws* and the *Act*.

5.4.2 If a Majority of a Quorum of the Voting Power votes on a rule reversal, the Board must provide notice of the results of the Member vote within fifteen (15) days after the election.

Section 5.5 Special Membership Meeting to Remove (Recall) a Director or Directors

5.5.1 Five percent (5%) of the Voting Power of the membership may call a special membership meeting to remove (recall) one (1) or more Directors.

5.5.1.1 The meeting shall be called pursuant to these *Bylaws*.

5.5.1.2 The Board is obligated to provide notice of the special membership meeting to the Members pursuant to these *Bylaws*.

5.5.1.3 For purposes of this section, Quorum is one-third (1/3) of the Voting Power of the membership and shall not be reduced.

5.5.1.4 Voting shall be conducted by secret ballot in accordance with the Election Rules, these *Bylaws* and the *Act*.

5.5.2 If the ballot for removal (recall) of Directors contains the names of all five (5) Directors, the ballot shall also include the names of qualified candidates, if available, as well as provide for qualified write-in candidates to fill the five (5) positions that may be declared vacant.

5.5.3 In the event that the current Directors are removed (recalled), the candidates receiving the highest number of votes shall be elected to the Board. The candidates shall fill the remaining terms of the recalled Directors with the candidates receiving the higher number of votes serving the longer remaining terms.

5.5.4 In the event that no candidates are elected by the membership to fill a vacant Director position, the position may be filled by Board appointment except that the Director who was removed shall not be re-appointed to the Board to fill a vacancy. The Director who was recalled may be a candidate for subsequent elections subject to qualifying for Board candidacy according to these *Bylaws*.

Section 5.6 Special Membership Meeting to Fill Other Vacancies on the Board of Directors

5.6.1 The Members may at any time call a special membership meeting to elect Directors to fill any vacancy not filled by the Directors pursuant to these *Bylaws*.

5.6.2 If an amendment and/or restatement of these *Bylaws* increases the number of Directors, the Members shall elect Directors to complete the Board pursuant to these *Bylaws*.

5.6.3 Voting shall be conducted by secret ballot in accordance with the Election Rules, these *Bylaws* and the *Act*.

Section 5.7 Adjourned Membership Meeting and Notice Thereof

Any membership meeting, whether or not a Quorum is present, may be adjourned by the vote of a majority of the Voting Power represented in person or by proxy; however, in the absence of a Quorum, no other business may be transacted at any such meeting.

5.7.1 When any membership meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

5.7.2 If a membership meeting is adjourned for fewer than thirty (30) days, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting other than by an announcement at the meeting at which adjournment is taken.

Section 5.8 Consent of Absentees Regarding any Membership Meeting

5.8.1 The transactions of any membership meeting, however called and noticed, shall be as valid as though they had been transacted at a meeting duly held after regular call and notice if a Quorum be present, either in person or by proxy and if, either before or after the meeting, each of the Members entitled to vote, not present in person or by proxy, signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes.

5.8.2 All such waivers, consents or approvals shall be filed in the corporate records or made a part of the minutes of the meeting.

Section 5.9 Minutes/Presumption of Notice Regarding Membership Meetings

5.9.1 Minutes or a similar record of the proceedings of a membership meeting, when signed by the President or the Secretary, shall be presumed truthfully to evidence the matters set forth therein.

5.9.2 A recitation in the minutes of any such meeting that notice was properly given shall be prima facie evidence that notice was given.

ARTICLE 6. ELECTION PROCEDURES

Section 6.1 Member Voting Rights

The Association shall have one (1) class of voting membership and the rights, duties, obligations and privileges of the Members shall be as set forth in the Governing Documents.

6.1.1 Ownership of a Lot shall give rise to a single membership vote in the Association.

6.1.2 On each matter submitted to a vote of the Members, whether at a membership meeting called and held pursuant to the provisions of the *Bylaws* or otherwise, each Member

6.1.2.1 Shall be entitled to cast one (1) vote for each Lot in which he or she holds the interest required for membership, and

6.1.2.2 Each Lot is allocated a vote equal to each other Lot's vote.

6.1.3. The vote for each Lot shall be cast as a single vote, and fractional votes shall not be allowed.

6.1.4 Single memberships in which two (2) or more persons have an indivisible interest shall be voted as provided below:

6.1.4.1 If more than one (1) person owns a Lot, all of those persons shall be deemed to be one (1) Member for voting purposes, although all such Members shall have equal rights as Members to use and enjoy the Common Area, Common Facilities, and Easements, subject to the terms of the Governing Documents.

6.1.4.2 The Secretary of the Board shall be notified in writing of the Member designated by his or her co-owners as having a sole right to vote the membership on their behalf.

6.1.4.3 If no such notification is received, the Secretary may accept the vote of any Member or proxy holder of such Member as the vote attributable to the Lot in question. If the multiple Owners of a Lot attempt to vote the membership attributable to said Lot in an inconsistent fashion, the Secretary or other person or persons designated as inspector or inspectors of election may refuse to count any ballot pertaining to that Lot.

6.1.4.4 In the event that joint Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question.

6.1.4.5 If any Member casts a vote representing a certain Lot, it will thereafter be conclusively presumed for all purposes that he or she was acting with the authority and consent of all other Owners of the same Lot.

Section 6.2 Member Eligibility to Vote

6.2.1 Only Members in Good Standing shall be eligible to vote on any issue or matter presented to the Members for approval unless specifically stated otherwise in the *Act*.

6.2.2 A Member's Good Standing shall be determined as of the record date established in accordance with these *Bylaws*.

Section 6.3 Record Date for Member Notice and Voting

6.3.1 For the purpose of determining which Members are entitled to receive notice of any meeting, vote, act by written ballot without a meeting, or exercise any rights in respect to any other lawful action, the Board may fix, in advance, a "record date," and only Members of record in Good Standing on the date so fixed are entitled to notice, to vote, or to take any action by written ballot or otherwise, as the case may be.

6.3.2. The record date shall not be fixed more than sixty (60) days prior to the election.

Section 6.4 Voting Procedures for Members

6.4.1 The balloting will take place by mail and in person at the annual membership meeting or other designated meeting until the voting period shall be declared closed by the inspector or inspectors of election.

6.4.2 An election may be conducted entirely by mail. The votes will be tabulated by the inspector or inspectors of election at a membership meeting or noticed open session meeting of the Board.

6.4.3 The Board shall appoint one (1) or three (3) independent third parties as inspector or inspectors of elections who shall do all of the following:

6.4.3.1 Determine the number of memberships entitled to vote and the Voting Power of each with the assistance of Association management;

6.4.3.2 Determine the authenticity, validity, and effect of proxies, if any;

6.4.3.3 Receive ballots;

6.4.3.4 Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote;

6.4.3.5 Count and tabulate all votes;

6.4.3.6 Determine when the voting shall close, consistent with the governing documents;

6.4.3.7 Determine the tabulated results of the election; and

6.4.3.8 Perform any acts as may be proper to conduct the election with fairness to all Members in accordance with these *Bylaws*, the Corporations Code, and all applicable rules of the Association regarding the conduct of the election that are not in conflict with these *Bylaws*.

6.4.4 Ballots and instructions on how to return ballots shall be prepared by the inspector or inspectors of elections in accordance with the *Act*.

Section 6.5 Return of Members' Ballots

6.5.1 Ballots and two (2) pre-addressed envelopes with instructions on how to return ballots shall be mailed by first-class mail or delivered by the Association by the deadline for voting. In order to preserve confidentiality, a voter may not be identified by name, address, or Lot number on the ballot.

6.5.1.1 The ballot itself shall not be signed by the voter and shall be inserted into an envelope that is then sealed.

6.5.1.2 This sealed envelope is then inserted into a second envelope that is then sealed. In the upper left hand corner of the second envelope, the voter shall sign the voter's name, print the voter's name, and indicate the address and Lot number that entitles the Member to vote.

6.5.1.3 The second envelope shall be addressed to the inspector or inspectors of elections, who shall tally the votes. This envelope may be mailed or delivered by hand to a location specified by the inspector or inspectors of elections. The Member may request a receipt upon delivery.

6.5.2 If a Quorum is required by the Governing Documents, each ballot received by the inspector or inspectors of elections shall be treated as a Member represented or present at a meeting for purposes of establishing a Quorum.

6.5.3 Once a secret ballot has been received by the inspector or inspectors of elections, it shall be irrevocable.

Section 6.6 Membership Election Results

6.6.1 All votes shall be counted and tabulated by the inspector or inspectors of elections or the designee of the inspector or inspectors of elections in public at a properly noticed membership meeting or properly noticed open session meeting of the Board. Any candidate or other Member of the Association may witness the counting and tabulation of the votes. Such observers shall remain at least five (5) feet from the tabulation process.

6.6.2 If the counting and tabulation take place at a membership meeting, the tabulated results of the election shall be promptly reported to the Board and shall be recorded in the minutes of the next meeting of the Board and shall be available for review by Members of the Association. If the counting and tabulation take place at a Board meeting, the tabulated results of the meeting shall be reported and recorded in the minutes of that meeting and shall be available for review by Members of the Association.

6.6.3 Within fifteen (15) days of the election, the Board shall give General Notice of the tabulated results of the election to Association Members.

6.6.4 The sealed ballots at all times shall be in the custody of the inspector or inspectors of elections or at a location designated by the inspector or inspectors of elections until after the tabulation of the vote.

6.6.5 If there is a demand for recount or other challenge to the election process, the inspector or inspectors of elections shall, upon written request, make the ballots available for inspection and review by an Association Member or the Member's authorized representative. Any recount shall be conducted in a manner that preserves the confidentiality of the vote.

6.6.6 An action challenging the validity of any election, appointment or removal of a Director or Directors must be commenced within one (1) year after the election, appointment or removal. If no such action is commenced, in the absence of fraud any election, appointment or removal of a Director is conclusively presumed valid one (1) year thereafter.

6.6.7 The ballots shall be stored by the inspector or inspectors of elections in a secure place for no less than one (1) year after the date of the election after which time the ballots shall be transferred to the Association.

Section 6.7 Quorum

6.7.1 Quorum requirements for membership meetings shall be as set forth in these *Bylaws* or the Act.

6.7.2 Once a Quorum is established, the meeting may proceed regardless of whether there is a withdrawal of Voting Power which leaves less than a full Quorum.

6.7.3 If a Quorum is present, the affirmative vote of the majority of the Quorum voting on any matter (other than the election of Directors) shall be the act of the Members, unless the vote of a greater number is required by California law or by the Governing Documents.

6.7.4 The Lots owned by the Association, including those designated as Common Area, may be counted to achieve Quorum in any election held at an annual or special membership meeting, but these Lots shall not be used to cast votes or be counted as votes in any election.

Section 6.8 Proxies

"Proxy" means a written authorization signed by a Member or the authorized representative of the Member that gives another Member or Members the power to vote on behalf of that Member or Members.

6.8.1 Proxies shall not be construed or used in lieu of a ballot.

6.8.2 The Association shall not be required to prepare or distribute proxies.

6.8.3 The proxy holder shall cast the Member's vote by secret ballot.

Section 6.9 Member Action by Written Ballot

Any action that may be taken by the vote of Members at an annual or special membership meeting may be taken without a meeting if the Association distributes a written ballot to every Member entitled to vote on the matter.

6.9.1 Such ballot shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, and provide a reasonable time within which to return the ballot to the Association.

6.9.2 Approval by written ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the Quorum required to be represented or present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required for approval at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

6.9.3 All solicited ballots shall indicate the number of responses needed to meet the Quorum requirement and, with respect to ballots other than for the election of Directors, shall state the percentage of approvals necessary to pass the measure submitted. The solicitation must specify the time by which the ballot must be received in order to be counted.

6.9.4 A written ballot may not be revoked once submitted.

ARTICLE 7. ELECTION OF DIRECTORS

Section 7.1 Qualifications for Candidacy for the Board of Directors

7.1.1 Candidates for the Board of Directors must be Members of the Association.

7.1.2 Candidates must be Members in Good Standing as of the record date established by the Board.

7.1.3 The failure of a candidate to comply with this section shall in no way invalidate the election of other candidates who were in compliance with this section.

7.1.4 Only one (1) Member per Lot shall be eligible to self-nominate himself or herself for candidacy for the Board, be listed on the ballot for election of Directors, or be counted as a write-in candidate for the Board.

7.1.5 Candidates for the Board must not have been convicted of any civil or criminal act that would conflict with discharging the duties and responsibilities of serving as a Director.

7.1.6 The Secretary of the Board shall distribute the list of candidates to the membership.

Section 7.2 Nominations

7.2.1 Candidacy for election to the Board may be made by written personal application or by write-in vote. Self-nominated candidates and write-in candidates must meet the qualifications as set forth in these *Bylaws* or the Election Rules.

7.2.2 There shall be no nominations from the floor at any membership meeting.

Section 7.3 Campaign-related Information

7.3.1 Funds of the Association shall not be used for campaign purposes in connection with any other Association election except to the extent necessary to comply with duties of the Association imposed by law. "Campaign purposes" include, but are not limited to

7.3.1.1 Expressly advocating the election or defeat of any candidate or measure that is on the Association election ballot, or

7.3.1.2 Including the photograph or prominently featuring the name of any candidate on a communication from the Association or its Board, excepting the ballot, ballot materials, or a communication that is legally required, within thirty (30) days of an election.

7.3.2 Any candidate or Member advocating a point of view shall be provided access to Association newsletters or bulletin boards during a campaign for purposes that are reasonably related to the election. The Board may establish procedures that ensure fairness to all candidates.

7.3.3 Candidates and Members advocating a point of view shall be provided access to the Common Area meeting space during a campaign for purposes reasonably related to the election. The Board may establish procedures that ensure fairness to all candidates.

Section 7.4 Day, Date, Time and Place of Election

The election of Directors shall take place at the annual membership meeting or any other duly called and noticed special membership meeting.

Section 7.5 Voting

7.5.1 Member voting shall take place as outlined in these *Bylaws*.

7.5.2 The candidates receiving the highest number of votes up to the number of Directors to be elected shall be elected to the vacant Director positions.

7.5.3 In the event of a tie, the tie shall be broken by a coin toss. The coin toss shall take place immediately after the tie is announced by the inspector or inspectors of elections.

ARTICLE 8. BOARD OF DIRECTORS

Section 8.1 Number of Directors

The Board shall consist of five (5) Directors until changed by amendment to this section of these *Bylaws*.

Section 8.2 Terms of Directors

8.2.1 Each Director shall serve a two (2) year term. An appointed Director shall serve the remaining term of the vacant position to which he or she was appointed.

8.2.2 Each Director shall hold office until his or her term expires or until his or her position is declared vacant or his or her successor is elected.

8.2.3 The terms of Directors shall be term-staggered in order to preserve the benefits inherent in staggered terms including promoting continuity of management and guaranteeing the involvement of experienced Directors.

8.2.3.1 In the event the staggered terms of Directors get off track, the Board may shorten a Director's term in a reasonable manner at the next Board meeting to re-establish staggered terms determined by the number of votes that had been cast for each candidate in the election.

8.2.3.2 The candidate with the highest number of votes shall serve the longer or longest term.

8.2.3.3 In the case of a tie, the candidate to serve the longer or longest term shall be determined by the toss of a coin.

8.2.4 A Director who has been elected to the Board at the end of the previous Director's term may not serve more than two (2) consecutive two-year terms.

8.2.5 A Director who has been appointed or elected to fill a vacancy on the Board during the previous Director's term shall not serve for more than five (5) consecutive years.

Section 8.3 Performance of Duties of a Director

A Director shall perform the duties of a Director including duties as a member of any committee upon which the Director may serve

8.3.1 In good faith,

8.3.2 In a manner such Director believes to be in the best interests of the Association, and

8.3.3 With such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

Section 8.4 Compensation of a Director

Directors shall not be entitled to compensation for their services as Directors. However, Directors may be reimbursed for actual expenses as may be determined by the Board to be just and reasonable. Any expense for which reimbursement is sought shall be supported by a proper receipt or invoice.

Section 8.5 Liability of a Director

No Director shall be personally liable to any Member, or to any other party including the Association, for any error or omission of the Association, the Board, its authorized agents or employees if such Director has acted in good faith without willful or intentional misconduct.

Section 8.6 Conflict of Interest

8.6.1 Notwithstanding any other law, the provisions of §7233 of the California Corporations Code shall apply to any contract of other transaction authorized, approved, or ratified by the Board.

8.6.2 A Director shall not vote on any of the following matters:

8.6.2.1 Discipline of the Director;

8.6.2.2 An Assessment against the Director for damage to the Common Area, Common Facilities, or Easements;

8.6.2.3 Review of a proposed physical change to the Lot of the Director; or

8.6.2.4 Granting the exclusive right to use a portion of the Common Area for the Director's exclusive use.

8.6.3 Nothing in this section limits any other provision of law or the Governing Documents that govern a decision in which a Director may have an interest.

Section 8.7 Directors' Right to Inspect Books and Records.

Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association. The right of inspection by a Director shall include the right to make extracts and copies of documents as they relate to the affairs and business of the Board and the Association and are not used for personal purposes.

Section 8.8 Resignation of a Director

8.8.1 Any Director may resign effective upon giving written notice to the Board.

8.8.2 In the event a Director gives verbal notice, the Board shall send to the Director who gave verbal notice of resignation a letter, by certified and first-class mail, stating that the Board is accepting the Director's verbal resignation fifteen (15) days after the date of the letter. The Board may appoint a successor to take office when the resignation becomes effective. The successor shall be appointed to serve the remaining term of the Director who resigned.

Section 8.9 Vacancy of a Director Declared by Board

The Board shall have the power and authority to declare a vacancy on the Board for any Director who has been

8.9.1 Declared of unsound mind by a final order of the court;

8.9.2 Convicted of a felony;

8.9.3 Found by a final order or judgment of any court to have breached the duties of a Director under California Corporations Code §7231 and §7231.5 (relating to standards of conduct of Directors);

8.9.4 Fails to attend three (3) consecutive scheduled open session meetings or four (4) total scheduled open session Board meetings within a twelve (12) month period that have been duly noticed in accordance with California law, or

8.9.5 Is delinquent in payment of his or her Assessment obligations to the Association.

Section 8.10 Removal of a Director or Directors by the Members

The Members may call a special membership meeting pursuant to these *Bylaws* to remove a Director or Directors with or without cause.

Section 8.11 Vacancies on the Board of Directors

8.11.1 Vacancies on the Board created by absence, death or resignation may be filled by appointment by a majority of the remaining Directors, though less than a Quorum. Vacancies created by removal of the Director or Directors by the Members shall be filled by election of the Members.

8.11.2 Each Director so appointed or so elected shall hold office until his/her successor is elected at the end of the former Director's term or at a special membership meeting called for that purpose.

8.11.3 The remaining Directors shall cause notice to be posted in prominent places in the Development at least four (4) days prior to filling the vacancy by appointment advising the Members that a vacancy on the Board exists.

ARTICLE 9. MEETINGS OF THE BOARD OF DIRECTORS

Section 9.1 Definition of "Board Meeting"

"Board meeting" means either of the following:

9.1.1 A congregation, at the same time and place, of a sufficient number of Directors to establish a Quorum of the Board, to hear, discuss, or deliberate upon any item of business that is within the authority of the Board.

9.1.2 A teleconference is where Directors representing a Quorum of the Board are in different locations and are connected by electronic means, through audio or

video, or both. A teleconference meeting shall be conducted in a manner that protects the rights of Members of the Association and otherwise complies with the requirements of the *Act*. Except for a meeting that will be held solely in executive session, the notice of the teleconference meeting shall identify at least one (1) physical location so that Members of the Association may attend, and at least one (1) Director or a person designated by the Board shall be present at that location. Participation by Directors in a teleconference meeting constitutes presence at that meeting as long as all Directors participating are able to hear one another as well as Members of the Association speaking on matters before the Board.

Section 9.2 Open Session Meetings of the Board of Directors

9.2.1 Open session meetings of the Board shall be held at least every month, or as business dictates, and shall be held at a location within a reasonable proximity to the Development.

9.2.2 If the scheduled open session meeting date should fall near a legal holiday, then the meeting shall be held at a time and date to be determined by the Board.

9.2.3 Scheduled and special open session meetings of the Board shall be open to all Members of the Association.

Section 9.3 Notice of Open Session Meetings

9.3.1 At least four (4) days before each open session meeting of the Board the Association shall give notice of the day, date, time and place of the meeting.

9.3.2 Notice of a meeting of the Board shall be given by General Delivery.

9.3.3 Notice of a meeting of the Board shall contain the agenda for the meeting.

9.3.4 Notice may be given via electronic means if consent for same is provided by a Member.

9.3.5 Notice of scheduled open session meetings of the Board shall be posted at prominent places within the Common Area as designated in the Annual Policy Statement and communicated to Directors not fewer than four (4) days prior to the meeting.

Section 9. Waiver of Notice for Meetings of the Board of Directors

9.4.1 Notice of a meeting need not be given to any Director who has signed a waiver of notice or a written consent to the holding of the meeting.

9.4.2 The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though they had taken place at a meeting duly held after regular call and notice if a Quorum be present and if, either before or after the meeting, each of the Directors not present signs a written waiver of notice or a consent to holding such meeting or an approval of the minutes thereof.

9.4.3 All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 9.5 Quorum Requirements for Meetings of the Board of Directors

9.5.1 Except to adjourn, every act or decision done or made by a majority of the Directors present at a meeting duly held at which a Quorum is present shall be regarded as the act of the Board.

9.5.2 However, the *Rules and Regulations* may be amended or restated only by a majority of the full Board serving in filled positions.

Section 9.6 Adjournment of Meetings of the Board of Directors

9.6.1 Unless a meeting is adjourned for more than twenty-four (24) hours, notice of adjournment of any meeting of the Board need not be given to absent Directors if the time and place are fixed at the meeting adjourned.

9.6.2 A Majority of a Quorum of the Directors may adjourn any Board meeting to meet again at a stated date and hour.

9.6.3 In the absence of a Quorum, a majority of the Directors present may adjourn from time to time until the time fixed for the next scheduled meeting of the Board.

Section 9.7 Minutes of Meetings of the Board of Directors

9.7.1 The minutes, minutes proposed for adoption that are marked to indicate draft status, or a summary of the minutes of any meeting of the Board, other than executive session, shall be made available to Members within thirty (30) days of the meeting.

9.7.2 The minutes shall be distributed to any Member of the Association upon request and upon reimbursement of the Association's costs for distribution.

9.7.2.1 A prospective purchaser may request that the Member provide the previous twelve (12) months of open session Board meeting minutes.

9.7.2.2 The Member may request that the Association deliver the minutes directly to the prospective purchaser or other third party.

Section 9.8 Members' Right to Attend and Participate in Board Meetings

9.8.1 Any Member may attend Board meetings except when the Board adjourns to or meets solely in executive session. A Member shall be entitled to attend a teleconference meeting or the portion of a teleconference meeting that is open to Members, and that meeting or portion of the meeting shall be audible to the Members in a location specified in the notice of the meeting.

9.8.2 The Board shall permit any Member to speak at any open session Board meeting. A reasonable time limit for any Member to speak at an open session Board meeting shall be established by the Board.

Section 9.9 Special Meetings of the Board of Directors

Special meetings of the Board for any purpose may be called at any time by the President or by any two (2) Directors.

9.9.1 Written notice of the time and place of special meetings and the nature of any special business to be considered shall be posted in the manner prescribed for notice of scheduled open session meetings, or such notice shall be delivered personally or by telephone or electronically not fewer than four (4) days before the scheduled time of the meeting.

9.9.2 In case of an emergency, the Board may conduct an open session meeting with fewer than four (4) days' notice; however, it shall be the burden of the person(s) calling the "emergency" special meeting to justify reduction of the required notice time.

Section 9.10 Emergency Board Meeting via Electronic Transmission

9.10.1 An emergency meeting of the Board held via electronic transmission; i.e., via e-mail, may be held only with the unanimous written consent of all Directors, which consents must be filed with the minutes of such meeting.

9.10.2 A Majority of a Quorum of Directors in filled positions who are present at such emergency meeting is required to approve any Board action taken in that meeting.

Section 9.11 Organizational Meeting of the Board of Directors

9.11.1 As soon as reasonably practical, following each annual membership meeting, the Board shall hold an open session meeting for the purpose of organization, choosing Officers and the transaction of other business.

9.11.2 Notice of such meeting is not required.

Section 9.12 Executive Session Meetings of the Board of Directors

9.12.1 The Board may, upon the vote of a Majority of a Quorum, adjourn a meeting and reconvene in executive session to discuss and vote upon litigation, matters relating to the formation of contracts with third parties, Member discipline, personnel matters, or to meet with a Member, upon the Member's request, regarding the Member's payment of Assessments or other matter of interest to the Member.

9.12.2 Only Directors and their invitees shall be entitled to attend executive sessions.

9.12.3 In general terms, the nature of any and all business considered in executive session shall be announced at the next regularly scheduled open session meeting of the Board and generally noted in the minutes of such open session meeting.

Section 9.13 Notice of Executive Session Meetings of the Board of Directors

9.13.1 If a nonemergency meeting of the Board is held solely in executive session, the Association shall give notice of the time, day, date, and place of the meeting by General Notice at least two (2) days prior to the meeting even though the executive session meeting is not open to Members.

9.13.2 Notice may be given via electronic means if consent for same is provided by a Member.

9.13.3 The agenda for the executive session meeting shall be included in the notice of the meeting but should be limited to a summary of executive session topics that will be discussed in the meeting.

9.13.4 In case of an emergency, the Board may conduct a special executive session meeting with fewer than two (2) days' notice; however, it shall be the

burden of the person(s) calling the "emergency" special executive meeting to justify reduction of the required notice time.

ARTICLE 10. OFFICERS OF THE BOARD OF DIRECTORS

Section 10.1 Officers' Positions

The Board of Directors shall have as Officers a President, a Vice President, a Secretary, and a Treasurer. The fifth Director shall serve as Director at Large. The Officers shall be chosen by the Board. Additionally, the Board may appoint non-Directors to serve as subordinate Officers. Subordinate Officers shall be Members of the Association and in Good Standing.

Section 10.2 How Officers are Chosen

10.2.1 The Officers shall be chosen by the Board annually for a term of one (1) year or for a period of time determined by the Board.

10.2.2 Each Officer shall hold his or her office until he or she shall resign, or shall be removed or otherwise disqualified to serve, or his or her term ends, or his or her successor is chosen.

10.2.3 There shall be no limit on the number of terms an Officer may serve.

Section 10.3 Multiple Positions of Officers

10.3.1 No person shall simultaneously hold more than one (1) of any of the other offices except where required by special circumstances.

10.3.2 In any case, neither the Secretary nor the Treasurer may serve concurrently as President.

Section 10.4 Compensation of Officers

Officers shall not be entitled to compensation for their services as Officers; however, they may be reimbursed for actual expenses as may be determined by the Board to be just and reasonable. Expenses for which reimbursement is sought shall be supported by a proper receipt or invoice.

Section 10.5 Liability of an Officer

No Officer shall be personally liable to any Member, or to any other party including the Association, for any error or omission of the Association, the Board, its authorized agents or employees, if such person has acted in good faith without willful or intentional misconduct.

Section 10.6 Duties and Responsibilities of Officers

10.6.1 President.

10.6.1.1 Subject to such supervising powers as may be given by the Board of Directors to the President of the Board, the President shall be the Chief Executive officer of the Association and shall, subject to the control of the Board, have general supervision, direction and control of the business and other Officers.

10.6.1.2 The President shall preside at all membership meetings and at all Board meetings.

10.6.1.3 The President shall have the general powers and duties of management usually vested in the office of President of a corporation and shall have such other powers and duties as may be prescribed by the Board or by these *Bylaws*.

10.6.1.4 The President, at his/her sole discretion, may make motions and vote on said motions or refrain from voting on an issue. Nothing in this section shall be construed to limit the President from making or seconding motions in the absence of such motions by other Directors.

10.6.2 Vice President.

10.6.2.1 In the absence or disability of the President or in the event of his or her inability or refusal to act, the Vice President shall perform all the duties of the President and, when so acting, shall have all of the powers vested in the President and be subject to all of the restrictions placed upon the President.

10.6.2.2 The Vice President shall have such other powers and perform such other duties as from time to time may be prescribed for him/her by the Board, the President of the Board, or by these *Bylaws*.

10.6.3 Secretary.

10.6.3.1 The Secretary shall keep, or cause to be kept, a book of the minutes of all Board meetings and membership meetings at the principal office or such other place as the Board may order with the time and place of the meeting, whether scheduled or special, and, if special, how authorized, the notice given, the names of those present at the Board meetings, the number of Members present or represented at membership meetings and the proceedings of the meetings.

10.6.3.2 The Secretary shall give or cause to be given notice of all membership meetings and of all Board meetings required by these *Bylaws* or by law to be given and shall keep other powers and perform such other duties as may be prescribed by the Board or these *Bylaws*.

10.6.4 Treasurer.

10.6.4.1 The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Association. The books of account shall at all times be open to inspection by any Director.

10.6.4.2 The Treasurer shall deposit, or cause to be deposited, all monies and other valuables in the name and to the credit of the Association with such depositories as may be designated by the Board.

10.6.4.3 The Treasurer shall disburse the funds of the Association as may be ordered by the Board, shall render to the President and Directors, whenever requested, an account of all of his/her transactions as Treasurer and of the financial condition of the Association and shall have such other powers and perform such other duties as may be prescribed by the Board or these *Bylaws*.

10.6.5 Director at Large.

The Director at Large shall perform such duties as may be assigned by the President or the Board.

Section 10.7 Resignation of Officers.

Any Officer may resign his or her position as an Officer at any time by giving written notice to the Board.

10.7.1 Any such resignation shall take effect on the date of the receipt of such notice or at any later time specified in the resignation.

10.7.2 Unless otherwise specified in the resignation, the acceptance of a written resignation is not required to make it effective.

10.7.3 In the event an Officer gives the Board verbal notice, the Board shall send the Officer who gave verbal notice of resignation a letter, by certified and first-class mail, stating that the Board is accepting the Officer's verbal resignation fifteen (15) days after the date of the letter.

10.7.4 The board may choose a successor when the resignation becomes effective.

10.7.5 The chosen successor shall serve the remaining term of the Officer who resigned.

Section 10.8 Removal of Officers

Any Officer may be removed from his or her position of President, Vice President, Secretary, or Treasurer, with or without cause, by a Majority of a Quorum of the Directors at any Board meeting, and any subordinate Officer may be removed, with or without cause, by a Majority of a Quorum of the Directors at any Board meeting.

Section 10.9 Vacancies in Offices

A vacancy in any Office because of death, resignation, removal, disqualification, or any other cause shall be filled by appointment by the remaining Directors.

ARTICLE 11. COMMITTEES**Section 11.1 Purpose of Committees**

The purpose of committees is to assist the Board in making decisions regarding the Development and the membership in the best interests of all concerned.

California Corporations Code §7151(c)(4) and §7212(b) provide that the Board may create committees that do not exercise the authority of the Board and that these committees may include persons who are not Directors. Committees, other than the Architectural Review Committee, shall be advisory to the Board and shall not have decision-making power.

11.1.1 Members of a committee shall not be entitled to compensation for their services as committee members; however, they may be reimbursed for such actual expenses as may be determined by the Board to be just and reasonable.

11.1.2 Any expense for which reimbursement is sought shall be supported by a proper receipt or invoice.

11.1.3 Members of a committee shall not be held liable for their decisions if their decisions are fair and in the best interests of the Association.

Section 11.2 Architectural Review Committee

The Architectural Review Committee shall have the authority and perform the duties as set forth in the *CC&Rs* and the *Rules and Regulations* including the *Architectural Rules, Standards and Guidelines*.

Section 11.3 Advisory Committees

The Board may create one (1) or more advisory committees to serve at the pleasure of the Board. The Board may dissolve advisory committees at any time at its discretion.

11.3.1 The Board may appoint and discharge advisory committee members at any time without reason.

11.3.2 The Board may appoint three (3) or more Members in Good Standing to serve on each advisory committee.

11.3.3 No more than two (2) Directors shall serve as members of any advisory committee.

11.3.4 The appointment, resignation, or removal of advisory committee members shall be made at an open session Board meeting and shall be included in the minutes of the meeting. The removal of an advisory committee member may be recommended to the Board by a committee if the recommendation is made in writing and signed and dated by a Majority of a Quorum of the advisory committee members.

11.3.5 Appointments to advisory committees shall terminate annually at the conclusion of the annual membership meeting. The Board may appoint committee members at any time but preferably at the open session meeting of the Board following the organizational meeting of the Board.

11.3.6 One (1) Director shall serve as Committee Liaison between the Board and the committee.

11.3.7 The Committee Liaison may also serve as an advisory committee member.

11.3.8 For purposes of this article, a majority of the advisory committee members shall constitute a Quorum of the committee. A majority of a quorum shall mean the affirmative votes of a majority of the committee members present and voting.

11.3.9 Advisory committees have no decision-making authority; therefore, they are not required to post agendas, keep minutes, or meet in a designated place.

11.3.10 No advisory committee may disseminate information by any means or in any manner to the membership without the prior express permission of the Board.

11.3.11 Advisory committees shall only make recommendations on the specific assignments made by the Board.

11.3.12 All actions and recommendations of an advisory committee shall require ratification by the Board before being given effect.

11.3.13 Recommendations presented to the Board shall be in writing and signed and dated by at least a Majority of a Quorum of the advisory committee members.

11.3.13.1 The recommendations shall be submitted to the Secretary of the Board for inclusion on the agenda of the next scheduled open session meeting of the Board following the advisory committee's action.

11.3.13.2 Items submitted too late for inclusion in the agenda shall be included in the agenda of the following open session Board meeting unless the item would be permitted to be added to the agenda in accordance with the *Act*.

11.3.13.3 The Board may affirm, rescind, modify, postpone or take any other action regarding the recommendation which the Board in its discretion deems appropriate with the affirmative vote of a Majority of a Quorum of Directors present.

11.3.13.4 A summary of the recommendations and the action taken by the Board shall be included in the minutes of the meeting.

11.3.14 Notwithstanding this article, the Board may take action on any item over which it has decision-making authority with or without a recommendation from any advisory committee.

ARTICLE 12. DISCLOSURE AND NOTICE

Section 12.1 Delivery of Annual Budget Report and Annual Policy Statement

The Association shall deliver one (1) of the following documents to all Members by Individual Delivery within thirty (30) to ninety (90) days before the end of the Association's fiscal year:

12.1.1 The full Annual Budget Report and Annual Policy Statement or

12.1.2 A summary of the Annual Budget Report and Annual Policy Statement. The summary shall include a general description of the content of the Annual Budget Report and Annual Policy Statement. Instructions on how to request a complete copy of the Annual Budget Report and Annual Policy Statements at no cost to the Member shall be printed in at least 10-point boldface type on the first page of the summary.

12.1.3 Notwithstanding the foregoing, if a Member has requested to receive the Annual Budget Report and Annual Policy Statement in full, the Association shall deliver the full documents to that Member rather than a summary.

Section 12.2 Annual Budget Report

The Annual Budget Report shall include

12.2.1 A pro forma operating budget showing the estimated revenue and expenses on an accrual basis.

12.2.2 A summary of the Association's reserves. The Assessment and reserve funding disclosure summary form shall accompany the Annual Budget Report that is delivered pursuant to this article.

12.2.3 A summary of the reserve funding plan adopted by the Board.

12.2.4 A statement as to whether the Board has determined to defer or not undertake repair or replacement of any major component with a remaining life of thirty (30) years or fewer including a justification for the deferral or decision not to undertake the repair or replacement.

12.2.5 A statement as to whether the Board has determined or anticipates that the levy of one or more Special Assessments will be required to repair, replace, or restore any major component or to provide adequate reserves therefor. If so, the statement shall also set out the estimated amount, commencement date, and duration of the Assessment.

12.2.6 A statement as to the mechanism or mechanisms by which the Board will fund reserves to repair or replace major components including Assessments, borrowing, use of other assets, deferral of selected replacements or repairs, or alternative mechanisms.

12.2.7 A general statement addressing the procedures used for the calculation and establishment of those reserves to defray the future repair, replacement, or additions to those major components that the Association is obligated to maintain.

12.2.8 A statement as to whether the Association has any outstanding loans with an original term of more than one (1) year, including the payee, interest rate, amount outstanding, annual payment, and when the loan is scheduled to be retired.

12.2.9 A summary of the Association's property, general liability, earthquake, flood, and fidelity insurance policies. For each policy, the summary shall include the name of the insurer, the type of insurance, the policy limit, and the amount of the deductible, if any.

Section 12.3 Annual Policy Statement

The Annual Policy Statement shall include all of the following information:

12.3.1 The name and address of the person designated to receive official communication to the Association.

12.3.2 A statement explaining that a Member may submit a request to have notices sent to up to two (2) different specified addresses.

12.3.3 The locations designated for posting of a General Notice.

12.3.4 Notice of a Member's option to receive general notices by Individual Delivery.

12.3.5 Notice of a Member's right to receive copies of meeting minutes.

12.3.6 The statement of Assessment collection policies.

12.3.7 A statement describing the Association's policies and practices in enforcing lien rights or other legal remedies for default in the payment of Assessments.

12.3.8 A statement describing the Association's discipline policy, if any, including any schedule of penalties for violations of the Governing Documents.

12.3.9 A summary of dispute resolution procedures.

12.3.10 A summary of any requirements for Association approval of a physical change to property.

12.3.11 The mailing address for overnight payment of Assessments.

12.3.12 Any other information that is required by law or the Governing Documents or that the Board may determine is appropriate for inclusion.

Section 12.4 Review of the Financial Statement of the Association

12.4.1 Within one hundred twenty (120) days after the close of each fiscal year the Association shall distribute a review of the financial statement of the Association which shall be prepared in accordance with generally accepted accounting principles by a licensee of the California Board of Accountancy.

12.4.2 A copy of the review of the financial statement shall be distributed to each Member by Individual Delivery.

Section 12.5 Notice Regarding Proposed New Rule(s) or Rule Change(s)

12.5.1 The Board shall provide General Notice to Members of any of the following proposed new *Rules and Regulations* or change(s) at least thirty (30) days before adopting the new *Rules and Regulations* or change(s):

12.5.1.1 Use of the Common Area or of an exclusive use Common Area,

12.5.1.2 Use of a Lot including any aesthetic or architectural standards that govern alteration of a Lot,

12.5.1.3 Member discipline including any schedule of monetary penalties for violation of the governing documents and any procedure for the imposition of penalties,

12.5.1.4 Any standards for delinquent assessment payment plans,

12.5.1.5 Any procedures adopted by the Association for resolution of disputes,

12.5.1.6 Any procedures for reviewing and approving or disapproving a proposed physical change to a member's Lot or to the Common Area, and

12.5.1.7 Procedures for elections.

12.5.2 The notice shall include the text of the proposed new *Rules and Regulations* or change(s) and a description of the purpose and effect of the proposed new *Rules and Regulations* or change(s).

12.5.3 Within thirty (30) days of receiving Members' comments, the Board shall meet to decide whether to adopt the new *Rules and Regulations* or change(s) after consideration of any comments made by Members.

12.5.4 Not more than fifteen (15) days after adopting the new *Rules and Regulations* or change(s), the Board shall deliver notice of the new *Rules and Regulations* or change(s) to every Member by General Delivery.

12.5.5 Any duly adopted amendments, additions or deletions to the Association's *Rules and Regulations* shall become effective seventy-two (72) hours

after delivery of such amendment to the membership or at such later date as the Board may deem appropriate.

12.5.6 Sections 12.5.2, 12.5.3, and 12.5.4 do not apply to the following actions by the Board:

12.5.6.1 A decision regarding maintenance of the Common Area,

12.5.6.2 A decision on a specific matter that is not intended to apply generally,

12.5.6.3 A decision setting the amount of a regular or special assessment,

12.5.6.4 A rule change that is required by law if the Board has no discretion as to the substantive effect of the rule change, or

12.5.6.5 Issuance of a document that merely repeats existing law or the governing documents.

12.5.7 If the Board determines that an immediate rule change is required to address an imminent threat to public health or safety or an imminent risk of substantial economic loss to the Association, it may make an emergency rule change, and no notice is required.

12.5.7.1 An emergency rule change is effective for one hundred twenty (120) days unless the rule change provides for a shorter effective period.

12.5.7.2 A rule change made under this subdivision may not be readopted under this subdivision.

Section 12.6 Internal Dispute Resolution

Where there is a dispute between the Association and a Member involving their rights, duties, or liabilities under California law or the Governing Documents, the Association shall provide a fair, reasonable and expeditious procedure for resolving the dispute as set forth in the *Act*.

12.6.1 Either party to a dispute within the scope of this section may invoke the following procedure:

12.6.1.1 The party may request the other party to meet and confer in an effort to resolve the dispute. The request shall be in writing.

12.6.1.2 A Member of an Association may refuse a request to meet and confer. The Association may not refuse a request to meet and confer.

12.6.1.3 The Board shall designate at least two (2) Directors to meet and confer.

12.6.1.4 The parties shall meet promptly at a mutually convenient day, date, time and place, explain their positions to each other and confer in good faith in an effort to resolve the dispute.

12.6.1.5 A resolution of the dispute agreed to by the parties shall be memorialized in writing and signed by the parties and the designees of the Board on behalf of the Association.

12.6.2 An agreement reached during internal dispute resolution binds the parties and is judicially enforceable if both of the following conditions are satisfied:

12.6.2.1 The agreement is not in conflict with law or the governing documents or the Association, and

12.6.2.2 The agreement is either consistent with the authority granted by the Board to its designees or the agreement is ratified by the Board.

12.6.3 A Member may not be charged a fee to participate in the internal dispute resolution process.

Section 12.7 Alternative Dispute Resolution

Where required by the *Act*, prior to the Association or any Member bringing a civil action for declaratory relief or injunctive relief or for such claims in conjunction with a claim for damages not in excess of \$5,000 (or any higher amount if authorized by California law) related to the enforcement of the governing documents, such party shall offer alternative dispute resolution to the other party as set forth in the *CC&Rs*.

12.7.1 "Alternative dispute resolution" ("ADR") means mediation, arbitration, conciliation, or other nonjudicial procedures that involves a neutral party in the decision-making process. The form of ADR chosen pursuant to this section may be binding or nonbinding with the voluntary consent of the parties.

12.7.2 "Enforcement action" means a civil action or proceeding, other than a cross-complaint, for any of the following purposes:

12.7.2.1 Enforcement of the *Act*,

12.7.2.2 Enforcement of the California Nonprofit Mutual Benefit Corporation Law, or

12.7.2.3 Enforcement of the Governing Documents.

12.7.3 The Association or a Member may not file an enforcement action in the County superior court unless the parties have endeavored to submit their dispute to ADR.

12.7.4 ADR applies only to an enforcement action that is solely for declaratory, injunctive, or writ relief, or for that relief in conjunction with a claim for monetary damages not in excess of the jurisdictional limits stated in sections 126.220 and 126.221 of the California Code of Civil Procedure.

12.7.5 ADR does not apply to a small claims action.

12.7.6 Binding arbitration is not available to any Member who is delinquent in the payment of Assessments if the Association intends to initiate a judicial foreclosure.

Section 12.8 Individual Delivery

If the Governing Documents or the *Act* requires that the Association deliver a document by "Individual Delivery" or "Individual Notice," the document shall be delivered by one (1) of the following methods:

12.8.1 First-class or priority mail, postage prepaid, registered or certified mail, express mail, or overnight delivery by an express service carrier. The document

shall be addressed to the recipient at the address last shown on the books of the Association.

12.8.2 E-mail, facsimile or other electronic means if the Member has consented, in writing, to that method of delivery. The consent may be revoked, in writing, by the Member.

12.8.3 Upon receipt of a request by a Member identifying a secondary address for delivery of notice of the following types, the Association shall deliver an additional copy of those notices to the secondary address identified in the request including

12.8.3.1 Those items included in the Annual Budget Report;

12.8.3.2 Assessment payment information and any late charges, reasonable fees and costs of collection, reasonable attorney fees, if any, and interest, if any, that are a debt of the Member at the time the Assessment or other sums are levied; and

12.8.3.3 Notices of default.

Section 12.9 General Delivery

If a provision of the Governing Documents or the *Act* requires "General Delivery" or "General Notice," the document shall be provided by one or more of the following methods:

12.9.1 Any method provided for delivery of an Individual Notice listed above,

12.9.2 Inclusion in a billing statement, newsletter, or other document that is delivered by one (1) of the methods provided in this section,

12.9.3 Posting the printed document in prominent locations that are accessible to all Members, if the locations have been designated for the posting of General Notices by the Association in the Annual Policy Statement.

12.9.4 Delivery of a document is deemed to be complete

12.9.4.1 Upon deposit into the United States mail if delivered by mail, and

12.9.4.2 At the time of transmission if delivered by electronic means.

ARTICLE 13. MEMBERS' RIGHT TO INSPECT BOOKS AND RECORDS

Section 13.1 Books and Records

13.1.1 The Association shall keep in its principal office for the transaction of business or at such other place within the County as the Board shall prescribe, the original or a copy of these *Bylaws* as amended or otherwise altered to date, a copy of the *CC&Rs*, amended or otherwise altered to date, and a copy of the *Rules and Regulations* together with revisions thereto, certified by the Secretary, a membership register, books of account and copies of minutes of all membership, Board and Architectural Review Committee meetings, all of which shall be made available for inspection and copying by any Member, any Member's duly-appointed representative, and by all first Mortgagees at any reasonable time and for a purpose reasonably related to its interest as a Member or Mortgagee.

13.1.2 Members shall have the right to inspect and copy Association records as defined in §5200 through §5240 of the *Act*.

13.1.3 Minutes and other information relating to executive sessions of the Board and privileged records; e.g., attorney-client privilege, are excluded.

13.1.4 The Association may also withhold or redact information from the Association records for reasons outlined in the *Act*.

Section 13.2 Procedures for Inspection and Processing of Association Records

13.2.1 A Member who wishes to inspect Association's records shall submit a written request to the Association on a form provided by the Association which shall include the Member's name, Lot number(s), mailing address, secondary address (if applicable), e-mail address, and telephone or cell phone number.

13.2.1.1 The form shall be filled out completely, signed, dated, and submitted in person to the Association office or sent by FAX, e-mail or the U.S. Postal Service.

13.2.1.2 The request shall specify the particular record to be inspected; request Member file(s) only relating directly to the Member making the request; be sufficiently detailed to allow the Association to retrieve the record, Member file(s), or document requested; state whether the request is for inspection or for inspection and processing of record; and state the purpose for which the inspection rights are requested and how such purpose is reasonably related to the requestor's interest as a Member.

13.2.1.3 The request shall specify a preferred date, day, and time for inspecting and processing of the record which request shall not be unreasonably denied.

13.2.1.4 The specified Association record shall be made available for inspection and processing at the Association office Monday through Friday from 8:00 am to 4:30 p.m.

13.2.1.5 The Association shall notify the Member in writing that the record is available and will specify the date, day and time for inspection.

13.2.1.6 A Member of the Association may designate another person to inspect and process the specified Association record on the Member's behalf. The Member shall make this designation in writing.

13.2.2 The Association record shall be made available:

13.2.2.1 Within ten (10) business days following the Associations' receipt of the request for Association records prepared during the current fiscal year, and

13.2.2.2 Within thirty (30) calendar days following the Association's receipt of the request for Association records prepared during the previous two (2) fiscal years.

13.2.2.3 Minutes of the membership and Board meetings shall be made permanently available. If a committee has decision-making authority,

minutes of the meetings of that committee shall be made available and shall thereafter be permanently subject to inspection.

13.2.2.4 The timeframes may be extended upon the Member's written request or by the Association if the record requested is so voluminous or otherwise in such condition as to render the particular timeframe unreasonable.

13.2.3 Association records are to be processed only by Association office staff or a designee of the Board. All requests for further assistance during an inspection shall be directed only to that office staff person or Board designee/agent.

13.2.3.1 All individuals inspecting or requesting copies of records shall conduct themselves in a businesslike manner and shall not interfere with the operation of the Association office.

13.2.3.2 No Association records shall be taken from the Association office for any reason.

13.2.3.3 Members shall not exercise their inspection rights for the purpose of harassing any Member, resident, Director, employee, guest, vendor, or contractor of the Association or any other person.

13.2.3.4 During an inspection, the Member may designate such record for processing by use of a tab or clip on the page(s) requested.

13.2.3.5 Members shall not deface or alter Association records, files, or documents in any way.

13.2.3.6 Charges shall be paid in advance by the requesting Member for the direct and actual cost of redacting, copying, faxing, mailing, and/or electronic transmission of the requested records.

13.2.3.7 Members shall have the option of receiving specifically identified records by electronic transmission as long as those records can be transmitted in a redacted format that does not allow the records to be altered. The cost of duplication shall be limited to the direct costs of producing the copy of a record in that electronic format.

13.2.3.8 The specific records that may be transmitted electronically shall be identified by the Board.

13.2.3.9 The cost of duplication shall be limited to the direct costs of producing the copy of a record in that electronic format.

13.2.3.10 The Board shall determine which records will be sent by facsimile or U.S. mail.

13.2.3.11 Requests shall be approved by a Director prior to inspection and/or inspection and processing of records. If the request is denied, the Member may appeal the decision to the Board.

Section 13.3 Membership Lists

Membership lists, including name, address, and voting rights shall be made available if the Member requesting the list states the purpose for which the list is requested which purpose shall be reasonably related to the requester's interest as a Member.

13.3.1 If the Board reasonably believes that the information in the list will be used for another purpose, it may deny the Member access to the list.

13.3.2 The name(s), property address(es), and mailing address(es) of a Member who has "opted out" of the sharing of his or her name, Lot number and/or address and mailing address will be redacted from the list. The requesting Member will pay direct costs for this service in advance.

13.3.3 No e-mail addresses or telephone numbers will be released.

13.3.4 A membership list will only be made available with the approval of the Board.

13.3.5 The Board may offer a reasonable alternative to providing the membership list. If the Member accepts an alternative method to providing the membership list, the requesting Member shall deliver the pieces to be mailed to the Association office with sufficient postage provided. The mailing address labels will be affixed to the pieces by the Association and deposited in the U.S. mail within five business days from when the pieces were delivered to the Association office. The requesting Member will pay direct costs of this service in advance.

Section 13.4 Noncommercial Purpose

13.4.1 Association records, and any information from them, may not be sold, used for a commercial purpose, or used for any other purpose not reasonably related to a Member's interest as a Member.

13.4.1.1 The Association may bring an action against any person who violates this section for injunctive relief and for actual damages to the Association caused by the violation.

13.4.1.2 The Association shall be entitled to recover reasonable costs and expenses, including reasonable attorney fees, in a successful action to enforce its rights under this section.

13.4.2 If a Member fails to comply with these procedures for inspection of records, the Board may suspend the Member's right to inspect Association records.

Section 13.5 First Mortgage Holder

13.5.1 Any holder, insurer or governmental guarantor of a first Mortgage encumbering a Lot shall be entitled, upon written request, to a financial statement for the immediately preceding fiscal year.

13.5.2 The financial statement shall be furnished within a reasonable time following the request.

ARTICLE 14. TRANSACTIONS WITH DIRECTORS OR OFFICERS

Section 14.1 Limitations on Transactions

Except as described in Article 14, Section 14.2, the Association shall not be a party to any transaction

14.1.1 In which one or more of its Directors or Officers has a material financial interest, or

14.1.2 With any corporation, firm, association, or other entity in which one or more Directors or Officers has a financial interest.

Section 14.2 Requirements to Authorize Interested Party Transactions

The Association shall not be a party to any transaction described in Article 14, Section 14.1 unless

14.2.1 The Association enters into the transaction for its own benefit;

14.2.2 The transaction is fair and reasonable to the Association at the time the transaction is entered into;

14.2.3 Prior to consummating the transaction or any part thereof, the Board authorizes or approves the transaction in good faith, by a vote of a majority of Directors then in office (without counting the vote of the interested Directors), and with knowledge of the material facts concerning the transaction and the interested Directors or

14.2.4 Prior to authorizing or approving the transaction, the Board considers and in good faith determines after reasonable investigation that the Corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and

14.2.5 The minutes of the Board meeting at which such action was taken reflect that the Board considered and made the findings described in paragraphs 14.2.1 through 14.2.4 of this section.

ARTICLE 15. INDEMNIFICATION OF DIRECTORS, OFFICERS, AND AGENTS

Section 15.1 Directors and Officers

15.1.1 Every Director and every Officer past or present of the Association shall be indemnified by the Association against expenses and liabilities, including reasonable attorney fees, incurred or imposed upon him/her in connection with any proceeding in which he may be a party, or in which he may become involved, by reason of his/her being, or having been, a Director or an Officer of the Association, or any settlement thereof, except in such cases wherein the Director or Officer is adjudged guilty of gross negligence or malfeasance in the performance of his/her duties.

15.1.2 Indemnification shall be in addition to, and not exclusive of, all other rights to which such Director or Officer may be entitled.

Section 15.2 Agents

Any indemnification granted to an agent is conditioned on the following:

15.2.1 The Board must determine that the Agent seeking reimbursement acted in good faith, in a manner that he or she reasonably believed to be in the best interests of the Association, and, in the case of a criminal proceeding, he or she must have had no reasonable cause to believe that his or her conduct was unlawful.

15.2.2 The indemnification granted to an agent is conditioned on the findings being made by

15.2.2.1 The Board by a Majority of a Quorum who are not parties to the proceeding, or

15.2.2.2 The court in which the proceeding is or was pending.

Section 15.3 Contractual Rights of Non-Directors and Non-Officers

Nothing contained in this Article 15 shall affect any right to indemnification to which persons other than Directors and Officers of the Association may be entitled by contract or otherwise.

Section 15.4 Insurance

The Board may authorize the purchase and maintenance of insurance on behalf of any advisory committee appointee or other Member offering his or her volunteer services to the Association with the approval of the Board against any liability asserted against or incurred by such person in such capacity or arising out of the person's status as such, whether or not the Association would have the power to indemnify the person against the liability under the provisions of this Article 15.

ARTICLE 16. AMENDMENT(S) AND/OR RESTATEMENT(S) OF THE BYLAWS

Section 16.1 Consent of Members

16.1.1 These *Bylaws* may be amended or restated only by the affirmative vote of a Majority of a Quorum of the Voting Power of the Association.

16.1.2 For purposes of this section, Quorum is one-third (1/3) of the Voting Power of the Association and shall not be reduced.

16.1.3 An election regarding amendments to or restatements of the *Bylaws* shall be held by secret ballot in accordance with the procedures set forth in these *Bylaws* and the Election Rules.

16.1.4 Any meeting to tabulate ballots for an amendment or restatement of the *Bylaws* may be postponed if the required Quorum has not been achieved.

16.1.5 In an election to approve an amendment or restatement of the *Bylaws*, the text of the proposed amendment or restatement shall be delivered to the Members with the ballot.

Section 16.2 Notice of Election Results

Within fifteen (15) days of the election, the Board shall give general notice of the tabulated results of the election to Association Members.

Section 16.3 Certificate of Amendment and/or Restatement of the *Bylaws*

Any amendment(s) and/or restatement(s) of the *Bylaws* shall become effective upon the execution of a Certificate of Amendment by the President and Secretary of the Association that certifies the amendment or restatement was approved in accordance with the terms of these *Bylaws*.

ARTICLE 17. MISCELLANEOUS PROVISIONS

Section 17.1 Legal Construction

17.1.1 Unless the context requires otherwise or a term is specifically defined herein, the general provisions, rules of grammatical and legal construction, and definitions in the *Act* and California Nonprofit Mutual Benefit Corporation Law shall govern the construction of these *Bylaws*.

17.1.2 The provisions of the Governing Documents shall be liberally construed to facilitate the operation of the common interest development, and the provisions of these Governing Documents shall be presumed to be independent and severable.

Section 17.2 Captions, Titles and Headings

17.2.1 All captions and titles used in these *Bylaws* are intended solely for the reader's convenience of reference and shall not affect the interpretation or application of any of the terms or provisions contained herein.

17.2.2 Article, section, or other headings do not in any manner affect the scope, meaning, or intent of these *Bylaws*.

Section 17.3 Conflicts

17.3.1 To the extent of any conflict between the Governing Documents and the law, the law shall prevail.

17.3.2 To the extent of any conflict between the *Articles* and the *CC&Rs*, the *CC&Rs* shall prevail.

17.3.3 To the extent of any conflict between the *Bylaws* and the *Articles* or *CC&Rs*, the *Articles* or *CC&Rs* shall prevail.

17.3.4 To the extent of any conflict between the *Rules and Regulations* and the *Bylaws*, *Articles*, or *CC&Rs*, the *Bylaws*, *Articles*, or *CC&Rs* shall prevail.

Section 17.4 Parliamentary Procedure

In the event of a dispute concerning the procedural aspects of any meetings which cannot be resolved by reference to these *Bylaws* or applicable law, the matter shall be resolved by reference to an established parliamentary procedure publication as determined by the Board.



CERTIFICATE OF RESTATEMENT

I, the undersigned, do hereby certify:

1. That I am duly elected and acting Secretary of LAKE RIVERSIDE ESTATES COMMUNITY ASSOCIATION, a California Nonprofit Mutual Benefit Corporation and certify
2. That the foregoing THIRD RESTATED BYLAWS comprising 36 pages constitute the *Bylaws* of the corporation duly adopted by a vote of at least a Majority of a Quorum of the Voting Power for the Association.

By: _____, Secretary
Dated: _____

I, the undersigned, do hereby certify:

1. That I am duly elected and acting President of LAKE RIVERSIDE ESTATES COMMUNITY ASSOCIATION, a California Nonprofit Mutual Benefit Corporation and certify
2. That the foregoing THIRD RESTATED BYLAWS comprising 36 pages constitute the *Bylaws* of the corporation duly adopted by a vote of at least a Majority of a Quorum of the Voting Power for the Association.

By: _____, President
Dated: _____